

**FORM 51-102F3**  
**MATERIAL CHANGE REPORT**

**Item 1 Name and Address of the Issuer**

CUB Energy Inc. (the “**Issuer**”)  
50 Richmond Street East, Suite 101  
Toronto, ON  
M5L 1N7

**Item 2 Date of Material Change**

March 29, 2012.

**Item 3 News Release**

The news release, attached hereto as Schedule “A”, was disseminated on March 29, 2012 through Marketwire and has been filed on SEDAR.

**Item 4 Summary of Material Change**

The Issuer announced the closing of its previously announced reverse take-over transaction (the “**Transaction**”) with Gastek LLC (“**Gastek**”). Gastek’s principal asset is a 30% interest in KUB-Gas LLC (“**KUB-Gas**”), which is the holder of five oil and gas licenses situated in the northeastern part of Ukraine (the “**Ukraine Licenses**”). Pursuant to the Transaction, the Issuer has acquired all of the outstanding units of Gastek from Pelicourt Limited, the sole unitholder of Gastek, in exchange for 123,278,089 common shares of the Issuer.

**Item 5 Full Description of Material Change**

The Issuer announced the closing of the previously announced Transaction with Gastek. Gastek’s principal asset is a 30% interest in KUB-Gas, which is the holder of the Ukraine Licenses. Pursuant to the Transaction, the Issuer has acquired all of the outstanding units of Gastek from Pelicourt Limited, the sole unitholder of Gastek, in exchange for 123,278,089 common shares of the Issuer. On March 23, 2012, the Issuer filed on SEDAR its filing statement in connection with the Transaction (the “**Filing Statement**”). The Filing Statement contains financial and other information concerning the business and affairs of each of the Issuer and Gastek and for the post-Transaction company.

In connection with the closing of the Transaction, the common shares of the Issuer will be listed on Tier 1 of the TSX Venture Exchange (“**TSXV**”) and will continue to trade under the symbol “KUB”, subject to final acceptance of the Transaction by the TSXV. The Issuer will issue a further press release advising when final acceptance of the Transaction by the TSXV has been received.

On November 25, 2011, the Issuer announced the closing of a private placement which included the issuance of 4,490,844 subscription receipts (the “**Subscription Receipts**”) at a price of \$0.40 per Subscription Receipt, each exercisable into one common share of the Issuer. In connection with the closing of the Transaction the Subscription Receipts have been exchanged for 4,490,844 Issuer common shares for no additional consideration, and the gross proceeds of the Subscription Receipts sold (\$1,796,337) have been released to the Issuer.

In connection with the closing of the Transaction, the Issuer issued as a one-time bonus to Gregory Cameron, an officer and director of the Issuer, 750,000 Issuer common shares at a deemed price of \$0.40 per share, as set out in the Filing Statement. In addition, the Issuer issued 875,000 Issuer common shares on account of other transaction bonuses and severance in connection with the closing of the Transaction.

Effective as the completion of the Transaction, Mr. Gregory Cameron has stepped down from his position as Chairman of the board of directors, but will remain a director of the Issuer.

Effective as of the completion of the Transaction, the board of directors and officers of the Issuer are as follows:

- Mikhail Afendikov, Chairman, Chief Executive Officer and Director
- Steven VanSickle, Director
- Gregory Cameron, Director
- Robert Hodgins, Director
- Wally Rudensky, Chief Financial Officer
- Cliff West, Executive Vice-President and Chief Operating Officer

A biography for each director and officer is set out in the Filing Statement.

**Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

Not applicable.

**Item 7 Omitted Information**

No significant facts have been omitted from this report.

**Item 8 Executive Officer**

The following executive officer of the Issuer is knowledgeable about the material change described herein and this material change report and may be contacted as follows:

Wally Rudensky, Chief Financial Officer  
Telephone: (416) 613-3116  
Facsimile: (416) 613-3101

**Item 9 Date of Report**

DATED the 12<sup>th</sup> day of April, 2012.

## SCHEDULE “A”



### **CUB ENERGY INC. ANNOUNCES CLOSING OF REVERSE TAKEOVER TRANSACTION WITH GASTEK LLC**

#### **TSX VENTURE EXCHANGE: KUB**

**Toronto, Ontario – March 29, 2012 – CUB Energy Inc.** (“CUB”, or the “Company”) (TSX Venture Exchange: KUB) is pleased to announce the closing of its previously announced reverse take-over transaction (the “Transaction”) with Gastek LLC (“Gastek”). Gastek’s principal asset is a 30% interest in KUB-Gas LLC (“KUB-Gas”), which is the holder of five oil and gas licenses situated in the northeastern part of Ukraine (the “Ukrainian Licenses”). Pursuant to the Transaction, CUB has acquired all of the outstanding units of Gastek from Pelicourt Limited, the sole unitholder of Gastek, in exchange for 123,278,089 common shares of CUB. On March 23, 2012, CUB filed on SEDAR its filing statement in connection with the Transaction (the “Filing Statement”). The Filing Statement contains financial and other information concerning the business and affairs of each of CUB and Gastek and for the post-Transaction company.

In connection with the closing of the Transaction, the common shares of CUB will be listed on Tier 1 of the TSX Venture Exchange (“TSXV”) and will continue to trade under the symbol “KUB”, subject to final acceptance of the Transaction by the TSXV. The Corporation will issue a further press release advising when final acceptance of the Transaction by the TSXV has been received.

Greg Cameron, a Director and the former Chairman of the board, commented “Kub-Gas is a solid acquisition for us bringing proven management, a large land base and a growing production base of over 1000 BOE/d. Kub-Gas production, when combined with the production at Tysagaz, makes us one of the larger foreign producers of gas in the Ukraine. This asset when combined with Tysagaz provides the foundation for us to build on our stated business plan of exploiting proven undeveloped assets in shallow basins in the Ukraine and Eastern Europe. I welcome Mr. Mikhail Afendikov and his team and look forward to working with him and the team as they grow our business.”

Mikhail Afendikov, Chairman and Chief Executive Officer of CUB, commented “I’m excited to lead CUB Energy and believe that we have the assets, contacts and team to deliver substantial growth for our shareholders”.

On November 25, 2011, CUB announced the closing of a private placement which included the issuance of 4,490,844 subscription receipts (the “Subscription Receipts”) at a price of \$0.40 per Subscription Receipt, each exercisable into one common share of CUB. In connection with the closing of the Transaction the Subscription Receipts have been exchanged for 4,490,844 CUB common shares for no additional consideration, and the gross proceeds of the Subscription Receipts sold (\$1,796,337) have

been released to CUB.

In connection with the closing of the Transaction, CUB issued as a one-time bonus to Gregory Cameron, an officer and director of CUB, 750,000 CUB common shares at a deemed price of \$0.40 per share, as set out in the Filing Statement. In addition, CUB issued 875,000 CUB common shares on account of other transaction bonuses and severance in connection with the closing of the Transaction.

Effective as the completion of the Transaction, Mr. Gregory Cameron has stepped down from his position as Chairman of the board of directors, but will remain a director of CUB.

Effective as of the completion of the Transaction, the board of directors and officers of CUB are as follows:

- Mikhail Afendikov, Chairman, Chief Executive Officer and Director
- Steven VanSickle, Director
- Gregory Cameron, Director
- Robert Hodgins, Director
- Wally Rudensky, Chief Financial Officer
- Cliff West, Executive Vice-President and Chief Operating Officer

A biography for each director and officer is set out in the Filing Statement.

### **About CUB Energy Inc.**

CUB Energy Inc. is a Canadian listed public company focused on the exploration and development of oil and gas in Eastern Europe. With offices in Houston and Kyiv, CUB is one of the five largest oil & gas operators in energy-rich Ukraine, with access to domestic markets as well as markets across Europe. CUB has a large land base in two major producing basins within Ukraine made up of nine fields with 110,000 net acres, and a growing inventory of drill locations with 8 permitted today to be drilled in 2012. In the Transcarpathian Basin, CUB is the 100% owner and operator of four fields totaling approximately 80,000 acres. In the Dnieper-Donets Basin CUB is the 30% owner and joint-operator of five fields totaling 30,000 net acres. The Corporation's strategy is to use western technology, capital, and expertise to grow its proven undeveloped reserves and build a portfolio of low cost gas production assets in Eastern Europe to capitalize on high regional gas prices. CUB shares are traded on the TSX Venture Exchange under the stock symbol KUB.

For further information please contact or visit our website [www.cubenergyinc.com](http://www.cubenergyinc.com) :

Mas Kobuchi, Contact Financial  
(604) 618-1768  
mas@contactfinancial.com

### **Reader Advisory**

*The Transaction remains subject to final TSXV acceptance. Investors are cautioned that, except as disclosed in the Filing Statement of CUB prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of CUB should be considered to be highly speculative.*

*Except for statements of historical fact, this news release contains certain "forward-looking information"*

*within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as “plan”, “expect”, “project”, “intend”, “believe”, “anticipate”, “estimate” and other similar words, or statements that certain events or conditions “may” or “will” occur. In particular, forward-looking information in this press release includes, but is not limited to, statements with respect to, receipt of final TSXV acceptance. CUB believes that the expectations reflected in the forward-looking information are reasonable, however there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information.*

*Forward-looking information is based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking information. Some of the risks and other factors that could cause the results to differ materially from those expressed in the forward-looking information include, but are not limited to: general economic conditions in the Ukraine and globally; industry conditions, including fluctuations in the prices of natural gas; governmental regulation of the natural gas industry, including environmental regulation; unanticipated operating events or performance which can reduce production or cause production to be shut in or delayed; failure to obtain industry partner and other third party consents and approvals, if and when required; competition for and/or inability to retain drilling rigs and other services; the availability of capital on acceptable terms; the need to obtain required approvals from regulatory authorities; stock market volatility; volatility in market prices for natural gas; liabilities inherent in natural gas operations; competition for, among other things, capital, acquisitions of reserves, undeveloped lands, skilled personnel and supplies; incorrect assessments of the value of acquisitions; geological, technical, drilling, processing and transportation problems; changes in tax laws and incentive programs relating to the natural gas industry; failure to realize the anticipated benefits of acquisitions and dispositions; and the other factors. Readers are cautioned that this list of risk factors should not be construed as exhaustive.*

*This cautionary statement expressly qualifies the forward-looking information contained in this news release. We undertake no duty to update any of the forward-looking information to conform such information to actual results or to changes in our expectations except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.*

*Production volumes and reserve information are commonly expressed on a barrel of oil equivalent (“BOE”) basis. BOE’s may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf:1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.*

*The TSX Venture Exchange has in no way passed upon the merits of the Transaction and has neither approved nor disapproved the contents of this press release.*

*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*