MATERIAL CHANGE REPORT

Item 1 – Name and Address of Company

Cub Energy Inc. ("**Cub**")
5120 Woodway Ste. 10010
Houston, TX 77056

Item 2 – Date of Material Change

January 6, 2015

Item 3 – News Release

A news release dated January 6, 2015 was issued through Marketwired at 4:49 p.m. (Houston time) on January 6, 2016.

Item 4 – Summary of Material Change

Cub's wholly-owned subsidiary, Gastek LLC ("**Gastek**"), exercised its right of first refusal to acquire from Serinus Energy Inc. ("**Serinus**") the remaining 70% of KUBGAS Holdings Limited ("**KUBGAS**") held by Serinus.

Item 5 – Full Description of Material Change

5.1 Full Description of Material Change

Cub's wholly-owned subsidiary, Gastek, exercised its right of first refusal to acquire from Serinus Energy Inc. the remaining 70% of KUBGAS Holdings Limited held by Serinus. Cub, through Gastek, currently holds the other 30% of KUBGAS. KUBGAS holds a 100% interest in KUB-Gas LLC, a Ukrainian entity with five production licences and one exploration licence in eastern Ukraine with current gross production of approximately 3,800 boe/d.

On December 23, 2015, Serinus announced that it had entered into an agreement for the sale of Serinus' 70% interest in KUBGAS to a private Ukrainian company for US$30 million plus working capital and inter-company adjustments, subject to Gastek's right of first refusal to purchase at the same price.

Completion of the transaction will be subject to the negotiation and execution of a definitive agreement with Serinus, which will contain customary terms and conditions for a transaction of this nature, including stock exchange approval, Ukrainian Anti-Monopoly Committee approval, financing and any other approvals required.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 – Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable

Item 7 – Omitted Information

Not applicable.

Item 8 – Executive Officer

Rebecca Gottsegen
General Counsel, Corporate Secretary and Chief Compliance Officer
(713) 577-1973

Item 9 – Date of Report

January 15, 2016

Forward-looking information

Except for statements of historical fact, this material change report 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. Forward-looking information in this material change report includes the expected purchase of 70% of KUBGAS, the related negotiation and execution of a definitive agreement with Serinus and the obtaining of required stock exchange and regulatory approvals, financing and other approvals. Cub believes that the expectations reflected in the forward-looking information are reasonable; however, there can be no assurance those expectations will prove to be correct. Cub 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 Ukraine, the Black Sea Region and globally; political unrest and security concerns in Ukraine; 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 realise 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 material change report. Cub 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.