CANELSON DRILLING INC.

FORM 51-102F3
MATERIAL CHANGE REPORT

Name and Address of Company

CanElson Drilling Inc. ("**CanElson**")
808 - 4th Avenue S.W.
Calgary, Alberta, T2P 3E8

Date of Material Change

August 11, 2015

News Release

A news release disclosing the information contained in this material change report was issued through the facilities of Marketwired on August 11, 2015 and subsequently filed on SEDAR.

Summary of Material Change

On August 11, 2015, CanElson and Trinidad Drilling Ltd. ("**Trinidad**") announced the completion of a plan of arrangement under the *Business Corporations Act* (Alberta) (the "**Arrangement**") pursuant to which Trinidad acquired all of the outstanding common shares of CanElson (the "**CanElson Shares**").

Full Description of Material Change

5.1 Full Description of Material Change:

On August 11, 2015 CanElson and Trinidad announced the completion of the Arrangement, pursuant to which Trinidad acquired all of the outstanding CanElson Shares in exchange for a combination of cash and Trinidad common shares (the **"Trinidad Shares"**). The issuance of the Trinidad Shares and appointment of two CanElson director nominees to the Trinidad Board of Directors (the "**Board**") was approved by the shareholders of Trinidad at a special meeting held on August 10, 2015, the Arrangement was approved by the shareholders and optionholders of CanElson at a special meeting held on August 10, 2015 and the Arrangement received final Court of Queen's Bench approval on August 10, 2015.

Under the Arrangement, subject to a maximum cash payment by Trinidad of $50 million (the **"Maximum Cash Consideration"**) and the resulting pro-rationing, CanElson shareholders had the option to receive, for each share held, either: (i) 1.0631 Trinidad Shares (the **"Share Consideration"**); or (ii) $4.90 in cash.

CanElson shareholders elected to receive cash consideration in excess of the Maximum Cash Consideration, which triggered a pro rata adjustment under the terms of the Arrangement resulting in CanElson shareholders receiving a total of approximately $50 million in cash and 88,661,926 Trinidad Shares in consideration for surrendering their CanElson Shares pursuant to the Arrangement. The requisite amount of cash and Trinidad Shares have been deposited with the depositary, Computershare Investor Services Inc., to satisfy the consideration payable to CanElson shareholders pursuant to the Arrangement.

Donald R. Seaman was appointed by the Board as a director of Trinidad effective upon completion of the Arrangement. Both Elson J. MacDougald and Dale Johnson were elected to the Board pursuant to the approval of the Arrangement by Trinidad shareholders. In addition to the three CanElson director nominees joining Trinidad's Board, Randy Hawkings, former President and Chief Executive Officer of CanElson has signed an executive employment agreement with Trinidad to stay on to assist in the management of the combined company.

The Toronto Stock Exchange ("**TSX**") granted final approval of the transaction on August 14, 2015 and the CanElson Shares were de-listed from the TSX at the close of markets on August 14, 2015. CanElson has submitted a notice of voluntary surrender of reporting issuer status with the British Columbia Securities Commission. CanElson has also submitted an application with the Alberta Securities Commission, as principal regulator, and with the securities regulatory authorities in each province in Canada, other than British Columbia and Québec, to cease to be a reporting issuer under the applicable securities laws of each such province.

5.2 Disclosure for Restructuring Transactions:

N/A

Reliance on subsection 7.1(2) of National Instrument 51-102:

N/A

Omitted Information

N/A

Executive Officer

The name and contact information of the executive officer of CanElson who is knowledgeable about the material change and this Material Change Report is as follows:

Brent Conway
President
Telephone No.: (403) 265-6525

Date of Report

August 18, 2015