FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Canadian Energy Exploration Inc.
Suite 500, 441 – 5th Avenue S.W.
Calgary, Alberta T2P 2V1

Item 2 Date of Material Change

The material change occurred on June 15, 2011 and June 30, 2011.

Item 3 News Release

Canadian Energy Exploration Inc. ("**Canadian Energy**" or the "**Company**") issued press releases on June 15, 2011 and July 4, 2011 through Marketwire.

Item 4 Summary of Material Change

Canadian Energy announced that it has closed its previously announced equity financing.

Item 5 Full Description of Material Change

On June 15, 2011, Canadian Energy announced that it has closed its previously announced equity financing (see Canadian Energy's press release dated May 20, 2011) and has issued 20,933,000 units of the Corporation ("**Units**") at a subscription price of $0.09 per Unit and 39,970,000 common shares of the Corporation at a subscription price of $0.10 per share issued on a "flow-through" basis under the Income Tax Act (Canada) ("**Flow-Through Shares**") for aggregate gross proceeds of Cdn$5,880,970. Each Unit consists of one common share in the capital of the Corporation (a "**Common Share**") and one half of a Common Share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant entitles the holder to purchase one additional Common Share at a purchase price of $0.15 per share until December 15, 2012.

Casimir Capital Ltd. (the "**Agent**") acted as agent and was paid a cash commission and was granted warrants ("**Agent's Warrants**") to purchase 4,263,210 Common Shares at a subscription price of $0.09 per share, such Agent's Warrants being exercisable until December 15, 2012.

The Agent has the option to increase the size of the offering by an additional 15% and therefore additional closings may occur under the offering.

The proceeds from the sale of Flow-Through Shares will be used to incur certain types of Canadian Exploration Expense ("**CEE**") and/or deemed CEE as defined in the *Income Tax Act* (Canada) and such CEE or deemed CEE will be renounced to subscribers of Flow-Through Shares for the 2011 taxation year. The net proceeds from the sale of the Units will be used to fund the Corporation's ongoing exploration and development activities and for general working capital purposes. All securities issued on June 15, 2011 are subject to a four month hold period expiring on October 16, 2011.

On July 4, 2011, Canadian Energy announced that it has closed an additional and final tranche of its previously announced equity financing (see Canadian Energy's press releases dated May 20, 2011 and June 15, 2011) and has issued an additional 2,742,504 Units of the Corporation at a subscription price of $0.09 per Unit for aggregate gross proceeds of Cdn$246,825.36. Each Unit consists of one Common Share in the capital of the Corporation (and one half of a Warrant. Each whole Warrant entitles the holder to purchase one additional Common Share at a purchase price of $0.15 per share until December 15, 2012. As a result of the two closing, the Corporation has issued an aggregate of 23,675,504 Units and 39,970,000 flow-through shares for aggregate gross proceeds of $6,127,795.30.

The agent and was paid a cash commission and was granted additional Agent's Warrants to purchase 191,975 Common Shares at a subscription price of $0.09 per share, such Agent's Warrants being exercisable until December 15, 2012.

All securities issued on June 30, 2011 are subject to a four month hold period under applicable laws until October 31, 2011.

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

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

For further information, please contact Mr. Lawrence B. Buzan, President and Chief Executive Officer of the Company, at the above mentioned address or at (403) 229-2800 or by email at buzan@cdnenergy.com.

Item 9 Date of Report

This report is dated as of the 4th day of July, 2011.

Cautionary Statement

This report contains "forward-looking statements" within the meaning of applicable securities laws relating to the offering, including statements regarding the terms and conditions of the offering, additional closings and the use of proceeds of the offering. Readers are cautioned to not place undue reliance on forward-looking statements. Forward-looking statements are based on certain key assumptions made by the Company, including assumptions regarding the ultimate terms of the offering, the satisfaction of conditions to the completion of the offering and the receipt of all regulatory and stock exchange approvals. Actual results and developments may differ materially from those contemplated by these statements depending on, among other things, the risks that the parties will not proceed with the offering, that the ultimate terms of the offering will differ from those that currently are contemplated or that the offering will not be successfully completed for any reason (including the failure to obtain the required approvals or clearances from regulatory authorities). The forward-looking statements in this report are made as of the date of this report and the Company undertakes no obligation to update publicly or revise any forward-looking statements whether as a result of new information or otherwise, except as required by applicable securities laws. The Company undertakes no obligation to comment on analyses, expectations or statements made by third-parties in respect of the Company or its financial or operating results or (as applicable) their securities.