Form 51-102F3

Material Change Report

Item 1 Name and Address of Company

RedWater Energy Corp. ("RedWater")
17 Oak Avenue
Okotoks, Alberta
T1S 1K6

Item 2 Date of Material Change

May 13, 2015

Item 3 News Release

A news release was disseminated on May 13, 2015 through Marketwired and filed on the system for electronic document analysis and retrieval (SEDAR).

Item 4 Summary of Material Change

2014 Annual Statements

RedWater announced that it was not in a position to file its annual filings for the year ended December 31, 2014 (annual financial statements, associated MD&A and certifications, and oil and gas annual disclosure (Form 51-101 F1, Form 51-101 F2 and Form 51-101 F3)) by the deadline (April 30, 2015). Accordingly, RedWater anticipates that its securities will ultimately be subject to cease trade orders of applicable regulatory authorities.

Alberta Treasury Branches (ATB)

RedWater has been served by its primary secured creditor, Alberta Treasury Branches, with an Application to the Court of Queen's Bench for Alberta seeking an Order appointing Grant Thornton Limited as a receiver over the current and future assets, undertakings and properties of RedWater.

Management

As a result of the anticipated receivership, all of the officers and directors of RedWater, except for one who is unavailable for health reasons, have resigned or in the case of Gary Waters, President & CEO of RedWater, will have resigned by the time the receiver is appointed.

Item 5 Full Description of Material Change

5.1 **Full Description of Material Change**

The material change is fully described in the news release attached hereto.

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

The executive officer who can answer questions regarding this report is Gary Waters, Chief Executive Officer. Mr. Waters can be reached at (403) 995-0465.

Item 9 Date of Report

May 13, 2015

REDWATER ENERGY CORP. PROVIDES CORPORATE UPDATE

Okotoks, Alberta (May 13, 2015) RedWater Energy Corp. ("**RedWater**") (TSXV:RED) announces the following corporate update:

2014 Annual Statements

RedWater was not in a position to file its annual filings for the year ended December 31, 2014 (annual financial statements, associated MD&A and certifications, and oil and gas annual disclosure (Form 51-101 F1, Form 51-101 F2 and Form 51-101 F3)) by the deadline (April 30, 2015). Accordingly, RedWater anticipates that its securities will ultimately be subject to cease trade orders of applicable regulatory authorities.

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For more information please contact:

Gary Waters
President & CEO
RedWater Energy Corp.
Tel.: (403) 995-0465
gwaters@redwaterenergy.com

The information in this news release includes certain information and statements about management's view of future events, expectations, plans and prospects that constitute forward looking statements. These statements are based upon assumptions that are subject to significant risks and uncertainties. Because of these risks and uncertainties and as a result of a variety of factors, the actual results, expectations, achievements or performance may differ materially from those anticipated and indicated by these forward looking statements. Although RedWater believes that the expectations reflected in forward looking statements are reasonable, it can give no assurances that the expectations of any forward looking statements will prove to be correct. Except as required by law, RedWater disclaims any intention and assumes no obligation to update or revise any forward looking statements to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such forward looking statements or otherwise.