FORM 51-102F3
MATERIAL CHANGE REPORT

1. Name and Address of Company:

Carmen Resources Energy Inc. ("Carmen" or the "Corporation")
300, 840 6th Avenue SW
Calgary, Alberta
T2P 3E5

2. Date of Material Change:

April 25, 2011

3. News Release:

A press release was disseminated on April 25, 2011 through the facilities of Marketwire.

4. Summary of Material Change:

Carmen announced details concerning its proposed qualifying transaction involving the acquisition of certain assets from four private companies for consideration comprised of a mix of cash and work commitments (collectively the "**Acquisitions**"). The Acquisitions, when completed, will collectively constitute the qualifying transaction of the Corporation pursuant to Policy 2.4 of TSX Venture Exchange (the "**TSXV**").

Additionally, in order to finance the Acquisitions as well as fund Carmen's proposed future development program, Carmen announced that it engaged Macquarie Private Wealth Inc. to lead, on a commercially reasonable efforts basis and subject to satisfactory completion of due diligence, an offering (the "**Brokered Offering**") by way of private placement of a minimum of 10 million units, to a maximum of 14 million units of Carmen (the "**Units**") for gross proceeds of a minimum of $2.5 million, to a maximum of $3.5 million. Carmen further announced that it will also undertake to place an additional 4 million Units, up to a maximum of 6 million Units on a non-brokered private placement basis (the "**Non-Brokered Offering**") for gross proceeds of a minimum of $1.0 million, to a maximum of $1.5 million. The Brokered Offering and the Non-Brokered Offering are collectively referred to herein as the "**Offerings**".

5. Full Description of Material Change:

Carmen announced details concerning the Acquisitions which when completed will constitute the qualifying transaction of the Corporation. With regards to the Acquisitions, Carmen has entered into two letters of intent, a farm-in agreement and a lease with several companies whom are partners in a package of assets comprised of (i) an oil well and specified undeveloped lands in the Jumpbush area of Alberta; and (ii) freehold and crown leases in the Ferrybank area of Alberta. Additionally, in order to finance the transaction as well as fund Carmen's proposed future development program, Carmen has engaged Macquarie Private Wealth Inc. to lead, the Brokered Offering and Carmen's management will also undertake to complete the Non-Brokered Offering.

Summary of the Acquisitions

Carmen has entered into agreements with each of the following privately held, Alberta-based companies: Red Mountain Resources Inc., Brit Oil Inc., Admiral Exploration Ltd. and Lakeridge Resources Ltd., the details of which are outlined as follows.

Pursuant to two letters of intent dated April 5, 2011, Carmen agreed to acquire from Red Mountain Resources Inc. ("**Red Mountain**") and Brit Oil Inc., a combined 37.5% working interest in a single producing Glauconitic oil well (100/12-6-20-19w4/2) in the Jumpbush area of Alberta. The assets to be acquired include the associated quarter section of petroleum and natural gas rights held pursuant to a freehold lease, subject to a 16% lessor overriding royalty, for an aggregate cash payment of $262,000. The well is currently producing at 10.3 boe/d net company share (approximately 40% oil and 60% gas). In addition Carmen intends to acquire from Red Mountain, a 100% working interest in six contiguous sections of freehold mineral leases with development potential in a number of zones within the Jumpbush area for a purchase price of (i) $500,000 cash, and (ii) the grant of a 5% non convertible overriding royalty on these sections.

Carmen has also entered into two arm's-length agreements to secure a working interest in certain undeveloped lands in the Ferrybank area of Alberta. Specifically, Carmen has entered into a lease agreement, dated February 27, 2011, with Lakeridge Resources Ltd. ("**Lakeridge**") to secure a 50% working interest in one section land for a term of 18 months (the "**Lakeridge Lease**") which becomes effective upon the payment of $50,000. The Lakeridge Lease has a 20% lessor overriding royalty payable to Lakeridge. In addition, Carmen has entered into a farm-in agreement dated February 2, 2011 with Admiral Exploration Ltd. ("**Admiral**") which provides Carmen with the right to acquire an additional section of land within the Ferrybank area upon the satisfaction or waiver of certain conditions precedent, namely: (i) Carmen negotiating an acceptable agreement with the holders of the remaining 50% working interest; and (ii) Carmen entering into the Lakeridge Lease. Upon satisfaction of these conditions, Carmen will earn a 100% working interest in the additional section of land provided that: i) it has received a drilling license and all other regulatory requirements to proceed with drilling a test well on the Lakeridge Lease; and ii) within 15 days of receipt of such license, Carmen has paid $50,000 to Admiral. Under the agreement with Admiral, Carmen has also agreed to grant a 10% overriding royalty to Admiral on the lands underlying the Lakeridge Lease.

The Acquisitions are subject to the policies of TSXV relating to qualifying transactions Red Mountain is a private company wholly-owned by Randy Harrison, a director of Carmen. Accordingly, pursuant to the rules of the TSXV the transaction with Red Mountain is considered to be a non-arm’s length transaction and will require the approval of Carmen's disinterested shareholders who will be advised of the details of the transaction by way of an information circular. There will be no change in the number of common shares of Carmen owned or controlled by Mr. Harrison as a result of the transaction with Red Mountain. The transaction with Red Mountain is subject to the provisions of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transaction* ("**MI 61-101**") concerning related party transactions. The transaction with Red Mountain is exempt from the formal valuation requirement of MI 61-101 by virtue of the fact that the securities of Carmen are posted for trading on the TSXV. The transaction with Red Mountain is not exempt from the minority approval requirement of MI 61-101 and as such the transaction with Red Mountain will require the approval of Carmen's disinterested shareholders at a meeting of Carmen's shareholders.

At such meeting, Carmen's shareholders will also be asked to approve, as one item of business, the proposed transactions with Admiral, Lakeridge and Brit Oil Inc. An information circular outlining the Acquisitions will be mailed to Carmen shareholders. All of the directors, with the exception of Mr. Harrison, have agreed to vote in favour of the Acquisitions. Mr. Harrison, the sole shareholder of Red Mountain, will abstain from voting to approve the transaction with Red Mountain. In addition, a committee of independent directors reviewed the transaction with Red Mountain and have voted unanimously to approve the transaction. Upon completion of the Acquisitions and subject to TSXV acceptance, Carmen Energy will be listed on the TSXV as a

Tier 2 oil and gas company focused on oil and gas exploration in Western Canada and other areas as opportunities arise and are deemed appropriate for participation by management.

The Offerings

Macquarie Private Wealth Inc. (the "**Agent**") and Carmen have entered into an engagement letter dated March 25, 2011 whereby the Agent will act as lead agent on a commercially reasonable efforts basis to sell, on a private placement basis, a minimum of 10 million Units and a maximum of 14 million Units at a price of $0.25 per Unit for gross proceeds of a minimum of $2.5 million and a maximum of $3.5 million under the Brokered Offering. In addition, management of Carmen will place Units at a price of $0.25 per Units for gross proceeds of a minimum of $1.0 million and a maximum of $1.5 million on under the Non-Brokered Offering. Each Unit will consist of one common share of Carmen ("**Common Share**") and one half of one Common Share purchase warrant (each whole common share purchase warrant a "**Warrant**"). Each Warrant shall be exercisable for one Common Share at any time prior to the date that is 18 months from the closing date of the Offerings at an exercise price of $0.40 per Common Share.

Carmen will pay the Agent a cash commission equal to 7% of the gross proceeds of the Brokered Offering payable upon the closing of the Brokered Offering. In addition, Carmen will grant the Agent an option to acquire that number of Units equal to 7% of the total number of units sold under the Brokered Offering (the "**Agent's Option**"), exercisable at a price of $0.25 per Agent's Option for a period of 24 months from the closing date of the Brokered Offering. The Warrants forming part of the Agent's Option shall have the same terms as the Warrants issued under the Offerings and will expire 18 months from the date of the closing.

The net proceeds of the Offerings will be used to fund the aggregate purchase price of the Acquisitions and provide working capital to execute Carmen's proposed work plan for the acquired assets.

Completion of the Offerings is subject to certain conditions including the receipt of all regulatory approvals, including the approval of the TSXV. Carmen is also subject to the policies of the TSXV as they relate to sponsorship. Although Carmen has applied to the TSXV for a waiver from the requirement to retain a sponsor, there can be no assurance that this application will be granted. The Common Shares are posted for trading on the TSXV under the symbol CEI.P. Closing of the Offerings is also conditional upon the Company completing the Acquisitions. Closing of the Offerings and the Acquisitions is expected to occur in June of 2011.

Board of Directors and Management

Concurrent with the closing of the qualifying transaction, Carmen will appoint Mr. Tyler Rice as Carmen's Chief Financial Officer and Mr. Zeno Bereznicki as Carmen's Vice President, Operations and Chief Operating Officer. Mr. Archibald Nesbitt will resign as Carmen's Chief Financial Officer upon the appointment of Mr. Rice and will continue as a director of the Company. In addition, Mr. Steven Letwin will be appointed to the board of directors of the Company.

Upon the closing of the qualifying transaction the board and management of Carmen will consist of the following personnel:

Mr. Brian Doherty, President, CEO and Director

Brian Doherty, age 56, has over 30 years of experience in the oil and gas industry, specifically in the area of exploration and development. Most recently, prior to its acquisition by Taqa North Ltd., Mr. Doherty worked as the Southern business unit manager for PrimeWest Energy Trust ("**PrimeWest**"). During his time at PrimeWest (July 2006 to January 2008), Mr. Doherty was responsible for all operational aspects, including the geological, geophysical, engineering and capital efficiency concerns within the business unit which encompassed over 15,000 boe/d production and an annual capital budget of $100 million. Prior to his time at PrimeWest, Mr. Doherty acted as the Vice-President, Exploration for Signal Energy Inc. ("**Signal**") from January 2005 to April 2006. At Signal, Mr. Doherty was responsible for all exploration and development activities and directed a staff of four professional outside consultants. Mr. Doherty also acted as the Vice President, Exploration for Predator Exploration Ltd. ("**Predator**") from August 2003 to December 2004.

Mr. Doherty holds an Honours Bachelor of Science in Geology from the University of Windsor

Mr. Zeno Bereznicki, VP, Operations and COO

Mr Bereznicki, age 62, has over 37 years of oil and gas industry experience in various engineering capacities. Most of his experience has been in North America. However, he has work experience in the North Sea, Kazakhstan, Pakistan and various areas in the USA. In the early 80's Mr. Bereznicki gained experience in oil and gas asset evaluation working for James A. Lewis Engineering. Following that, he became a partner and an owner of Principal Petroleum Consultants in the late 80's. In the early 90's he became the Senior Partner and also an owner of Capital Engineering Ltd. which grew to a staff of over 30 people. Later, Mr. Bereznicki joined Mission Energy Ltd. where, as the sole engineer, he was responsible for all daily operations, including supervising all professional staff. In 1995, Mr Bereznicki supervised a staff of engineers and geo-scientists on the conceptual development of 2 oil fields in Kazakhstan for Hurricane Hydrocarbon Ltd. Mr. Bereznicki then joined Gulf Canada Ltd. in 1996. During the 3 years with the company, he evaluated over $6 billion worth of assets and was directly involved in the purchase of 2 major assets valued at approximately $1 billion and disposition of 1 major asset valued at approximately $450 million. In the late 90's Mr. Bereznicki was asked to join PrimeWest and was responsible for evaluation of all major assets and most of the acquisitions in the past 13 years. Mr Bereznicki was directly involved in acquisitions of over $3 billion worth of assets and disposition of over $300 million worth of assets. Mr. Bereznicki holds a degree in electrical engineering from the University of Alberta.

Mr. Randy Harrison, Chairman and Director

Mr. Randy Harrison, age 53, has over 30 years experience in the oil and gas industry. Mr. Harrison is currently the Chief Executive Officer of Red Mountain, a private oil and gas company. Mr. Harrison has previously served as the President and Chief Operating Officer of Endev Energy Ltd., a publicly traded oil and gas company listed on the Toronto Stock Exchange. Mr. Harrison has served as a director on boards of numerous publicly listed and private oil and gas companies including Hillcrest Resources Ltd. and Stallion Resources Ltd. His experience as a director of publicly listed oil and gas companies includes his directorships with Signal Energy Inc. and its predecessor Predator Exploration Ltd. Mr. Harrison holds a Bachelor of Commerce in marketing and finance from the University of Calgary.

Mr. Tyler Rice, CFO

Mr. Tyler Rice, age 30, has over 7 years of accounting experience with public and private corporations in a wide spectrum of industries. Specifically, Mr. Rice has over three years of experience in financial reporting for an international oil and gas exploration Company. Mr. Rice is currently the Chief Financial Officer of a private oil and gas company. Mr. Rice has previously served as the Controller for Shelton Canada Corp. prior to its acquisition by Shelton Petroleum Ltd. (August 2007 to January 2011), where he was responsible for managing all aspects of financial reporting, including the preparation of press releases, financial statements, MD&A and reported directly to the board of directors. In addition, Mr. Rice concurrently provided consulting services to several public and private oil and gas companies in numerous capacities, including International Financial Reporting Standards, Sarbanes-Oxley implementation and providing virtual CFO services. Prior to joining Shelton Canada Corp., Mr. Rice articled with YPM Chartered Accountants in Lethbridge, Alberta. Mr. Rice is a Chartered Account and earned his Bachelor of Management Degree, (Finance) from the University of Lethbridge and holds a Masters in Professional Accounting from the University of Saskatchewan.

Gerald D. Facciani, Director

Mr. Gerald D. Facciani, age 62, founded "Facciani & Company" in north-eastern Ohio in 1976. The firm was sold in 1991 to a public company listed on the London and New York stock exchanges. The firm provided consulting, actuarial and administrative services to single-employer and multi-employer clients in the United Stated and Canada. Mr. Facciani is a Member of the American Society of Pension Actuaries (ASPA) and the American Academy of Actuaries (AAA). He became a Treasury-Department Enrolled Actuary in 1976. He was also President of ASPA in 1982 and served on its board of directors from 1979-1986, including four years as Chairman of ASPA's Government Affairs Committee. Mr. Facciani has served on not-for-profit boards, including ASPA, the Employee Benefit Research Institute, the ERISA Advisory Council, and others; as well as a number of for-profit Boards, including Naneco Minerals Ltd., Southpoint Resources Ltd. (May 2001 to August, 2005), Gateway Gold Corp. (August 2006 to April 2007) and Northpine Energy Ltd., a private company (May 2009 to May 2010). Mr. Facciani earned a Bachelor's degree in History from Carleton College in Northfield, MN. He is currently a Master's degree candidate at Yale University in New Haven, CT.

Mr. Archibald J. Nesbitt, Director

Mr. Archibald J. Nesbitt, age 61, has been a member of the law Society of Alberta since 1978. Mr. Nesbitt was founder of Nesbitt Mining & Exploration Ltd. ("**Nesbitt Mining**"), and occupied various positions with Nesbitt Mining between 1969 and 2004, including Vice President, President and Chairman of the Board. Nesbitt Mining subsequently became Naneco Minerals Ltd., and then Southpoint Resources Ltd., which later merged with E4 Energy Inc. to become Twin Butte Energy Ltd. Mr. Nesbitt has been the founder of a number of private and public corporations and has held the position of President, CEO and CFO. He has acted as a director, and Chairman of a number of publicly traded companies. Mr. Nesbitt currently sits on the boards of Golden Band Resources Ltd. and Marksmen Energy Ltd which are trading on the TSX Venture Exchange. Mr. Nesbitt holds a Bachelor of Commerce with Honours from Queen's University and a Bachelor of Laws from the University of Western Ontario.

Mr. Steven Letwin, Director

Mr. Steve Letwin, age 52, was appointed President and Chief Executive Officer of IAMGOLD Corporation on November 1, 2010. Specializing in corporate finance, operational management, and merger and acquisitions, Mr Letwin brings over 30 years of experience from the highly-competitive resource sector. Prior to joining IAMGOLD, Steve was based in Houston, Texas, where he was the Executive Vice President, Gas Transportation & International, with Enbridge Inc. Steve was responsible for Enbridge's natural gas operations, including overall responsibility for Enbridge Energy Partners, as the partnership's Managing Director. In 1999, he joined Enbridge as President and Chief Operating Officer, Energy Services, based in Toronto, Canada. Before joining Enbridge, Steve served as President & Chief Operating Officer of TransCanada Energy and was Chief Financial Officer, TransCanada Pipelines Limited, Numac (Westcoast Energy), and Encor Energy. Mr. Letwin holds an MBA from the University of Windsor, is a Certified General Accountant, a graduate of McMaster University (B.Sc., Honours), and a graduate of the Harvard Advanced Management Program.

Grant of Additional Stock Options

As part of and in connection with the completion of the qualifying transaction, Carmen will issue additional incentive stock options (the "**Additional Stock Options**") to the incoming Directors and Officers, at an exercise price equal to the price of the securities issued under the Offerings or otherwise in accordance with the policies of the TSXV. The terms and conditions of the Additional Stock Options will be determined by the board of directors of Carmen, but will not exceed 10% of the issued and outstanding shares of Carmen, post completion of the qualifying transaction. Particulars regarding the Additional Stock Options will be provided in the information circular which will be mailed to all Carmen shareholders.

Effect of the Qualifying Transaction on Carmen

Carmen currently has 9,699,500 Common Shares issued and outstanding, and no stock options, warrants, anti-dilution or other rights to purchase Common Shares issued or outstanding, other than 725,000 stock options which are exercisable at a price of $0.10 per share and 300,000 agent options exercisable at $0.10 per share. Upon closing of the qualifying transaction, Carmen may have up to a maximum of 29,669,500 Common Shares issued and outstanding, up to a maximum of 11,280,000 Common Shares issuable pursuant to the Agent's Options and the Warrants issued under the Offerings (including the 300,000 agent options currently outstanding and assuming the issuance of a maximum of 20 million Units under the Offerings) and up to a maximum of 2,966,950 Common Shares reserved for the issuance of incentive stock options (calculated based on 10% of the estimated maximum number of issued and outstanding Common Shares upon closing of the qualifying transaction).

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

N/A

7. Omitted Information:

N/A

8. Executive Officer:

For further information, please contact

Brian Doherty
President, Chief Executive Officer and Director
(403) 537-5590

9. Date of Report:

May 4, 2011