FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Badger Daylighting Ltd.
1000, 635 – 8th Avenue SW
Calgary, AB T2P 3M3

Item 2 Date of Material Change

May 31, 2012

Item 3 News Release

A press release was issued via CNW Newswire on May 31, 2012.

Item 4 Summary of Material Change

Badger Daylighting Ltd. ("Badger" or the "Company") today announced that it has entered into an agreement with a syndicate of underwriters led by Canaccord Genuity Corp. and including Cormark Securities Inc. (the "Underwriters"), to purchase, on a bought deal basis 1,500,000 common shares of the Company at a price of $25.00 per share (the "Offering"). In addition, Badger has granted to the Underwriters an over-allotment option exercisable at any time up to 30 days after closing of the Offering to acquire up to an additional 225,000 common shares of the Company. In the event that the overallotment option is exercised in full, the aggregate gross proceeds of the Offering will be approximately $43,125,000.

Item 5 Full Description of Material Change

Badger Daylighting Ltd. ("Badger" or the "Company") today announced that it has entered into an agreement with a syndicate of underwriters led by Canaccord Genuity Corp. and including Cormark Securities Inc. (the "Underwriters"), to purchase, on a bought deal basis 1,500,000 common shares of the Company at a price of $25.00 per share (the "Offering"). In addition, Badger has granted to the Underwriters an over-allotment option exercisable at any time up to 30 days after closing of the Offering to acquire up to an additional 225,000 common shares of the Company. In the event that the overallotment option is exercised in full, the aggregate gross proceeds of the Offering will be approximately $43,125,000.

The net proceeds from the Offering (after deducting the underwriters' fees and estimated Offering expenses) will be used for growth initiatives, working capital, and other general corporate purposes.

The common shares will be offered by way of a short form prospectus to be filed with the securities commissions and other similar regulatory authorities in each of the provinces of Ontario, Alberta, British Columbia and New Brunswick pursuant to National Instrument 44-101 – Short Form Prospectus Distributions and in the United States pursuant to exemptions from the registration requirements of the United States Securities Act of 1933, as amended. Closing of the Offering is currently expected to take place on or about June 19, 2012 and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval of the Toronto Stock Exchange and the securities regulatory authorities.

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

Tor Wilson
President and CEO
Telephone: 403-264-8500

Item 9 Date of Report

June 1, 2012