FORM 51-102F3

MATERIAL CHANGE REPORT

1. **Name and Address of Company**

Vital Energy Inc. (the "Corporation" or "Vital")
500, 940 - 6 Avenue SW
Calgary, Alberta
T2P 3T1

2. **Date of Material Change**

December 23, 2015

3. **News Release**

A Press Release was disseminated on December 23, 2015 via Marketwired.

4. **Summary of Material Change**

Vital completed the closing of a non-brokered private placement offering of debentures in the principal amount of $2,125,000.

5.1 **Full Description of Material Change**

Vital completed the closing of a non-brokered private placement offering of 8% secured convertible debentures in the principal amount of $2,125,000, subject to TSX Venture Exchange final approval. The debentures bear interest at the rate of eight percent (8%) per annum, calculated and paid quarterly and mature on December 23, 2017. The debentures are secured against the personal property of the Corporation and are convertible at the holder's option into common shares of the Corporation at a conversion price of $0.10 per common share. All securities issued in connection with the offering are subject to a hold period that expires on April 24, 2016. The net proceeds from the offering will be used to finance the Corporation's oil and gas exploration and development program and for general working capital purposes.

All of the directors of the Corporation, purchased the debentures in the aggregate principal amount of $2,125,000 under the offering. Vital has determined that exemptions from the various requirements of Multilateral Instrument 61-101 are available for the issuance of the debentures (Formal Valuation - Issuer Not Listed on Specified Markets; Minority Approval - Fair Market Value Not More Than $2,500,000). No new insiders were created, nor has any change of control occurred, as a result of this private placement. No finder's fees were paid on the proceeds of the closing.

Mr. Hai Zhou, a director of Vital, acquired debentures in the principal amount of $1,950,000 under the private placement. Upon completion of the private placement, Mr. Zhou will own or control 32,858,879 common shares or approximately 54.31% of the total issued and outstanding common shares of Vital, debentures in the principal amount of $1,950,000 and options to acquire 450,000 common shares. Assuming the conversion of the debenture and the exercise of such options, Mr. Zhou would own or control 52,808,879 or approximately 65.64% of the total issued and outstanding common shares of Vital. The purchase of the debentures by Mr. Zhou was made for investment purposes. Mr. Zhou may increase or decrease his investment in Vital depending on market conditions or any other relevant factors..

5.2 **Disclosure for Restructuring Transactions**

Not Applicable.

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

Not Applicable.

7. **Omitted Information**

None

8. **Executive Officer**

The name of the executive officer of the Corporation who is knowledgeable about the material change and this report is:

Jeff Standen, President
Telephone: (403) 699-9668

9. **Date of Report**

December 23, 2015