FORM 51-102F3
Material Change Report

1. **Name and Address of Company:**

Iona Energy Inc. (the "**Company**" or "**Iona**")
Suite 1000, 888 – 3 Street SW
Calgary, Alberta T2P 5C5
Phone: (403) 775-7442

2. **Date of Material Change(s):**

June 6, 2011

3. **News Release:**

Press releases were disseminated on May 31, 2011 and June 7, 2011 via Marketwire.

4. **Summary of Material Change(s):**

Iona Energy Company Limited ("**Former Iona**") and Northern Lights Acquisition Corp. ("**Northern**") (TSX Venture: NLC.P), a capital pool company, amalgamated to form the amalgamated company called Iona Energy Inc. (the "**Amalgamation**") effective May 27, 2011. The Amalgamation constituted the qualifying transaction of Northern (the "**Qualifying Transaction**") pursuant to Policy 2.4 of the TSX Venture Exchange Inc. ("**TSXV**").

The common shares of Iona commenced trading on the TSXV on June 8, 2011 under the symbol, "INA".

5. **Full Description of Material Change:**

5.1 Full Description of Material Change

The Amalgamation became effective on May 27, 2011, the date the Certificate of Amalgamation was issued in respect of the Amalgamation under the *Business Corporations Act* (Alberta). Pursuant to the Amalgamation: Iona Energy Inc. ("**Amalco**") issued to the holders ("**Iona Shareholders**") of common shares in the capital of Former Iona ("**Iona Shares**") one (1) common share in the capital of Amalco (an "**Amalco Share**") for each one (1) Iona Share held by an Iona Shareholder, for aggregate consideration of 60,908,398 Amalco Shares being issued to current Iona Shareholders. Similarly, at the effective time of the Amalgamation, Amalco issued to the holders ("**Northern Shareholders**") of common shares in the capital of Northern ("**Northern Shares**") 0.342935528 Amalco Shares for each one (1) Northern Share held by a Northern Shareholder (subject to rounding), for aggregate consideration of 1,800,412 Amalco Shares being issued to current Northern Shareholders in exchange for the 5,250,000 Northern Shares which were outstanding at the effective time of the Amalgamation. Each Amalco Share issued to Iona Shareholders or to Northern Shareholders pursuant to the Amalgamation was issued at a deemed price of $0.60 per Amalco Share. Additionally, as a result of the Amalgamation: (i) 38,333,333 replacement subscription receipts in the capital of Amalco ("**Replacement Subscription Receipts**") were issued to holders of outstanding subscription receipts in the capital of Former Iona ("**Iona Subscription Receipts**"), having substantially identical terms as the Iona Subscription Receipts, (ii) 300,000 agent warrants of Northern were replaced with 102,881 share purchase warrants of Amalco with identical terms; (iii) 264,500 agent warrants of Former Iona were replaced with 264,500 agent warrants of Amalco with identical terms; and (iv) 525,000 stock options of Northern were replaced with 180,041 stock options of Amalco, each with an exercise price of $0.58 per Amalco Share and substantially identical terms.

In connection with completion of the Amalgamation on May 27, 2011 and the completion of Iona's previously-announced proposed acquisition (the "**Trent & Tyne Acquisition**") of certain gas assets in the U.K. North Sea region on May 31, 2011, gross proceeds of $46,891,054 were released from escrow to Iona and 78,151,757 Replacement Subscription Receipts were automatically converted into 78,151,757 Amalco Shares.

Iona's Board of Directors is comprised of Neill A. Carson, Brad G. Gunn, Donald B. Copeland, J. Roger Laing, Rod Maxwell, and Jay M. Zammit.

The TSXV gave final approval to the Amalgamation on June 6, 2011 and the Amalco Shares began trading under the symbol "INA" on June 8, 2011. After giving effect to the Amalgamation and closing of the Trent & Tyne Acquisition, there will be approximately 140,860,567 Amalco Shares issued and outstanding (calculated on a non-diluted basis).

Granting of Stock Options

Iona also announced that pursuant to the terms of its stock option plan, its Board of Directors has approved the granting of options on May 31, 2011 to purchase an aggregate of 9,550,000 Amalco Shares at a price of $0.60 per share, of which, 9,200,000 options were granted to insiders. The options will have a term of four years and time vesting provisions with 25% vesting immediately and a further 25% vesting on the first, second and third anniversaries of the date of grant.

5.2 Disclosure for Restructuring Transactions

Not applicable.

6. Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102 *Continuous Disclosure Obligations*:

Not applicable

7. Omitted Information:

Not applicable

8. Executive Officer Knowledgeable of Material Change:

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

Brad Gunn
Chief Financial Officer
(403) 775-7442

9. Date of Report:

June 9, 2011