

FORM 51-102F3

MATERIAL CHANGE REPORT

1. **Name and Address of Company**

Questfire Energy Corp. (the “Corporation” or “Questfire”)
Suite 1100, 350 - 7th Avenue SW
Calgary, AB T2P 3N9

2. **Date of Material Change**

November 30, 2016

3. **News Release**

A press release was disseminated on November 25, 2016 via Marketwired.

4. **Summary of Material Change**

The Corporation Announces the Conversion of all outstanding Class B Shares

5.1 **Full Description of Material Change**

The Corporation announced that it has elected to convert all of its issued and outstanding Class B Common Shares into Class A Common Shares of the Corporation effective November 30, 2016, with a conversion ratio of ten Class A Common Shares for each Class B Common Share so converted, in accordance with the terms of the Articles of the Corporation.

As of the date hereof, Questfire has 550,440 issued and outstanding Class B Common Shares and 17,318,001 issued and outstanding Class A Common Shares. Following the conversion, Questfire expects that it will have 22,822,401 Class A Shares issued and outstanding.

For beneficial shareholders of Class B Shares who hold their shares in an account with their investment dealer or other intermediary, their account will be automatically updated to reflect the conversion. For registered shareholders, share certificates representing the Class A Common Shares issuable as a result of the conversion will be mailed on or about November 30, 2016.

The Class B Common Shares are currently listed and traded on the facilities of the TSX Venture Exchange under the symbol Q.B. It is anticipated that the Class B Common Shares will be de-listed from the TSX Venture Exchange shortly after conversion into Class A Common Shares on November 30, 2016.

Reader Advisory

Certain information in this report including management’s assessment of future plans and operations, including plans to convert the Class B Shares, are forward looking statements. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties including, without limitation, risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation, loss of markets, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other producers, inability to retain drilling rigs and other services, capital expenditure costs, including drilling, completion and facilities costs, unexpected decline rates in wells, wells not performing as expected, delays resulting from or inability to obtain required regulatory approvals and ability to access sufficient capital from internal and external sources. As a consequence, actual results may differ materially from those anticipated in the forward-looking statements.

Forward-looking statements or information are based on a number of factors and assumptions which have been used to develop such statements and information but which may prove to be incorrect. Although the Corporation believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be

placed on forward-looking statements because the Corporation can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified in this document, assumptions have been made regarding, among other things: outstanding indebtedness of the Corporation, interest payable under the credit facilities; the impact of increasing competition; the general stability of the economic and political environment in which the Corporation operates; the timely receipt of any required regulatory approvals; the ability of the Corporation to obtain financing on acceptable terms; field production rates and decline rates; the ability to replace and expand oil and natural gas reserves through acquisition, development and exploration results; the timing and costs of pipeline, storage and facility construction and expansion and the ability of the Corporation to secure adequate product transportation; future oil and natural gas prices; currency, exchange and interest rates; the regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which the Corporation operates; and the ability of the Corporation to successfully market its oil and natural gas products. Readers are cautioned that the foregoing list of factors and assumptions is not exhaustive. Additional information on these and other factors that could affect Questfire's operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed under Questfire's SEDAR profile at www.sedar.com. Furthermore, the forward looking statements contained in this report are made as at the date of this report and Questfire does not undertake any obligation to update publicly or to revise any of the included forward looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this report.

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 officers of the Corporation who is knowledgeable about the material change and this report is:

Richard Dahl,
President & CEO
(403) 263-6691

9. Date of Report

November 30, 2016