

MATERIAL CHANGE REPORT
Form 51-102F3

Item 1 Name and Address of Company

Crowsnest Acquisition Corp. (the “**Corporation**”)
1900, 520 – 3rd Avenue SW
Calgary, AB T2P 0R3

Item 2 Date of Material Change

August 29, 2014.

Item 3 News Release

A news release in respect of the material change was issued on September 4, 2014 through the facilities of Marketwired.

Item 4 Summary of Material Change

On September 4, 2014 the Corporation announced that the TSX Venture Exchange (“**Exchange**”) had conditionally accepted the Corporation’s proposed transaction with QE2 Acquisition Corp. (“**QE2**”) as the “**Qualifying Transaction**” of the Corporation (as such term is defined within the meaning of Policy 2.4 of the Exchange) and that the Exchange had approved the filing of the Corporation’s filing statement dated August 29, 2014 prepared in connection with the Qualifying Transaction. The Corporation also announced and that it had entered into a formal definitive share exchange agreement with QE2 dated effective August 29, 2014 in connection with the Qualifying Transaction.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

Please see Schedule “A” attached for full press release announcing the material change.

5.2 Disclosure for Restructuring Transactions

Not applicable.

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

The name and business number of an executive officer of the Corporation who is knowledgeable about the material changes and this report is:

Gordon McCormack – President, Chief Executive Officer and Director
Telephone: (780) 465-4467.

Item 9 Date of Report

September 4, 2014.

SCHEDULE "A"

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CROWSNEST ACQUISITION CORP. ANNOUNCES CONDITIONAL ACCEPTANCE OF QUALIFYING TRANSACTION, FILING OF FILING STATEMENT AND EXECUTION OF SHARE EXCHANGE AGREEMENT WITH QE2 ACQUISITION CORP.

CALGARY, ALBERTA – September 4, 2014 – Crowsnest Acquisition Corp. (TSXV:CAW.P) (the "**Corporation**" or "**Crowsnest**"), a "capital pool company" listed on the TSX Venture Exchange ("**Exchange**"), is pleased to announce that further to its news releases dated February 28, 2014, April 23, 2014 and July 21, 2014, the Exchange has conditionally accepted the previously announced Transaction (as defined below) involving QE2 Acquisition Corp. ("**QE2**") as the "**Qualifying Transaction**" of the Corporation (as such term is defined within the meaning of Policy 2.4 of the Exchange). The Exchange has granted the Corporation an exemption from the Exchange's sponsorship requirement and has approved the filing of Crowsnest's filing statement dated August 29, 2014 (the "**Filing Statement**") prepared in connection with the Transaction. The Filing Statement, which provides detailed information about the Qualifying Transaction, Crowsnest, QE2 and the Resulting Issuer (as defined below) is available under the Corporation's SEDAR profile at www.sedar.com.

The Corporation is also pleased to announce that it has entered into a formal definitive share exchange agreement with QE2 dated effective August 29, 2014 (the "**Share Exchange Agreement**") in connection with the Transaction, pursuant to which the Corporation will complete the purchase of all of the issued and outstanding common shares in the capital of QE2 ("**QE2 Shares**") and warrants to purchase QE2 Shares ("**QE2 Warrants**") in exchange for common shares in the capital of Crowsnest ("**Crowsnest Shares**") and warrants to purchase Crowsnest Shares ("**Crowsnest Warrants**") respectively on a one-for-one basis, which will result in QE2 becoming a wholly-owned subsidiary of Crowsnest upon closing of the Share Exchange Agreement (the "**Transaction**"). It is currently anticipated that the securityholders of QE2 will become parties to the Share Exchange Agreement prior to closing of the Transaction. Upon completion of the Transaction, the combined entity (the "**Resulting Issuer**") is expected to carry on the business of QE2.

The Transaction is scheduled to close on or about September 15, 2014. The Share Exchange Agreement is available under the Corporation's SEDAR profile at www.sedar.com.

Share Exchange Agreement

Pursuant to the terms of the Share Exchange Agreement, Crowsnest will: (i) acquire all of the issued and outstanding QE2 Shares by way of a share exchange in exchange for 21,912,766 of Crowsnest Shares at a deemed price of \$0.15 per Crowsnest Share or \$3,286,915 in the aggregate; and (ii) acquire all of the issued and outstanding QE2 Warrants by way of a warrant exchange in exchange for 2,943,112 Crowsnest Warrants. Based on the 21,912,766 QE2 Shares issued and outstanding at the closing of the Share Exchange Agreement, the securityholders of QE2 will receive securities of Crowsnest at a ratio of one Crowsnest Share for each QE2 Share and one Crowsnest Warrant for each QE2 Warrant.

Prior to or in conjunction with the closing of the Transaction, QE2 intends to raise capital through a private placement for a minimum of 900 subscription receipts of QE2 ("**Subscription Receipts**") for minimum gross proceeds of \$900,000 and a maximum of 1,500 Subscription Receipts for maximum gross proceeds of \$1,500,000 (the "**Private Placement**"), as previously disclosed in the news release of Crowsnest dated July 21, 2014 and available under the Corporation's SEDAR profile at www.sedar.com. Closing of the minimum gross proceeds of the Private Placement is a condition to the closing of the Transaction and its acceptance by the Exchange as the Qualifying Transaction of Crowsnest pursuant to Policy 2.4 of the Exchange. The proceeds of the Private Placement will be used

for growth projects within the operating subsidiaries of QE2 and to further the Resulting Issuer's acquisition program.

After completion of the Transaction, there will be 28,512,766 Crowsnest Shares issued and outstanding assuming the exercise of 600,000 outstanding options to purchase Crowsnest Shares which will occur immediately after completion of the Transaction (the "**Option Exercise**"), of which the current shareholders of Crowsnest will own 3,600,000 Crowsnest Shares (12.63%) and the former securityholders of QE2 will own 24,912,766 Crowsnest Shares (87.37%). Accordingly, the Transaction will constitute a reverse asset acquisition of Crowsnest for accounting purposes.

In the Share Exchange Agreement, each of Crowsnest and QE2 make customary representations and warranties to the other regarding, among other things, (i) its due incorporation and organization and its capacity to carry on business; (ii) its capitalization, including rights, warrants and options to acquire securities; (iii) its corporate power and authority to enter into, and its due authorization of the execution and delivery of, the Share Exchange Agreement; (iv) its financial statements; (v) the absence of any material adverse change in its business or condition; (vi) title to its assets; (vii) the absence of undisclosed liabilities; (viii) the absence of claims and suits; (ix) compliance with all applicable laws and regulations; (x) the performance of its obligations under the Share Exchange Agreement and the consummation of the agreement not violating its articles and by laws, applicable law or material agreements; (xi) the absence of loans to certain non-arm's length parties; and (xii) the filing of all of its tax returns and the payment of all of its taxes on a timely basis. The QE2 securityholders represent to Crowsnest, among other things, that each individual securityholder is aware that the Crowsnest Shares and Crowsnest Warrants and the shares and warrants of the Resulting Issuer have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and that such securities may not be offered or sold to persons in the United States without registration under the U.S. Securities Act and applicable state securities laws or in compliance with requirements of an exemption from such registration requirements, and acknowledges that the Crowsnest has no present intention of filing a registration statement under the U.S. Securities Act or applicable state securities laws in respect of such securities.

The Crowsnest securities issued pursuant to the Share Exchange Agreement will be exempt from the prospectus requirement under applicable Canadian securities laws on the basis that the Crowsnest securities to be issued to QE2 securityholders will be distributed pursuant to the take-over bid exemption. As QE2 is not a reporting issuer (as such term is defined in applicable securities law), there is currently no published market for the securities of QE2 and the number of QE2 securityholders is less than 50 (excluding employees and former employees), the transactions contemplated under the Share Exchange Agreement will constitute an exempt take-over bid under Canadian securities law and the Crowsnest Shares and Crowsnest Warrants issued thereto will not be subject to any restriction or hold period, although certain securities issued pursuant to the Transaction will be subject to escrow and hold period requirements of the Exchange.

Pursuant to the Share Exchange Agreement, the obligations of each of Crowsnest and QE2 to complete the Qualifying Transaction are subject, inter alia, to the following conditions:

- QE2 shall have obtained the consents and waivers contemplated in the Share Exchange Agreement;
- There shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by the Share Exchange Agreement and the Transaction;
- Completion of the Option Exercise;
- Completion of the Private Placement for gross proceeds of at least \$900,000; and

- None of the consents, orders, regulations or approvals contemplated in the Share Exchange Agreement shall contain terms or conditions or require undertakings or security deemed unsatisfactory or unacceptable by the parties to the Share Exchange Agreement.

Sale of Escrowed Shares

Subject to Exchange approval, it is anticipated that Crowsnest will cause certain of its principal shareholders to sell and transfer to certain principals and certain non-principals of QE2 an aggregate of 3,000,000 Crowsnest Shares currently held in escrow by Olympia Trust Company (the “**Escrow Share Block**”). QE2 expects to purchase the Escrow Share Block at a price of \$0.15 per Crowsnest Share, for an aggregate purchase price of \$450,000. It is anticipated that the sale and purchase of the Escrow Share Block will close concurrently with the closing of the Transaction. It is acknowledged and agreed to by the parties that the Escrow Share Block will remain subject to escrow in accordance with the policies of the Exchange.

Trading Halt

The Crowsnest Shares are currently halted from trading and are to remain halted from trading until completion of the Qualifying Transaction in accordance with the policies of the Exchange. Assuming the Exchange grants final acceptance of the Transaction, it is anticipated that the Crowsnest Shares will resume trading on the Exchange shortly after the Exchange issues its final approval of the Transaction as the Qualifying Transaction of Crowsnest.

Additional Information

Completion of the Qualifying Transaction is subject to a number of conditions including, but not limited to, completion of the Private Placement, closing conditions customary to transactions of the nature of the Qualifying Transaction, approvals of all regulatory bodies having jurisdiction in connection with the Qualifying Transaction, final acceptance from the Exchange of the Transaction as the Qualifying Transaction of Crowsnest and, if required by the Exchange policies, majority of the minority shareholder approval. Where applicable, the Qualifying Transaction cannot close until the required shareholder approvals are obtained and there can be no assurance that the Qualifying Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the Filing Statement prepared in connection with the Qualifying Transaction, any information released or received with respect to the Qualifying Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

For further information please contact:

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QE2 Acquisition Corp.:
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Telephone: (403) 701-7299

Cautionary Statements

This news release contains “forward-looking information” within the meaning of applicable securities laws relating to the proposal to complete the Transaction and associated transactions, including statements regarding the terms and conditions of the Transaction, the Share Exchange Agreement, the Option Exercise, the Private Placement, and the use of proceeds of the Private Placement.. The information about QE2 contained in the press release has not been independently verified by the Corporation. Although the Corporation believes in light of the experience of its officers and directors, current conditions and expected future developments and other factors that

have been considered appropriate that the expectations reflected in this forward-looking information are reasonable, undue reliance should not be placed on them because the Corporation can give no assurance that they will prove to be correct. Readers are cautioned to not place undue reliance on forward-looking information. Actual results and developments may differ materially from those contemplated by these statements depending on, among other things, the risks that the parties will not proceed with the Transaction, the Share Exchange Agreement, the Option Exercise, the Private Placement and associated transactions, that the ultimate terms of the Transaction, the Share Exchange Agreement, the Option Exercise, the Private Placement, and associated transactions will differ from those that currently are contemplated, and that the Transaction, the Share Exchange Agreement, the Option Exercise, the Private Placement and associated transactions will not be successfully completed for any reason (including the failure to obtain the required approvals or clearances from regulatory authorities). The terms and conditions of the Qualifying Transaction may change based on the Corporation's due diligence and the receipt of tax, corporate and securities law advice for both Crowsnest and QE2. The statements in this press release are made as of the date of this release. The Corporation undertakes no obligation to comment on analyses, expectations or statements made by third-parties in respect of the Corporation, QE2, their securities, or their respective financial or operating results (as applicable).

Neither the TSX Venture Exchange, Inc. nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) has in any way passed upon the merits of the Qualifying Transaction and associated transactions and neither of the foregoing entities has in any way approved or disapproved of the contents of this press release.

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

The securities of Crowsnest and QE2 have not been and will not be registered under the United States Securities Act of 1933, as amended and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirement. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.