

**FORM 51-102F3**  
**MATERIAL CHANGE REPORT**

**1. Name and Address of Company**

Canoel International Energy Ltd. (the "Company")  
Suite 207, 525 – 11<sup>th</sup> Avenue SW  
Calgary, AB T2R 0C9

**2. Date of Material Change**

July 13, 2010

**3. News Release**

A news release was issued by the Company on July 13, 2010.

**4. Summary of Material Change**

The Company announced the completion of a private placement.

**5. Full Description of Material Change**

**5.1 Full Description of Material Change**

The Company announced that it had issued and sold to subscribers, by way of a private placement under prospectus and registration exemptions, an aggregate of 1,333,000 units ("Units") at a price of \$0.12 per Unit for aggregate gross proceeds of \$159,960. Each Unit consists of one common share in the capital of Canoel, one-half of one common share purchase warrant ("Warrant"). Each whole Warrant will entitle the holder to purchase one additional common share of Canoel at \$0.20 for a period of one year, subject to early termination if, at any time following four months and one day from the date of the last closing under the Offering, the closing price of the Common Shares on the TSX Venture Exchange exceeds \$0.30 for 15 consecutive trading days.

**5.2 Disclosure for Restructuring Transactions**

Not applicable.

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

Not applicable.

**7. Omitted Information**

No information has been omitted.

**8. Executive Officer**

The following is the full name and business telephone number of an executive officer of the Company who is knowledgeable about the contents of this material change and this report:

Andrea Cattaneo  
Chief Executive Officer and President  
Telephone: (403) 262-9596

**9. Date of Report**

July 13, 2010