

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

1. Name and Address of Company

Canoel International Energy Ltd. (the "**Company**" or "**Canoel**")
Suite 97, 95, Wilton Road
London, England SW1V 1BZ

2. Date of Material Change

May 28, 2014, June 26, 2014 and June 27, 2014

3. News Release

A news release was issued by the Company on May 29, 2014 and June 30, 2014 through TheNewswire.

4. Summary of Material Change

The Company announced the closing of certain private placements.

5. Full Description of Material Change

Canoel announced, subject to regulatory approval, the completion of three non-brokered private placements of units ("Units"). Canoel issued an aggregate of 4,198,366 Units at a price of \$0.15 per Unit for gross proceeds of approximately \$629,755.

Each Unit consists of one common share in the capital of Canoel and one common share purchase warrant. Each common share purchase warrant entitles the holder thereof to purchase, subject to adjustment, one additional common share at an exercise price of \$0.25 per share at any time on or before the date that is 36 months from the date of issuance of the common share purchase warrant.

Unless permitted under securities legislation, the holders of the securities issued under the May 28, 2014 private placement must not trade the security before September 29, 2014, the holders of securities issued under the June 26, 2014 private placement must not trade the security before October 27, 2014, and the holder of securities issued under the June 27, 2014 private placement must not trade the security before October 28, 2014.

In connection with the private placements, the Company will pay aggregate finder's fees of \$49,060.30.

The proceeds from these offerings will be used to finance the Company's operations and to augment its unallocated working capital. This transaction is subject to the submission of final documentation and final approval of the TSX Venture Exchange.

6. Reliance on subsection 7.1(2) of National Instrument 51-102

This report is not being filed on a confidential basis.

7. Omitted Information

No information has been omitted from the Report on the basis that it is confidential information.

8. Executive Officer

For further information regarding this Material Change Report please contact:

Andrea Cattaneo
Chief Executive Officer and President
Telephone: (403) 938-8154

9. Date of Report

June 30, 2014