

Form 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Umbral Energy Corp. (“**Umbral**” or the “**Company**”)
929 Mainland Street
Vancouver, B.C. V6B 1S3

Item 2. Date of Material Change

August 30, 2017

Item 3. News Release

News Release dated August 31, 2017 was disseminated and filed on SEDAR on August 31, 2017.

Item 4. Summary of Material Change

The Company announces closing of private placement.

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

The Company announced that it has closed its previously announced (see press releases dated July 14, 2017 and August 24, 2017) non-brokered private of 43,700,000 units (the “**Units**”) at a price of \$0.06 per Unit for gross proceeds of \$2,622,000 (the “**Offering**”).

Each Unit consists of one common share in the capital of the Company (a “**Share**”) and one common share purchase warrant (a “**Warrant**”). Each Warrant will entitle the holder to purchase one additional Share until August 30, 2019 (subject to acceleration in certain circumstances) at a purchase price of \$0.10 per Share.

In connection with the Offering, the Company has paid a cash commission in the aggregate amount of \$91,900, being 8% of the aggregate proceeds raised from the sale of units to purchasers introduced by eligible finders. In addition, the Company has issued warrants (the “**Finders’ Warrants**”) to acquire a total of 1,531,653 Shares, being 8% of the number of Units sold under the Offering to purchasers introduced by such finders. Each Finders’ Warrant entitles the holder to purchase one Share at a price of \$0.10 per Share until August 30, 2019 (subject to acceleration in certain circumstances).

All securities issued in connection with the Offering are subject to a statutory hold period expiring December 31, 2017 in accordance with applicable securities legislation. The proceeds from the Offering will be used to pay the balance of the purchase price for a Falkland, BC property (see press

release dated July 13, 2017), completion of phase 1 of the build-out prior to an award of a license to cultivate, fund a work program on the Letourneau Property and for general working capital.

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

None.

Item 8. Executive Officers

The following senior officer of the Company is knowledgeable about the material change and this Material Change Report and may be contacted:

Jagdip Bal, President and Chief Executive Officer
Telephone: (604) 628-1767.

Item 9. Date of Report

August 31, 2017.