FORM 51-102F3
MATERIAL CHANGE REPORT

1. **Name and Address of Reporting Issuer:**

Serinus Energy Inc.
Suite 1170, 700 – 4th Avenue S.W.
Calgary, AB T2P 3J4

2. **Date of Material Change:**

July 17, 2013.

3. **News Release:**

A news release respecting the material change disclosed herein was issued by Serinus Energy Inc. ("**Serinus**" or the "**Company**") on July 19, 2013 and disseminated through the facilities of Marketwired and subsequently filed on SEDAR.

4. **Summary of Material Change:**

On July 19, 2013, Serinus and Dutco Energy Ltd. ("**Dutco**"), a wholly-owned subsidiary of Dubai Transport Company LLC, announced the formalization of a strategic relationship. As part of this new strategic relationship and pursuant to various agreements entered into by Serinus, Kulczyk Oil Brunei Ltd. ("**KOV Brunei**"), an indirectly wholly-owned subsidiary of Serinus, and Dutco:

1. Serinus granted Dutco an option to acquire between 5% and 15% of the Block L oil exploration block in Brunei (the "**Option**") in consideration of US$1 million per percentage point of interest acquired by Dutco;

2. Serinus granted Dutco a right to convert up to US$5 million of Serinus' debt under a new Credit Agreement (as defined below) into common shares of Serinus ("**Common Shares**") based on the trading price of Common Shares on the TSX; and

3. Serinus and Dutco agreed that for a period of one year, commencing July 17, 2013, they will jointly explore opportunities to collaborate on oil and gas investments in Tunisia.

5. **Full Description of the Material Change:**

On July 19, 2013, Serinus and Dutco announced the formalization of a strategic relationship. As part of this new strategic relationship and pursuant to various agreements entered into by Serinus, KOV Brunei and Dutco:

1. Serinus granted Dutco an Option to acquire between 5% and 15% of Block L in consideration of US$1 million per percentage point of interest acquired by Dutco;

2. Serinus granted Dutco a right to convert up to US$5 million of Serinus' debt under the Credit Agreement into Common Shares based on the trading price of Common Shares on the TSX; and

3. Serinus and Dutco agreed that for a period of one year, commencing July 17, 2013, they will jointly explore opportunities to collaborate on oil and gas investments in Tunisia.

Option Deed

On July 17, 2013, Serinus, KOV Brunei and Dutco entered into an option deed (the "**Option Deed**"). The Option Deed grants Dutco an Option to acquire between 5% and 15% of Block L. The Option may be exercised in consideration of US$1 million per percentage point of interest acquired by Dutco. If there are amounts outstanding from Serinus to Dutco under the Credit Agreement then Dutco may elect to set-off the price of the Option against those amounts.

The Option Deed contemplates KOV Brunei drilling one firm test well and one optional test well. Dutco shall have up to 31 days from the date of publication of the tests results of a test well being announced to exercise its Option.

Dutco's right to acquire an interest in Block L is subject to the approval of PetroleumBRUNEI, as regulator of Block L, and to the pre-emptive rights of QAF Brunei Sendirian Berhad, as the existing partner in Block L. If such approvals are not obtained within 120 days of delivery of the notice of exercise of the Option then Serinus and Dutco will attempt to structure an alternative transaction which will allow Dutco to obtain an economic interest equivalent to the interest it would have been entitled to obtain had the Option interest been validly assigned. An example of this would be for Serinus to hold Dutco's interest in trust. If this alternative transaction is not completed within 30 days then Dutco may terminate the Option Deed. Sums outstanding under the Credit Agreement would then need to be repaid by Serinus without the benefit of setting-off the value of the Option.

Pursuant to the Option Deed, Serinus and Dutco also agree that for a period of one year, commencing July 17, 2013, they will jointly explore opportunities to collaborate on oil and gas investments in Tunisia.

Credit Agreement and Conversion Rights

On July 17, 2013, Dutco, KOV Brunei and Dutco also entered into a secured credit agreement (the "**Credit Agreement**"). Pursuant to the Credit Agreement, Dutco made a term loan facility (the "**Credit Facility**") of up to US$15 million available to Serinus. Serinus must apply all amounts it borrows under the Credit Facility to fund intra group loans to meet costs of drilling two tests wells on the Block L oil exploration block in Brunei.

The interest rate on amounts drawn under the Credit Facility is 12 percent per annum, plus an additional 2 percent per annum default interest should Serinus be overdue in a payment. Interest on amounts drawn must be paid on a monthly basis. Drawdowns under the Credit Facility must be for multiples of US$5 million. All amounts due under the Credit Agreement must be repaid on the expiry date, July 16, 2014.

Pursuant to the Credit Agreement, Dutco may convert up to US$5 million of Serinus' debt under the Credit Agreement, into Common Shares at a price equal to the higher of:

i) the 60 day volume weighted average price of Common Shares on the TSX (or, if Common Shares have, in respect of a conversion notice date, been listed on the TSX for less than 60 days, the volume weighted average price of Common Shares on the TSX for that lesser period) for the period immediately preceding a conversion notice date multiplied by 1.15; and

ii) the volume weighted average trading price of Common Shares on the TSX for the five trading days preceding a conversion notice date.

Should an event of default be continuing under the Credit Agreement, the conversion option is amended to allow Dutco to convert the full amount outstanding under the Credit Agreement. In this scenario, the price per share will be the lower of the 5 day volume weighted average price of the Common Shares immediately prior to (i) the date of the Credit Agreement, and (ii) the conversion notice date.

The conversion rights and the issuance of shares to Dutco pursuant to any conversion are subject to the prior approval of the TSX. In the event Dutco acquires Common Shares through the conversion mechanism, it may not trade any such Common Shares until November 18, 2013.

Amongst other things, Serinus has agreed to the following terms under the Credit Agreement:

i) to maintain a ratio of current assets to current liabilities for the Serinus group of companies of not less than 1:1;

ii) subject to certain exceptions, not to create security over the assets of Serinus, KOV Brunei or Kulczyk Oil Ventures Limited ("**KOVL**");

iii) not to pay dividends;

iv) to ensure that its subsidiaries pay the maximum dividends that they can after retaining sufficient working capital to fund their ordinary operating activities; and

v) subject to certain exceptions, to ensure that Serinus, KOV Brunei, KOVL, KUBGAS Holdings Limited and KUB-Gas LLC do not incur financial indebtedness.

The Credit Agreement also provides for an undertaking to maintain the validity of the material documents relating to Block L in Brunei and operations in the Ukraine.

Specific events of default that relate to the particular circumstances of Serinus and the transaction include:

i) expropriation;

ii) unlawfulness of material documents relating to Block L or operations in the Ukraine; and

iii) restrictions being placed on Serinus' licenses in Brunei or the Ukraine.

As consideration for Dutco making the Credit Facility available, Serinus entered into the Option Deed and agreed to pay Dutco a $225,000 arrangement fee.

Share Pledge

As additional security for amounts due under the Credit Agreement, Serinus also granted a pledge over its shares in KOVL (the "**Share Pledge**"). KOVL is a directly wholly-owned subsidiary of Serinus which itself indirectly holds Serinus' interest in Block L and the operations in Ukraine. The Share Pledge allows Dutco to take ownership of KOVL at any time while there is an event of default continuing under the Credit Agreement.

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

Not applicable.

7. Omitted Information

Not applicable.

8. Executive Officer

Norman H. Holton
Vice Chairman of the Board of Directors
Tel: 403.264.8877
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9. Date of Report

July 25, 2013.