

## Form 51-102 F3

### *Material Change Report*

#### **1. Name and Address of Company**

Sea Dragon Energy Inc. (the “**Corporation**”)  
340 – 12<sup>th</sup> Avenue S.W., Suite 1100  
Calgary, Alberta  
T2R 1L5

#### **2. Date of Material Change**

November 6, 2009.

#### **3. News Release**

A news release was issued on November 6, 2009 through the facilities of Canada Newswire and filed with regulatory authorities in Canada.

#### **4. Summary of Material Change**

The Corporation has closed its previously announced underwritten private placement financing and a concurrent non-brokered private placement on the same terms, for total gross proceeds of \$15,000,000.

#### **5. Full Description of Material Change**

The Corporation has closed its previously announced underwritten private placement financing, including the exercise of the underwriters’ option, and a concurrent non-brokered private placement on the same terms, for total gross proceeds of \$15,000,000 (the “**Financing**”). Pursuant to the Financing, the Corporation has issued 60,000,000 units at a price of \$0.25 per unit (“**Unit**”). Each Unit is comprised of one common share (“**Common Share**”) in the capital of the Corporation and one-half Common Share purchase warrant (“**Warrant**”). Each whole Warrant will be exercisable into one Common Share at a price of \$0.50 expiring November 6, 2012.

The Financing was completed by a syndicate of underwriters, led by Canaccord Capital Corporation and including Salman Partners Inc., GMP Securities L.P. and Raymond James Ltd. The underwriters received a cash commission of 5% of the gross proceeds raised on the underwritten portion of the Financing.

All of the Common Shares and Warrants are subject to a hold period under applicable securities laws until March 7, 2010. Directors, officers and other insiders of the Corporation subscribed for an aggregate of 2,820,000 Units representing approximately 4.7% of the total size of the Financing.

The net proceeds from the Financing will be used to fund the Corporation's previously announced acquisition of Premier Egypt (NW Gemsa) B.V. which holds a 10% working interest in the North West Gemsa Concession of Egypt and for general corporate purposes.

### **Forward Looking Statements**

Statements in this release that are forward-looking statements are subject to various risks and uncertainties concerning the specific factors disclosed under the heading Risk Factors and elsewhere in the Corporation's filings with Canadian securities regulators. The Corporation does not assume any obligation to update any forward-looking statements, save and expect as may be required by applicable securities laws.

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

Not applicable

#### **7. Omitted Information**

None

#### **8. Executive Officer**

The following senior officer of the Corporation is knowledgeable about the material change and this report and may be contacted by any securities commission regarding the change:

David Thompson  
Senior Vice President and Director  
(403) 457-5035

#### **9. Date of Report**

November 13, 2009