

FORM 51-102F3

MATERIAL CHANGE REPORT

1. Name and Address of Company

Spyglass Resources Corp.
Suite 1700, 250 – 2nd Street S.W.
Calgary, AB T3P 0C1

2. Date of Material Change

December 16, 2014

3. News Release

A news release reporting the material change was issued through Marketwired on December 16, 2014

4. Summary of Material Change

On November 28, 2014, the Corporation announced that it had entered into a purchase and sale agreement with a wholly owned subsidiary of Eagle Energy Trust to sell a non-operated 50 percent working interest in the Montney 'C' oil pool for cash consideration of \$100 million prior to normal closing adjustments. The sale is expected to close prior to the effective date of January 1, 2014. The proceeds will be used to reduce bank debt and will reduce annual interest expense by approximately \$5 million.

Spyglass also announced that the Corporation will be suspending its monthly cash dividend.

Spyglass also announced the Corporation expects to finalize a revised borrowing base under its existing credit agreement of \$200 million.

5. Full Description of Material Change

\$100 Million Asset Sale

Spyglass has signed a purchase and sale agreement with a wholly owned subsidiary of Eagle Energy Trust ("Eagle") for a non-operated 50 percent working interest in the Dixonville Montney "C" oil pool for cash consideration of \$100 million prior to normal closing adjustments. The sale is expected to close prior to the effective date of January 1, 2015. The proceeds will be used to reduce bank debt and will reduce annual interest expense by approximately \$5 million.

Based on the McDaniel & Associates Consultants Ltd. December 31, 2013 reserve report, the property (at 100% working interest) was assigned proved developed producing reserves of 15.1 MMboe, total proved reserves of 15.4 MMboe and proved plus probable reserves of 21.1 MMboe.

To date, Spyglass has restarted approximately 2,500 bopd of production with full capability expected to be reached early in the first quarter of 2015. At year-end the Dixonville Montney "C" oil field is expected to be producing approximately 2,600 bopd. The sale represents production metrics of \$80,000 per flowing barrel.

Dixonville is an elite, low decline oil producing asset under full waterflood with strong free cash flow. Retaining a 50 percent working interest in the property allows the Company to reduce debt while retaining a portion of the cash flow to fund the capital program. Spyglass will retain operatorship of the field.

Dividend

In response to lower crude oil prices and consistent with management's goal to improve financial flexibility, the Company is suspending dividend payments to conserve cash.

Credit Facility

The Corporation expects to finalize a revised borrowing base under its existing credit agreement of \$200 million. This borrowing base is both cost effective and allows the Company to execute on its 2015 capital program.

Following the closing of the Dixonville transaction, bank debt is approximately \$182 million and net debt is estimated at \$195 million.

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

Not applicable.

7. Omitted Information

Not applicable

8. Executive Officer

For further information, please contact Lynn Rannelli, Corporate Secretary, by telephone at (403) 705-8529.

9. Date of Report

December 17, 2014