

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

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

Sahara Energy Ltd. (**Sahara** or the **Company**)  
Suite 700, 700 - 4th Avenue S.W.  
Calgary, Alberta T2P 3J4

**2. Date of Material Change:**

August 21, 2014

**3. News Release:**

A news release disclosing in detail the material summarized in this material change report was issued by Sahara on August 21, 2014 and disseminated through the facilities of Marketwire.

**4. Summary of Material Change:**

On August 21, 2014, Sahara closed the private placement to JF Investment (Hong Kong) Co., Limited (**JF Investment**) for an aggregate of 200,000,000 common shares in the capital of Sahara (**Shares**), and gross proceeds of \$16.2 million (the **Private Placements**) as previously announced in press releases dated May 14, 2014 and April 9, 2014 with .

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

On August 21, 2014, Sahara closed the previously announced Private Placements to JF Investments whereby JF Investment purchased 200,000,000 Shares, for aggregate gross proceeds of \$16.2 million. 5,000,000 Shares were acquired at \$0.12 per Share and 195,000,000 Shares were acquired at \$0.08 per Share. Upon closing of the Private Placement, JF Investment holds 69% of Sahara's issued and outstanding Shares on a non-diluted basis. In connection with the Private Placement, JF Investment was entitled to nominate up to six directors to Sahara's board of directors (the **Board**). The directors nominated by JF Investment were elected to the Board at the annual general meeting of shareholders of Sahara which was reconvened on August 12, 2014.

Sahara understands that JF Investment is a private company based in Hong Kong. Hubei Guochuang Hi-tech Material Co., Ltd. (**Guochuang**), a company based in Wuhan, China and listed on the Shenzhen stock exchange, has acquired JF Investment through its wholly-owned subsidiary, Hubei GuochuangJiahua Energy Investment Co. Ltd. Guochuang is engaged in the research, development, production and sale of modified emulsified asphalt in China. Guochuang is at arm's length to Sahara and to current significant shareholders of Sahara.

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

N/A. This material change report is not being filed on a confidential basis.

**7. Omitted Information:**

None.

**8. Executive Officer:**

For further information contact:

Martin Feng, Director, President and CEO  
(403) 237-5411  
martin@saharaenergy.ca

Gary Chang, Chief Financial Officer  
(403) 456-7259  
gary@saharaenergy.ca

**9. Date of Report:**

August 26, 2014.