

FORM 51-102F3
MATERIAL CHANGE REPORT

1. Name and Address of Reporting Issuer:

Kulczyk Oil Ventures Inc.
Suite 1170, 700 – 4th Avenue S.W.
Calgary, AB T2P 3J4

2. Date of Material Change:

April 24, 2013.

3. News Release:

A news release respecting the material change disclosed herein was issued by Kulczyk Oil Ventures Inc. (“KOV” or the “Company”) on April 25, 2013 and disseminated through the facilities of Marketwire and subsequently filed on SEDAR.

4. Summary of Material Change:

On April 24, 2013, the Company entered into an arrangement agreement (the “**Arrangement Agreement**”) with Winstar Resources Ltd. (“**Winstar**”) and Kulczyk Investments S.A. (“**KI**”) pursuant to which the Company will acquire all of the issued and outstanding common shares (the “**Winstar Shares**”) of Winstar (the “**Transaction**”) pursuant to a plan of arrangement under the *Business Corporations Act* (Alberta) (the “**ABCA**”). Pursuant to the Transaction, each holder of Winstar Shares (the “**Winstar Shareholders**”) will receive, for each Winstar Share, at the Winstar Shareholder’s election: (i) CAD\$2.50 in cash (the “**Cash Consideration**”); or (ii) 7.555 KOV common shares (the “**Share Consideration**”), subject to a maximum of CAD\$35 million in cash being paid to the Winstar Shareholders in aggregate (the “**Maximum Cash Consideration**”).

5. Full Description of the Material Change:

On April 24, 2013, the Company entered into the Arrangement Agreement with Winstar and KI pursuant to which the Company will acquire all of the issued and outstanding Winstar Shares. Pursuant to the Transaction, each Winstar Shareholder will receive, for each Winstar Share, at the Winstar Shareholder’s election: (i) the Cash Consideration; or (ii) the Share Consideration, subject to the Maximum Cash Consideration. The Cash Consideration will be funded by a consortium of investors led by KI (the “**Consortium**”), the major shareholder of the Company¹.

¹ KI, the major shareholder of KOV, is an international investment house founded by Polish businessman Dr. Jan Kulczyk, the former Chairman of the board of directors of KOV. Dariusz Mioduski, the current Chairman of the board of directors of KOV, is the Chief Executive Officer of KI and Manoj Madnani, a director of KOV, is a member of the Management Board of KI. KI presently holds 240,807,193 KOV Shares or approximately 49.99% of the issued and outstanding KOV Shares. In addition, Radwan Investments GmbH (“**Radwan**”) holds 26,628,360 KOV Shares or approximately 5.53% of the issued and outstanding KOV Shares. Radwan may be considered to be a joint actor to KI, as a result of an agreement in place between Radwan and KI dated September 15, 2010, which entitles Radwan to participate in a percentage of KI’s investments and provides that Radwan will vote any securities it purchases pursuant to such agreement in accordance with the directions of KI. KI and Radwan collectively hold 267,435,553 KOV Shares or approximately 55.52% of the issued and outstanding KOV Shares. Dr. Jan Kulczyk, beneficially owns or controls, directly or indirectly, 68.33% of the outstanding shares of KI. As a result, the issuance of KOV Shares to KI pursuant to the plan of arrangement will be considered to be a “related party transaction” pursuant to Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions*, as adopted by the Ontario Securities Commission and the Autorité des marchés financiers; however, the plan of arrangement will be effected pursuant to the formal valuation and minority shareholder approval exemptions available pursuant to Sections 5.5(a) and 5.7(a), respectively, of MI 61-101. Review and approval of the plan of arrangement was effected by the board of directors of KOV, with the KI board nominees declaring their respective interests and abstaining from voting thereon. At the time that the Arrangement Agreement was agreed to, neither the fair market value of the KOV Shares issuable to KI pursuant to the plan of arrangement, or the consideration for, the KOV Shares issuable to KI pursuant to the plan of arrangement, exceeded 25% of the Company’s market capitalization (based on the closing price of the KOV Shares on the WSE on April 24, 2013). The anticipated effect of the Transaction on the percentage of securities of KOV beneficially owned or controlled by KI and the above-mentioned interested or associated parties cannot be finally determined at this time as such effect is dependent upon the type of consideration under the Transaction elected to be received by the Winstar Shareholders, the conversion of the KI loan described herein and the size of the Consortium. However, assuming: (a) KI is the sole member of the Consortium; (b) the

Under the terms of the Arrangement Agreement, the Transaction will be implemented by way of a statutory plan of arrangement pursuant to the ABCA whereby the Consortium will purchase Winstar Shares from those Winstar Shareholders who elect to receive the Cash Consideration; the Company will purchase Winstar Shares from those Winstar Shareholders who elect to receive the Share Consideration; and the Consortium will then tender the Winstar Shares they acquired under the plan of arrangement to KOV for the Share Consideration. The Share Consideration received by the Consortium will, pursuant to the terms of the Arrangement Agreement, be subject to a hold period of 180 days following closing of the Transaction. In the event Winstar Shareholders elect to receive in aggregate more than the Maximum Cash Consideration, an adjustment will be made so that each Winstar Shareholder who elected to receive the Cash Consideration will instead receive a prorated portion of the Maximum Cash Consideration and the balance of the consideration payable to such Winstar Shareholder will be paid as Share Consideration.

Each director and senior officer of Winstar, certain investment funds administered by Yorktown Partners Group (“**Yorktown**”) and the principals of Yorktown, and Pala Assets Holdings Limited (“**Pala**”), collectively representing approximately 54.2% of the issued and outstanding Winstar Shares, have committed to vote all Winstar Shares beneficially owned or controlled by them in favour of the Transaction, subject to the terms and conditions of the support agreements they entered into with KOV and KI in support of the Transaction.

Each director and senior officer of Winstar, Pala and the Yorktown principals, who collectively hold 27.9% of the issued and outstanding Winstar Shares, will elect to receive the Share Consideration. The investment funds administered by Yorktown, which collectively hold approximately 26.3% of the issued and outstanding Winstar Shares, will elect to receive the Cash Consideration.

Completion of the Transaction is subject to a number of customary conditions, including the following:

- approval of the Transaction by 66 2/3% of the votes cast by the Winstar Shareholders in person or by proxy at a special meeting of the Winstar Shareholders;
- approval of the Transaction by the Court of Queen’s Bench of Alberta;
- conditional approval of the listing and posting for trading of the KOV common shares (“**KOV Shares**”) on the TSX, including the KOV Shares issuable under the Share Consideration, subject only to the filing of documentation that cannot be filed prior to the effective date of the Transaction, such that the KOV Shares shall be listed and posted for trading on the TSX as soon as is reasonably practicable following the effective date of the Transaction in accordance with TSX policies;
- KI shall exercise its option to convert its existing loan to the Company in the amount of US\$12 million plus accrued interest into KOV Shares on or prior to the effective date of the Transaction in accordance with the provisions of the loan agreement in respect of same. The Company has been informed by KI that it is KI’s current intention to serve the conversion election notice on or about May 8, 2013. The loan amount will be converted into KOV Shares at a price per share equal to the five day volume weighted average trading price of KOV Shares on the Warsaw Stock Exchange during the five trading days immediately prior to but excluding the date of the conversion election notice. The conversion election notice will state that the conversion of the loan amount into KOV Shares is conditional upon the successful closing of the Transaction. The total number of KOV Shares issuable to KI upon conversion cannot be determined at this time as the amount of the obligations to be converted and the final conversion price cannot be determined until the date of conversion; and

Maximum Cash Consideration is paid; and (c) 33,146,077 KOV Shares are issued to KI upon the conversion of the KI loan described herein (such number of KOV Shares determined on the basis of one KOV Share for each 1.27 Polish zloty of indebtedness converted under the KI loan (with 1.27 Polish zloty being equal to the volume weighted average trading price of the KOV on the WSE during the five (5) trading days prior to, and excluding, April 19, 2013) and inclusive of KOV Shares issuable in respect of interest accrued thereon up to June 30, 2013); KI will beneficially own or control approximately 48.25% of the issued and outstanding KOV Shares after completion of the Transaction and Radwan and Dr. Jan Kulczyk will beneficially own or control 3.38% and 32.97% of the KOV Shares, respectively.

- the shareholders of the Company shall have approved special resolutions approving: (a) the consolidation of the KOV Shares upon a ratio not greater than a ten for one basis and (b) the name change of the Company to “Serinus Energy Inc.”, with both resolutions to be implemented as soon as reasonably practicable after closing of the Transaction. KI, representing approximately 49.99% of the issued and outstanding KOV Shares, has committed to vote all KOV Shares beneficially owned or controlled by it in favour of the KOV Share consolidation and name change resolutions, subject to the terms and conditions of the support agreement it entered into with Winstar in respect of same.

The Arrangement Agreement includes customary non-solicitation covenants by Winstar and provides Winstar with the ability to respond to unsolicited proposals considered superior to the Transaction in accordance with the terms of the Arrangement Agreement. In the event a superior proposal is accepted, Winstar will be required to pay a termination fee of CAD\$4.5 million to the Company. The Company has the right to match a superior proposal. In the event the Company fails to satisfy its obligations under the Arrangement Agreement and complete the Transaction, the Company will be required to pay a non-completion fee of CAD\$4.5 million to Winstar.

The special meeting of the Winstar Shareholders to consider and approve the plan of arrangement implementing the Transaction, and the special meeting of the KOV shareholders to consider and approve the consolidation and name change described above, are both expected to be held in mid-June 2013. Subject to the satisfaction, or where relevant, waiver, of all relevant conditions, the Transaction will become effective and the Transaction completed by the end of June 2013.

Upon closing of the Transaction, Bruce Libin and Evgenij Iorich, current directors of Winstar, will join the KOV board as non-executive directors, the name change and KOV Share consolidation will be implemented and the Company will continue to be listed on the Warsaw Stock Exchange. In addition, the Winstar Shares will cease trading and will be de-listed from the TSX. As noted above, it is a condition to the completion of the Transaction that the KOV Shares shall have been conditionally approved for listing on the TSX, including the KOV Shares issuable under the Share Consideration, subject only to the filing of documentation that cannot be filed prior to the effective date of the Transaction, such that the KOV Shares shall be listed and posted for trading on the TSX as soon as is reasonably practicable following the effective date of the Transaction in accordance with TSX policies.

The Transaction represents a material increase in KOV’s reserves and production, and is anticipated to provide KOV with low-risk development opportunities and the ability to leverage its operational expertise to materially increase production, reserves and cash flow from Winstar’s assets, which have attractive fiscal terms that are anticipated to result in high per barrel netbacks. Additionally, the Transaction is accretive to KOV on per barrel metrics and is anticipated to provide the Company with continuous development drilling in Ukraine and Tunisia targeting substantial increases in production and high-impact exploration drilling in Brunei and Romania.

6. Reliance on Subsection 7.1(2) or (3) 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
Fax: 403.264.8861

9. Date of Report

May 6, 2013.

Forward-looking Statements Regarding the Transaction

This material change report contains certain statements relating to KOV that are based on the expectations of KOV, as well as assumptions made by, and information currently available to, KOV, which may constitute forward-looking information under applicable securities laws. All such statements and disclosures, other than those of historical fact, which address activities, events, outcomes, results or developments that KOV anticipates or expects may, or will occur in the future (in whole or in part) should be considered forward-looking information. In some cases, forward-looking information can be identified by terms such as “forecast”, “future”, “may”, “will”, “expect”, “anticipate”, “believe”, “potential”, “enable”, “plan”, “continue”, “contemplate”, “pro-forma”, or other comparable terminology. In particular, this material change report makes reference to the timing and completion of the Transaction, the issuance of KOV Shares on the completion of the Transaction, the expected completion of the Transaction, including the ability of the Company to satisfy all necessary conditions to the closing of the Transaction, the anticipated benefits of the Transaction and the timing of the Winstar and KOV shareholder meetings. Readers are cautioned that there is no assurance that the transactions referenced herein will proceed. Certain conditions must be met before the Transaction can be completed. Such conditions include the receipt of all necessary regulatory approvals, including the Tunisian Approval (as such term is defined in the Arrangement Agreement), the approval of the listing of the shares of KOV on the TSX (subject only to the filing of documentation that cannot be filed prior to the effective date), such that the shares of KOV shall be listed and posted for trading on the TSX as soon as is reasonably practicable following the effective date in accordance with TSX policies, the approval of the plan of arrangement by the Winstar Shareholders and the approval of the name change and share consolidation by KOV shareholders. There is no assurance that the required approvals will be received and all of the conditions to the completion satisfied and there is therefore no assurance that the Transaction completed in the time frame anticipated or at all. Many factors could cause the performance or achievement by KOV to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. These factors include the failure to obtain the required approvals, including requisite Winstar and KOV shareholder approvals and the approval of the TSX of the listing of the KOV Shares, risks relating to the integration of KOV and Winstar, the failure to realize anticipated synergies and incorrect assessments of the value of Winstar. Readers are cautioned that the foregoing list of factors is not exhaustive.

The forward-looking statements contained in this material change report are expressly qualified by this cautionary statement. KOV is not under any duty to update any of the forward-looking statements after the date of this material change report or to conform such statements to actual results or to changes in KOV’s expectations and KOV disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.