



To: Smythe LLP
PricewaterhouseCoopers LLP
British Columbia Securities Commission
Alberta Securities Commission
TSX Venture Exchange

NOTICE OF CHANGE OF AUDITOR
(the "Notice")

TAKE NOTICE THAT:

Pursuant to Part 4.11 of National Instrument 51-102 ("NI 51-102"), Quaterra Resources Inc. (the "Corporation") hereby gives notice and confirms that:

1. Smythe LLP, Chartered Professional Accountants (the "Former Auditor") of 700 - 355 Burrard Street, Vancouver, British Columbia, V6C 2G8, have resigned as auditor for the Corporation, effective as of October 7, 2016.
2. The Former Auditor resigned at the request of the Corporation.
3. The resignation of Smythe LLP and the appointment of PricewaterhouseCoopers LLP, Chartered Professional Accountants (the "Successor Auditor") were considered and approved by the Audit Committee of the Corporation and the board of directors of the Corporation.
4. The audit report of Smythe LLP on the financial statements of the Corporation for the fiscal years ended December 31, 2015 and December 31, 2014 did not contain any reservation. Smythe LLP has not reported on any financial statements of the Corporation subsequent to December 31, 2015, the most recently completed period for which its audit report was issued.
5. There are no reportable events as defined in Part 4.11 of NI 51-102 between the Corporation and the Former Auditor.

DATED this 11th day of October, 2016.

Quaterra Resources Inc.

Signed by "Lei Wang"

Lei Wang

Chief Financial Officer

