

FORM 51-102F3
MATERIAL CHANGE REPORT

1. Name and Address of Company

Seaway Energy Services Inc. (the "**Company**" or "**Seaway**")
Suite 1250, 700 - 4th Avenue SW
Calgary, AB T2P 3J4

2. Date of Material Change(s)

February 2, 2012

3. News Release

A news release was disseminated on February 2, 2012 through Marketwire, copies of which were filed on SEDAR.

4. Summary of Material Change

The Company announced, as an update to the Company's news release of January 6, 2011, that at today's annual general and special meeting of shareholders (the "**Meeting**"), the minority shareholders rejected the previously announced management sponsored going private transaction (the "**Going Private Transaction**") by the narrow margin of 50.57% (1,551,000 common shares) voted against and 49.43% (1,516,017 common shares) voted in favour, even though approximately 90% (13,225,017 common shares) of all votes cast at the Meeting were in favour of the Going Private Transaction.

5. Full Description of Material Change

5.1 Full Description of Material Change

The Company announced, as an update to the Company's news release of January 6, 2011, that at today's annual general and special meeting of shareholders (the "**Meeting**"), the minority shareholders rejected the previously announced management sponsored going private transaction (the "**Going Private Transaction**") by the narrow margin of 50.57% (1,551,000 common shares) voted against and 49.43% (1,516,017 common shares) voted in favour, even though approximately 90% (13,225,017 common shares) of all votes cast at the Meeting were in favour of the Going Private Transaction.

Corporate legislation required the Going Private Transaction to be approved by at least two-thirds (66 2/3%) of the votes cast by shareholders present in person or represented by proxy at the Meeting. For the purposes of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 *Protection of Minority Shareholders in Special Transactions*, the Going Private Transaction required approval by a majority of the votes cast by the minority shareholders (being those shareholders other than other than Messrs. Jerry J. Budziak, President, CEO and a director of the Company, David A. Burroughs and Elias Foscolos, both of whom are directors of the Company, and their associates and affiliates, and all persons acting jointly or in concert with them, collectively, the "**Majority Shareholders**"), present in person or represented by proxy at the Meeting.

Shareholder approval of the Going Private Transaction would have resulted in the articles of the Company being amended to permit the redemption of its common shares (the “**Common Shares**”), as determined at the discretion of the Board of Directors, for the cash amount of \$0.040 per share (the “**Redemption**”). Under the terms of a support agreement entered into between the Company and Messrs. Jerry J. Budziak, David A. Burroughs and Elias Foscolos (the “**Support Agreement**”), all Common Shares, other than the Common Shares held by the Majority Shareholders, were to be redeemed, leaving the Majority Shareholders as the remaining shareholders of the Company.

The Redemption would have provided minority shareholders of the Company with an opportunity to liquidate their holdings (commission free) at a premium of approximately 20% over \$0.0332 per share 30-day volume weighted average price of the Common Shares on the TSX Venture Exchange (the “**Exchange**”) on January 5, 2012, the last trading day prior to the announcement of the Support Agreement.

Also at the Meeting, shareholders re-appointed auditors for the Company, re-appointed Michael Windle, Jerry J. Budziak, David A. Burroughs and Elias Foscolos to the Board of Directors, and re-approved the Company’s amended stock option plan.

The Company wishes to announce the appointments of Elias Foscolos as Chairman of the Board and Leigh Stewart to the office of Corporate Secretary. Mr. Stewart practices law at Davis LLP primarily in the area of corporate securities.

5.2 Disclosure for Restructuring Transactions

Not Applicable

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

Not Applicable

7. Omitted Information

Not Applicable

8. Executive Officer

The name and business number of the executive officer of Seaway Energy Services Inc. who is knowledgeable about the material change and this report is:

Jerry Budziak, President and Chief Executive Officer
Tel: +1 (403) 235 - 4468
Fax: +1 (403) 266 - 1181
e-mail: jerry.budziak@seawayenergy.com

9. Date of Report

February 2, 2012