

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

PetroCorp Group Inc.
2057 - 111th Street, Suite #166
Edmonton, Alberta
T6J 4V9

Item 2 Date of Material Change

July 15, 2011.

Item 3 News Release

A press release relating to the material change described herein was released by PetroCorp Group Inc. on July 15, 2011.

Item 4 Summary of Material Change

PetroCorp Group Inc. (the "Corporation") announced that it has been served with a statement of claim by Powell Canada Inc. and affiliated companies (collectively, "Powell"), wherein Powell is claiming that the Corporation breached certain representations and warranties contained in the Asset Purchase Agreements dated October 21, 2009. Powell is claiming it has suffered damages in the amount of \$9,000,000, and is seeking indemnification for these alleged damages from the Corporation and other defendants. The Corporation plans to file a statement of defense and vigorously defend itself in this matter.

Item 5 Full Description of Material Change

See attached Schedule "A" for full details.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Larry Patriquin, President and Chief Executive Officer at (780) 499-7662 and Randy Fries, Interim Chief Financial Officer at (780) 910-9436.

Item 9 Date of Report

July 22, 2011.

Schedule "A"

PRESS RELEASE

PetroCorp Group Inc. Announces Lawsuit

For Immediate Release

EDMONTON, JULY 15, 2011 - PetroCorp Group Inc. (PCG.H: NEX) (the "Corporation") announced today that it has been served with a statement of claim by Powell Canada Inc. and affiliated companies (collectively, "Powell"), wherein Powell is claiming that the Corporation breached certain representations and warranties contained in the Asset Purchase Agreements dated October 21, 2009. Powell is claiming it has suffered damages in the amount of \$9,000,000, and is seeking indemnification for these alleged damages from the Corporation and other defendants. The Corporation plans to file a statement of defense and vigorously defend itself in this matter.

Neither the NEX, nor its Regulatory Services Provider (as that term is defined in the policies of the NEX) accepts responsibility for the adequacy or accuracy of this release.

For further information, please contact Larry Patriquin, President & CEO, at (780) 499-7662, or Randy Fries, Interim CFO, at (780) 910-9436.