

JADESTONE ENERGY INC.

**Annual General Meeting
to be held on May 31, 2018**

**Notice of Annual General Meeting
and
Information Circular**

April 27, 2018

JADESTONE ENERGY INC.

Keppel Towers, #15-05/06
10 Hoe Chiang Road
Singapore 089315

INFORMATION CIRCULAR

(as at April 27, 2018 except as otherwise indicated)

SOLICITATION OF PROXIES

This information circular (the “**Circular**”) is provided in connection with the solicitation of proxies by the management (the “**Management**”) of Jadestone Energy Inc. (the “**Company**”). The form of proxy which accompanies this Circular (the “**Proxy**”) is for use at the annual general meeting of the shareholders of the Company (the “**Shareholders**”) to be held on Thursday, May 31, 2018 (the “**Meeting**”), at the time and place set out in the accompanying notice of Meeting (the “**Notice of Meeting**”). The Company will bear the cost of this solicitation. The solicitation will be made by mail, but may also be made by telephone.

APPOINTMENT AND REVOCATION OF PROXY

The persons named in the Proxy are directors and/or officers of the Company. **A registered Shareholder who wishes to appoint some other person to serve as their representative at the Meeting may do so by striking out the printed names and inserting the desired person’s name in the blank space provided.** The completed Proxy should be delivered to Computershare Trust Company of Canada (“**Computershare**”) by 9:00 a.m. (London Time) on May 29, 2018, or before 48 hours (excluding Saturdays, Sundays and holidays) before any adjournment of the Meeting at which the Proxy is to be used.

The Proxy may be revoked by:

- (a) signing a proxy with a later date and delivering it at the time and place noted above;
- (b) signing and dating a written notice of revocation and delivering it to Computershare, or by transmitting a revocation by telephonic or electronic means, to Computershare, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment of it, at which the Proxy is to be used, or delivering a written notice of revocation and delivering it to the Chairman of the Meeting on the day of the Meeting or adjournment of it; or
- (c) attending the Meeting or any adjournment of the Meeting and registering with the scrutineer as a Shareholder present in person.

Provisions Relating to Voting of Proxies

The shares represented by Proxy in the form provided to Shareholders will be voted or withheld from voting by the designated holder in accordance with the direction of the registered Shareholder appointing him. If there is no direction by the registered Shareholder, those shares will be voted for all proposals set out in the Proxy and for the election of directors and the appointment of the auditor as set out in this Circular. The Proxy gives the person named in it the discretion to vote as

such person sees fit on any amendments or variations to matters identified in the Notice of Meeting, or any other matters which may properly come before the Meeting. At the time of printing of this Circular, the Management knows of no other matters which may come before the Meeting other than those referred to in the Notice of Meeting.

Advice to Beneficial Holders of Shares

The information set forth in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold common shares (the “Common Shares”) in the capital of the Company in their own name. Shareholders who hold their Common Shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their Common Shares in the capital of the Company in their own name (referred to herein as “Beneficial Shareholders”) should note that only proxies deposited by Shareholders who appear on the records maintained by the Company’s registrar and transfer agent as registered holders of Common Shares will be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, then those Common Shares will, in all likelihood, not be registered in the Shareholder’s name. Such Common Shares will more likely be registered under the name of the Shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). In the United States, the vast majority of such shares are registered under the name of Cede & Co. (the registration name for The Depository Trust Company, which acts as nominee for many United States brokerage firms). Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted or withheld at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker’s clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of instrument of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the Proxy provided directly to registered Shareholders by the Company. However, its purpose is limited to instructing the registered Shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. (“Broadridge”) in Canada. Broadridge typically prepares a machine-readable voting instruction form (“VIF”), mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the VIFs to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge VIF cannot use that form to vote Common Shares directly at the Meeting. The VIFs must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

The Notice of Meeting, Circular, Proxy and VIF, as applicable, are being provided to both registered Shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories - those who

object to their identity being known to the issuers of securities which they own (“**OBOs**”) and those who do not object to their identity being made known to the issuers of the securities which they own (“**NOBOs**”). Subject to the provisions of National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), issuers may request and obtain a list of their NOBOs from intermediaries directly or via their transfer agent and may obtain and use the NOBO list for the distribution of proxy-related materials directly (not via Broadridge) to such NOBOs. If you are a Beneficial Shareholder and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the Common Shares on your behalf.

The Company has distributed copies of the Notice of Meeting, Circular and VIF to intermediaries for distribution to NOBOs. Unless you have waived your right to receive the Notice of Meeting, Circular and VIF, intermediaries are required to deliver them to you as a NOBO of the Company and to seek your instructions on how to vote your Common Shares.

The Company’s OBOs can expect to be contacted by Broadridge or their brokers or their broker’s agents as set out above. The Company does not intend to pay for intermediaries to deliver the Notice of Meeting, Circular and VIF to OBOs and accordingly, if the OBO’s intermediary does not assume the costs of delivery of those documents, then, in the event that the OBO wishes to receive them, the OBO may not receive the documentation.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered Shareholder and vote the Common Shares in that capacity. NI 54-101 allows a Beneficial Shareholder who is a NOBO to submit to the Company or an applicable intermediary any document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder. If such a request is received, the Company or an intermediary, as applicable, must arrange, without expenses to the NOBO, to appoint such NOBO or its nominee as a proxyholder and to deposit that proxy within the time specified in this Circular, provided that the Company or the intermediary receives such written instructions from the NOBO at least one business day prior to the time by which proxies are to be submitted at the Meeting, with the result that such a written request must be received by 9:00 a.m. (London Time) on the day which is at least three business days prior to the Meeting. **A Beneficial Shareholder who wishes to attend the Meeting and to vote their Common Shares as proxyholder for the registered Shareholder, should enter their own name in the blank space on the VIF or such other document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder and return the same to their broker (or the broker’s agent) in accordance with the instructions provided by such broker.**

All references to Shareholders in the Notice of Meeting, Circular and the accompanying Proxy are to registered Shareholders of the Company as set forth on the list of registered Shareholders of the Company as maintained by the registrar and transfer agent of the Company, Computershare, unless specifically stated otherwise.

FINANCIAL STATEMENTS

The financial statements of the Company for the nine months ended December 31, 2017 and related management’s discussion and analysis, together with the auditor’s report on those statements will be presented to the Shareholders at the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

As at the close of business on April 27, 2018, the Company's authorized capital consists of an unlimited number of Common Shares of which 221,298,004 Common Shares are issued and outstanding and an unlimited number of Class B Common Shares of which no Class B Common Shares are issued and outstanding. All Common Shares in the capital of the Company carry the right to one vote. The Class B Common Shares are equal to the Common Shares in all respects except that the Class B Common Shares do not carry the right to vote for the election or removal of directors and the Class B Common Shares are convertible into Common Shares on a one-for-one basis.

Shareholders registered as at April 20, 2018, are entitled to attend and vote at the Meeting. Shareholders who wish to be represented by proxy at the Meeting must, to entitle the person appointed by the Proxy to attend and vote, deliver their Proxies at the place and within the time set forth in the notes to the Proxy.

To the knowledge of the directors and executive officers of the Company, as of the date of this Circular, the following persons beneficially own, directly or indirectly, or exercise control or direction over, 10% or more of the issued and outstanding Common Shares of the Company:

Shareholder	Number of Common Shares	Percentage of Issued Capital
Tyrus Capital S.A.M. ⁽¹⁾	109,705,247 Common Shares	49.6%
Livermore Partners LLC ⁽²⁾	31,370,769 Common Shares	14.2%

Note:

- (1) Tyrus Capital S.A.M. acting as discretionary investment manager of Tyrus Capital Event Master Fund Limited (the "Fund"), does not own any securities of the Company but exercises control or direction over certain securities of the Company as the investment manager of the Fund.
- (2) The managing director of Livermore Partners LLC is David Neuhauser, a director of the Company, who exercises control or direction over the Common Shares beneficially owned by Livermore Partners LLC.

ELECTION OF DIRECTORS

The directors of the Company are elected annually and hold office until the next annual general meeting of the Shareholders or until their successors are elected or appointed. The Management of the Company proposes to nominate the persons listed below for election as directors of the Company to serve until their successors are elected or appointed. In the absence of instructions to the contrary, Proxies given pursuant to the solicitation by the Management will be voted for the nominees listed in this Circular. Management does not contemplate that any of the nominees will be unable to serve as a director. The number of directors on the board of directors (the "Board") of the Company was fixed at six and shareholders will be asked at the Meeting to pass an ordinary resolution to fix the number of directors for the ensuing year at seven.

The following table sets out the names of the nominees for election as directors, the offices they hold within the Company, their occupations, the length of time they have served as directors of the Company, and the number of Common Shares of the Company which each beneficially owns, directly or indirectly, or over which control or direction is exercised, as of the date of this Circular.

Name, province or state and country of residence and positions, current and former, if any, held in the Company	Principal occupation for last five years	Served as director since	Number of Common Shares beneficially owned or controlled or directed, directly or indirectly, at present ⁽¹⁾
<p>A. Paul Blakeley Singapore</p> <p><i>Director and Chief Executive Officer</i></p> <p><i>Former Executive Chairman</i></p>	<p>Director of Tiger Energy Pte. Ltd. from July, 2015 to present; Executive Vice President of Talisman Energy Inc. from December, 1994 to July, 2015.</p>	<p>June 7, 2016</p>	<p>1,938,000</p>
<p>Robert A. Lambert⁽²⁾ Algarve, Portugal</p> <p><i>Director and Deputy Chairman</i></p> <p><i>Former President and Chief Executive Officer</i></p>	<p>Chief Executive Officer of Petra Petroleum Inc. from May 5, 2011 to April 21, 2015 and President of Petra Petroleum Inc. from January 6, 2012 to April 21, 2015; previously, Mr. Lambert was the Senior Independent Director of Eland Oil & Gas Plc from August, 2012 to December, 2015; Mr. Lambert is currently a Director of Hillcrest Petroleum Inc. and Inception Energy Ltd. Mr. Lambert is also the Founder and sole director of Ipex Energy Ltd., which provides a variety of petroleum advisory and business services to the oil and gas industry.</p>	<p>May 5, 2011</p>	<p>336,000</p>
<p>Eric Schwitzer⁽²⁾⁽³⁾ British Columbia, Canada</p> <p><i>Director</i></p>	<p>Vice Chair of Lincoln Peck Financial Inc. since January, 2010 and a director of North West Refining since 2006; previously, Mr. Schwitzer was Managing Partner at Enterprise Capital from June, 2002 until December, 2008; he was also a director of Forzani Group from July, 2011 until August, 2011 and was a Director of Pitchstone Exploration from October, 2005 until January, 2012.</p>	<p>April 21, 2015</p>	<p>500,000</p>
<p>Iain McLaren⁽²⁾⁽³⁾ Edinburgh, Scotland</p> <p><i>Director</i></p>	<p>Mr. McLaren was a partner at KPMG from October, 1981 until June, 2008; he is presently a Director at Cairn Energy Plc, Baillie Gifford Shin Nippon Plc, F&C UK High Income Trust Plc, Edinburgh Dragon Trust Plc and Ecofin Global Utilities and Infrastructure Trust Plc.</p>	<p>April 21, 2015</p>	<p>3,911</p>
<p>David Neuhauser Illinois, USA</p> <p><i>Director</i></p>	<p>Managing Director of Livermore Partners LLC from June 2009 to present.</p>	<p>June 7, 2016</p>	<p>31,370,769⁽⁴⁾</p>

Name, province or state and country of residence and positions, current and former, if any, held in the Company	Principal occupation for last five years	Served as director since	Number of Common Shares beneficially owned or controlled or directed, directly or indirectly, at present ⁽¹⁾
Cedric Fontenit ⁽³⁾ Monaco <i>Director</i>	Investment Analyst at Tyrus Capital S.A.M. from February, 2012 to present; previously, Mr. Fontenit was an Investment Analyst at Tyrus Capital LLP from October, 2009 to February, 2012.	June 7, 2016	Nil
Dennis McShane United Kingdom <i>Director and Chairman</i>	Mr. McShane is a Non-Executive Director of the Advertising Checking Bureau, Inc. in the United States. Previously he held directorship roles with Midas Resources AG in Switzerland, Ophir Energy Plc, and Ferrexpo Plc.	December 10, 2017	85,000

Notes:

- (1) The information as to Common Shares beneficially owned or controlled has been provided by the directors themselves.
- (2) Member of the Company's Audit Committee.
- (3) Member of the Company's Compensation and Nominating Committee.
- (4) Mr. Neuhauser does not own any Common Shares of the Company directly but, as managing director of Livermore Partners LLC, exercises control or direction over the Common Shares beneficially owned by Livermore Partners LLC.

The Company does not have an executive committee of its Board.

No proposed director is being elected under any arrangement or understanding between the proposed director and any other person or company. Pursuant to a nomination rights agreement (the "**Nomination Rights Agreement**") dated April 21, 2015 between the Company and the Ontario Teachers' Pension Plan Board ("**OTPP**"), a significant shareholder of the Company, OTPP has a right to nominate one director for so long as OTPP holds at least 5% of the issued and outstanding shares. OTPP has not exercised its nomination right, pursuant to the Nomination Rights Agreement.

Corporate Cease Trade Orders or Bankruptcies

Except as disclosed below, no director or proposed director of the Company is, or within the ten years prior to the date of this Circular has been, a director or executive officer of any company, including the Company, that while that person was acting in that capacity:

- (a) was the subject of a cease trade order or similar order or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days; or
- (b) was subject to an event that resulted, after the director ceased to be a director or executive officer of the company being the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or

- (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Iain McLaren, a director of the Company, was formerly a director of Afren Plc (“**Afren**”), a company formerly listed on the London Stock Exchange. Afren was placed in administration in July 2015, within one year of Mr. McLaren ceasing to be a director.

Individual Bankruptcies

No director or proposed director of the Company has, within the ten years prior to the date of this Circular, become bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

Penalties or Sanctions

None of the proposed directors have been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority, has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable security holder making a decision about whether to vote for the proposed director.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

The following information is presented in accordance with National Instrument Form 51-102F6V – *Statement of Executive Compensation - Venture Issuers*. For the purposes of this Circular:

“CEO” of the Company means each individual who acted as Chief Executive Officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year.

“CFO” of the Company means each individual who acted as Chief Financial Officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year.

“NEO” or “named executive officer” means each of the following individuals:

- (a) a CEO;
- (b) a CFO;
- (c) each of the three most highly compensated executive officers of the Company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6 - *Statement of Executive Compensation*, for that financial year; and
- (d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

As at December 31, 2017, the Company had three NEOs, being A. Paul Blakeley, the CEO, Daniel Young, the CFO and Michael Horn, the Executive Vice-President of Corporate and Business Development and the former Interim CEO, and seven directors, being A. Paul Blakeley, Dennis McShane, Iain McLaren, Eric Schwitzer, Robert A. Lambert, David Neuhauser and Cedric Fontenit.

Director and NEO Compensation, Excluding Compensation Securities

On September 19, 2017, the Company changed its financial year end from March 31 to December 31. The following table sets out all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company and its subsidiaries, excluding compensation securities, to each NEO and director, in any capacity, for the nine months ended December 31, 2017 and the twelve months ended March 31, 2017.

Table of Compensation Excluding Compensation Securities							
<u>Name and Position</u>	<u>Year</u>	<u>Salary, Consulting Fee, Retainer or Commission</u> <u>(US\$)</u>	<u>Bonus</u> <u>(US\$)</u>	<u>Committee or Meeting Fees</u> <u>(US\$)</u>	<u>Value of Perquisites</u> <u>(1)</u> <u>(US\$)</u>	<u>Value of all Other Compensation</u> <u>(US\$)</u>	<u>Total Compensation</u> <u>(US\$)</u>
A. Paul Blakeley ⁽²⁾ <i>CEO and Director</i> <i>Former Executive Chairman</i>	December 2017	372,109	Nil	Nil	396,833	Nil	768,942
	March 2017	405,226	134,605	N/A	315,836	Nil	855,667
Daniel Young <i>CFO</i> ⁽³⁾	December 2017	262,500	Nil	Nil	189,819	Nil	452,319
	March 2017	65,374	Nil	Nil	73,056	Nil	138,430
Michael Horn ⁽⁴⁾ <i>Executive Vice President, Corporate and Business Development</i> <i>Former Interim CEO</i>	December 2017	350,989	Nil	Nil	165,119	Nil	516,108
	March 2017	260,438	91,891	Nil	247,981	Nil	600,310
Dennis McShane ⁽⁵⁾ <i>Chairman and Director</i>	December 2017	Nil	Nil	Nil	Nil	Nil	Nil
	March 2017	N/A	N/A	N/A	N/A	N/A	N/A
Iain McLaren <i>Director</i>	December 2017	52,500	Nil	Nil	Nil	Nil	52,500
	March 2017	61,900	Nil	Nil	Nil	Nil	61,900
Eric Schwitzer <i>Director</i>	December 2017	41,250	Nil	Nil	Nil	Nil	41,250
	March 2017	55,750	Nil	Nil	Nil	Nil	55,750

Table of Compensation Excluding Compensation Securities							
<u>Name and Position</u>	<u>Year</u>	<u>Salary, Consulting Fee, Retainer or Commission</u> <u>(US\$)</u>	<u>Bonus</u> <u>(US\$)</u>	<u>Committee or Meeting Fees</u> <u>(US\$)</u>	<u>Value of Perquisites</u> <u>(1)</u> <u>(US\$)</u>	<u>Value of all Other Compensation</u> <u>(US\$)</u>	<u>Total Compensation</u> <u>(US\$)</u>
Robert A. Lambert <i>Director</i>	December 2017	37,500	Nil	Nil	Nil	Nil	37,500
	March 2017	76,463	Nil	Nil	Nil	Nil	76,463
David Neuhauser ⁽⁶⁾ <i>Director</i>	December 2017	33,750	Nil	Nil	Nil	Nil	33,750
	March 2017	36,583	Nil	Nil	Nil	Nil	36,583
Cedric Fontenit ⁽⁶⁾ <i>Director</i>	December 2017	Nil	Nil	Nil	Nil	Nil	Nil
	March 2017	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Includes housing allowances, education, utilities, wellness subsidies and cash pension benefits.
- (2) Mr. Blakeley was appointed a director and Executive Chairman of the Company on June 7, 2016 and was appointed CEO of the Company on June 15, 2017. Mr. Blakeley resigned as Executive Chairman of the Company on December 10, 2017.
- (3) Mr. Young was appointed CFO on January 18, 2017.
- (4) Mr. Horn was appointed Interim CEO on June 7, 2016 and Executive Vice President, Corporate and Business Development on June 15, 2017. Mr. Horn resigned as Interim CEO on June 15, 2017.
- (5) Mr. McShane was appointed as Chairman and a director of the Company on December 10, 2017.
- (6) Appointed as a director of the Company on June 7, 2016.

Stock Option and Other Compensation Securities

The following table sets out all compensation securities granted or issued to each NEO and director by the Company and its subsidiaries for services provided or to be provided, directly or indirectly, to the Company during the Company's most recently completed financial year ended December 31, 2017.

Compensation Securities							
Name and Position	Type of Compensation Security	Number of Compensation Securities, Number of Underlying Securities, and Percentage of Class	Date of Issue or Grant	Issue, Conversion or Exercise Price (C\$)	Closing Price of Security or Underlying Security on Date of Grant (C\$)	Closing Price of Security or Underlying Security at Year End (C\$)	Expiry Date
A. Paul Blakeley ⁽¹⁾ <i>CEO and Director Former Executive Chairman</i>	Stock Options	500,000 Options 2,250,000 Options representing 2,750,000 underlying Common Shares 1.24% ⁽²⁾	June 7/16 March 28/17	\$0.49 \$0.47	\$0.49 \$0.45	\$0.46 \$0.46	June 7/26 March 28/27
Daniel Young ⁽³⁾ <i>CFO</i>	Stock Options	650,000 Options representing 650,000 underlying Common Shares 0.29% ⁽²⁾	March 28/17	\$0.47	\$0.45	\$0.46	March 28/27
Michael Horn ⁽⁴⁾ <i>Executive Vice President, Corporate and Business Development Former Interim CEO</i>	Stock Options	250,000 Options 700,000 Options representing 950,000 underlying Common Shares 0.43% ⁽²⁾	June 7/16 March 28/17	\$0.49 \$0.47	\$0.49 \$0.45	\$0.46 \$0.46	June 7/26 March 28/27
Dennis McShane ⁽⁵⁾ <i>Chairman and Director</i>	Stock Options	175,000 Options Representing 175,000 underlying Common Shares 0.08% ⁽²⁾	December 10, 2017	\$0.45	\$0.42	\$0.46	December 10, 2027
Iain McLaren ⁽⁶⁾ <i>Director</i>	Stock Options	100,000 Options Representing 100,000 underlying Common Shares 0.05% ⁽²⁾	March 28/17	\$0.47	\$0.45	\$0.46	March 28/27
Eric Schwitzer ⁽⁷⁾ <i>Director</i>	Stock Options	100,000 Options Representing 100,000 underlying Common Shares 0.05% ⁽²⁾	March 28/17	\$0.47	\$0.45	\$0.46	March 28/27
Robert A. Lambert ⁽⁸⁾ <i>Director</i>	Stock Options	100,000 Options Representing 100,000 underlying Common Shares 0.05% ⁽²⁾	March 28/17	\$0.47	\$0.45	\$0.46	March 28/27

Compensation Securities							
Name and Position	Type of Compensation Security	Number of Compensation Securities, Number of Underlying Securities, and Percentage of Class	Date of Issue or Grant	Issue, Conversion or Exercise Price (C\$)	Closing Price of Security or Underlying Security on Date of Grant (C\$)	Closing Price of Security or Underlying Security at Year End (C\$)	Expiry Date
David Neuhauser ⁽⁹⁾ <i>Director</i>	Stock Options	100,000 Options Representing 100,000 underlying Common Shares 0.05% ⁽²⁾	March 28/17	\$0.47	\$0.45	\$0.46	March 28/27
Cedric Fontenit ⁽¹⁰⁾ <i>Director</i>	Stock Options	Nil ⁽¹⁰⁾	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) As of the last day of the most recently completed financial year end, Mr. Blakeley held 2,750,000 options, representing an equal number of underlying Common Shares. Of these options, 500,000 vest in equal instalments over a three year period with 166,667 vesting on the date of grant, 166,667 vesting on June 7, 2017 and the remainder vesting on June 7, 2018 and 2,250,000 vest in equal instalments over a three year period with 750,000 vesting on March 28, 2018, 750,000 vesting on March 28, 2019 and the remainder vesting on March 28, 2020.
- (2) Represents the percentage of the issued and outstanding Common Shares of the Company as at December 31, 2017.
- (3) As of the last day of the most recently completed financial year end, Mr. Young held 650,000 options, representing an equal number of underlying Common Shares. These options vest in equal instalments over a three year period with 216,667 vesting on March 28, 2018, 216,667 vesting on March 28, 2019 and the remainder vesting on March 28, 2020.
- (4) As of the last day of the most recently completed financial year end, Mr. Horn held 950,000 options, representing an equal number of underlying Common Shares. Of these options, 250,000 vest in equal instalments over a three year period with 83,334 vesting on the date of grant, 83,333 vesting on June 7, 2017 and the remainder vesting on June 7, 2018 and 700,000 vest in equal instalments over a three year period with 233,334 vesting on March 28, 2018, 233,333 vesting on March 28, 2019 and the remainder vesting on March 28, 2020.
- (5) As of the last day of the most recently completed financial year end, Mr. McShane held 175,000 options, representing an equal number of underlying Common Shares. These options vest in equal instalments over a three year period with 58,334 vesting on December 10, 2018, 58,333 vesting on December 10, 2019 and the remainder vesting on December 10, 2020.
- (6) As of the last day of the most recently completed financial year end, Mr. McLaren held 100,000 options, representing an equal number of underlying Common Shares. These options vest in equal instalments over a three year period with 33,334 vesting on March 28, 2018, 33,333 vesting on March 28, 2019 and the remainder vesting on March 28, 2020.
- (7) As of the last day of the most recently completed financial year end, Mr. Schwitzer held 100,000 options, representing an equal number of underlying Common Shares. These options vest in equal instalments over a three year period with 33,334 vesting on March 28, 2018, 33,333 vesting on March 28, 2019 and the remainder vesting on March 28, 2020.
- (8) As of the last day of the most recently completed financial year end, Mr. Lambert held 100,000 options, representing an equal number of underlying Common Shares. These options vest in equal instalments over a three year period with 33,334 vesting on March 28, 2018, 33,333 vesting on March 28, 2019 and the remainder vesting on March 28, 2020.
- (9) As of the last day of the most recently completed financial year end, Mr. Neuhauser held 100,000 options, representing an equal number of underlying Common Shares. These options vest in equal instalments over a three year period with 33,334 vesting on March 28, 2018, 33,333 vesting on March 28, 2019 and the remainder vesting on March 28, 2020.
- (10) On March 28, 2017 Mr. Fontenit was granted 100,000 options, representing an equal number of underlying Common Shares. These options vested in equal instalments over a three year period with 33,334 vesting on March 28, 2018, 33,333 vesting on March 28, 2019 and the remainder vesting on March 28, 2020. Mr. Fontenit waived his right to these 100,000 options on April 27, 2017, and the 100,000 options were subsequently cancelled.

Exercise of Compensation Securities by NEOs and Directors

No director or NEO exercised any compensation securities, being solely comprised of stock options, during the nine months ended December 31, 2017.

Stock Option Plans and Other Incentive Plans

The directors of the Company have adopted a “rolling” stock option plan (the “**Plan**”) that allows the Company to issue up to a maximum of 10% of the Company’s issued and outstanding Common Shares at any given time. The shareholders of the Company approved the Plan on August 19, 2015. In accordance with TSX Venture Exchange (the “**Exchange**”) policies, a plan with a rolling 10% maximum must be confirmed by shareholders of the Company at each annual general meeting. The Plan was last confirmed by the shareholders of the Company at the annual general meeting of October 31, 2017.

The purpose of the Plan is to provide an incentive to the directors, officers, employees, and consultants to continue their involvement with the Company and to increase their efforts on the Company’s behalf by allowing the Company to grant options to directors, officers, employees and consultants as additional compensation and as an opportunity to participate in the growth of the Company. The granting of such options is intended to align the interests of such persons with that of the Company and is common industry practice.

Options will be exercisable over periods of up to ten years as determined by the Board and are required to have an exercise price which, as determined by the Board in its sole discretion, shall not be less than the closing price of the Company’s Common Shares traded through the facilities of the Exchange on the date preceding the date of grant, less any discount permitted by the Exchange, or if the Common Shares are no longer listed for trading on the Exchange, then such other exchange or quotation system on which the Common Shares are listed or quoted for trading. The maximum number of Common Shares which may be issued pursuant to options previously granted and those granted under the Plan will be 10% of the issued and outstanding Common Shares of the Company at the time of grant. In addition, the number of Common Shares which may be reserved for issuance to any one individual may not exceed 5% of the issued Common Shares on a yearly basis or not more than 2% of the issued Common Shares on a yearly basis if granted to any one consultant or to persons employed or engaged in investor relations activities.

Upon expiry of an option, or in the event an option is otherwise terminated for any reason, the number of Common Shares in respect of the expired or terminated option shall again be available for the purposes of the Plan.

Options shall be subject to vesting at the discretion of the Board. The Plan provides that if a change of control, as defined therein, occurs, all Common Shares subject to options shall immediately become vested and may thereupon be exercised in whole or in part by the option holder.

Any options granted pursuant to the Plan will terminate within 90 days of the option holder ceasing to act as a director, officer, employee or consultant of the Company unless such cessation is on account of death. If such cessation is on account of death, the options terminate on the earlier of one year of the option holder’s death and the expiration date of the options. Upon retirement, stock options will become fully vested and will terminate on the expiration date of the options.

Employment, Consulting and Management Agreements

Pursuant to an employment agreement with A. Paul Blakeley dated June 7, 2016 (the “**Blakeley Employment Agreement**”), Mr. Blakeley agreed to be employed as the Executive Chairman of the Company in exchange for a base salary of US\$500,000, a performance pay portion targeted at 75% of the annual basic remuneration, expatriate benefits and benefits in kind. The Blakeley Employment Agreement remains in effect following the change of title to CEO on June 15, 2017 and resignation as Executive Director on December 10, 2017.

Pursuant to an employment agreement with Michael Horn dated June 7, 2016 (the “**Horn Employment Agreement**”), Mr. Horn agreed to be employed as the Interim CEO in exchange for a base salary of US\$320,000, a performance pay portion targeted at 40% of the annual basic remuneration, expatriate benefits and benefits in kind. During the Company’s last completed financial year, Mr. Horn resigned as the Interim CEO of the Company and was appointed as the Company’s Executive Vice-President, Corporate and Business Development. The Horn Employment Agreement remains in effect following Mr. Horn’s position change from Interim CEO to Executive Vice-President, Corporate and Business Development.

Pursuant to an employment agreement with Daniel Young dated November 2, 2016 (the “**Young Employment Agreement**”), Mr. Young agreed to be employed as the CFO of the Company in exchange for a base salary of US\$320,000, a performance pay portion targeted at 40% of the annual basic remuneration, expatriate benefits and benefits in kind.

The following table outlines the benefits Messrs. Blakeley, Horn and Young were entitled to in the event of termination or resignation, per their services agreements in the nine months ended December 31, 2017:

Name and Principal Position	Termination and Termination or Resignation within 12 Months of Change of Control.
A. Paul Blakeley <i>CEO</i>	Twenty-four (24) times the Officer’s monthly salary; two (2) times the Annual Performance Pay Target (the Annual Performance Pay Target Amount in respect of the year preceding the date of notice, if the date of notice precedes the date upon which such performance pay amount would have been paid and, a pro-rata portion of the Annual Performance Pay Target Amount in respect of that portion of the current year to the date of notice) and an amount equivalent to US\$500,000 as compensation for the loss of expatriate benefits and all other benefits over the period of twenty-four (24) months Legal and Taxation counselling services to a maximum of US\$30,000
Michael Horn <i>Executive Vice President, Corporate and Business Development</i>	Twelve (12) times the Officer’s monthly salary; two (2) times the Annual Performance Pay Target (the Annual Performance Pay Target Amount in respect of the year preceding the date of notice, if the date of notice precedes the date upon which such performance pay amount would have been paid and, a pro-rata portion of the Annual Performance Pay Target Amount in respect of that portion of the current year to the date of notice) and an amount equivalent to US\$100,000 as compensation for the loss of expatriate benefits and all other benefits over the period of twenty-four (24) months Legal and Taxation counselling services to a maximum of US\$20,000
Dan Young <i>CFO</i>	Twelve (12) times the Officer’s monthly salary; two (2) times the Annual Performance Pay Target (the Annual Performance Pay Target Amount in respect of the year preceding the date of notice, if the date of notice precedes the date upon which such performance pay amount would have been paid and, a pro-rata portion of the Annual Performance Pay Target Amount in respect of that portion of the current year to the date of notice) and an amount equivalent to US\$100,000 as compensation for the loss of expatriate benefits and all other benefits over the period of twenty-four (24) months Legal and Taxation counselling services to a maximum of US\$20,000

Notes:

- (1) The Company may terminate a NEO’s employment and pay the NEO a pro-rated amount equal to the NEO’s basic salary in lieu of the NEO’s notice period or any unexpired portion of it. Notice or salary in lieu of notice will not apply where the NEO is terminated for misconduct.
- (2) The NEOs are entitled to exercise any vested share options as at the Termination or End Date for a period of 90 days following that date. Any unvested options will automatically lapse on the Termination or End Date.
- (3) The NEOs are entitled to their full bonus in respect of the year in which the Change of Control occurs.
- (4) The NEOs are entitled to a bonus in the year they cease to be employed by the Company, calculated on a pro-rated basis for that year for the period commencing at the beginning of the year and ending on their End Date.

Other than as set forth elsewhere in this Circular, the Company has not entered into any other agreement or arrangement under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to the Company or any of its subsidiaries, that were performed by a director or NEO, or performed by any other party, but are services typically performed by a director or NEO.

Oversight and Description of Director and NEO Compensation

The Board has a compensation and nominating committee (the “**Compensation and Nominating Committee**”) which is responsible for determining the overall compensation strategy of the Company, administering the Company’s executive compensation program, making recommendations to the Board regarding compensation including incentive and equity-based compensation, reviewing and approving corporate goals and objectives relevant to the CEO, for proposals for the compensation of the executive officers, management and directors, for evaluations of performance to determine compensation, for employee benefit and retirement plans and all other matters related to compensation. The Compensation and Nominating Committee is also responsible for reviewing the Company’s compensation policies and guidelines generally.

During the nine months ended December 31, 2017, the Compensation and Nominating Committee was composed of three members, being Cedric Fontenit (Chair), Iain McLaren and Eric Schwitzer.

Objectives of Compensation Program

It is the objective of the executive compensation program to attract and retain highly qualified and experienced individuals to serve as executive officers and to align incentive compensation to performance and shareholder value. It is the goal of the Compensation and Nominating Committee to endeavour to ensure that the compensation of executive officers is sufficiently competitive to achieve the objectives of the executive compensation program. The Compensation and Nominating Committee gives consideration to the Company’s long-term interests and quantitative financial objectives, as well to the qualitative aspects of the individual’s performance and achievements.

Role of Executive Officers in Compensation Decisions

The Compensation and Nominating Committee receives and reviews recommendations of the CEO relating to the general compensation structure and policies and programs for the Company and the salary and benefit levels for the executive officers.

Elements of Compensation

The executive compensation program is comprised of three principal components: base salaries, cash bonuses and incentive stock options which are designed to provide a combination of cash and equity-based compensation to effectively retain and motivate the executive officers to achieve the corporate goals and objectives. These elements contain both short-term incentives comprised of cash payments by way of base salaries and bonuses and long-term incentives by way of equity-based compensation. Other components of the executive compensation program include perquisites and other personal benefits. Each component of the executive compensation program is addressed separately below.

The amount for each element of the Company’s executive compensation program is determined based upon compensation levels provided by the Company’s competitors as well as upon the discretion of the Board, as described below. Each element of the Company’s executive compensation program contributes to an overall compensation package, which is designed to provide both short-term and long-term financial

incentives to the executive officers and to thereby assist the Company to successfully implement its strategic plans. The Board annually assesses how each element fits into the overall compensation package.

Base Salaries

Salaries for executive officers are reviewed annually based on corporate and personal performance and on individual levels of responsibility and are set to be competitive with industry levels. Salaries of the executive officers are not determined based on benchmarks or a specific formula. Consideration is given to compensation packages that may be available to such executive officers from other employment opportunities and commercially available data on salaries disclosed by competitors and peers. The Compensation and Nominating Committee submits its recommendation to the Board as to salary of the CEO. The Compensation and Nominating Committee considers, and, if thought appropriate, also submits to the Board recommendations for salaries for the other executive officers based on those salaries recommended by the CEO. As stated above, base salaries are established to be competitive in order to attract and retain highly qualified and experienced individuals.

Performance Pay and Goals

The Board exercises its discretion, upon recommendations received from the Compensation and Nominating Committee, regarding the payment of performance pay based upon employee merit and the payment thereof, if any, is determined by the Board. In making these decisions and in exercising this discretion, the Board recognizes extraordinary efforts made to enhance the value of the Company's asset base and any extraordinary success that has been achieved in implementing the Company's business plans as a result of such efforts, including significant production and reserve additions. The Company's compensation program provides for the payment of performance pay based on a specific formula. Performance pay amounts were paid to Mr. Blakeley and Mr. Horn in the nine months ended December 31, 2017.

Stock Option Plan

The Compensation and Nominating Committee also administers the Company's Plan that is designed to provide a long-term incentive that is aligned with shareholder value. The Compensation and Nominating Committee makes recommendations to the Board regarding the number of the stock options to be granted to each executive officer, based on the level of responsibility and experience of the individual, the performance of the individual and the number of the stock options previously granted to the individual. The Compensation and Nominating Committee regularly reviews and where appropriate, adjusts the number of the options granted to executive officers. The Compensation and Nominating Committee sets the number of options, as appropriate, designed to attract and retain qualified and talented executive officers.

Perquisites and Other Components

Other components of compensation include perquisites and personal benefits as determined by the Compensation and Nominating Committee and recommended to the Board that are consistent with the overall compensation strategy. There is no specific formula or benchmarks for assessing how perquisites or personal benefits are utilized in the total compensation package. The Company, as a general policy, includes a housing allowance, education, and a wellness subsidy to its NEOs. In addition, the Company provides cash pension benefits to its executive officers or directors.

Risks of Compensation Policies and Practices

The Board and the Compensation and Nominating Committee have not formally considered the implications of the risks associated with the Company's compensation policies and practices. However, the Company does not believe that the Company's executive compensation program encourages its executive officers to take inappropriate or excessive risks. This assessment is based on a number of considerations including, without limitation, the following: (i) the Company's compensation policies and practices are uniform throughout the Company and there are no significant differences in compensation structure among the executive officers; (ii) the overall compensation program is market-based and aligned with the Company's business plan and long-term strategies; (iii) the compensation package for NEOs consists of fixed (base salary and benefits and perquisites) and variable elements (bonuses and options) which are designed to balance short term goals and the long-term interests of the Company and are aimed at creating sustainable value for the Company's Shareholders. The performance elements are linked to the achievement of the Company's business goals and are reviewed annually by the Compensation and Nominating Committee; and (iv) in exercising its discretion under option grants, the Compensation and Nominating Committee reviews individual and corporate performance, taking into account the long-term interests of the Company.

EQUITY COMPENSATION PLAN INFORMATION

The following table sets out those securities of the Company which have been authorized for issuance under equity compensation plans, as at the end of the most recently completed financial year:

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c)
Equity compensation plans approved by the securityholders	8,102,821	C\$0.58	14,026,979
Equity compensation plans not approved by the securityholders	Nil	Nil	Nil
Total	8,102,821		14,026,979

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the current or former directors, executive officers, employees of the Company, the proposed nominees for election to the Board, or their respective associates or affiliates, are or have been indebted to the Company since the beginning of the most recently completed financial year of the Company.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Other than as disclosed in this Circular, no director or executive officer of the Company or any proposed nominee of Management of the Company for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, since the beginning of the Company's last financial year in matters to be acted upon at the Meeting, other than the election of directors, the appointment of auditors and the confirmation of the Company's Plan.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed in this Circular, none of the persons who were directors or executive officers of the Company or a subsidiary, at any time during the Company's last completed financial year, the proposed nominees for election to the Board, any person or corporation who beneficially owns, directly or indirectly, or who exercises control or direction over (or a combination of both) more than 10% of the issued and outstanding Common Shares of the Company, nor the associates or affiliates of those persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or proposed transaction which has materially affected or would materially affect the Company.

APPOINTMENT OF AUDITOR

At the Meeting, Shareholders will be asked to pass a resolution appointing Deloitte & Touche LLP, Chartered Accountants ("**Deloitte**"), of 6 Shenton Way, OUE Downtown 2, #33-00, Singapore, 068809 as the auditor of the Company, to hold office until the next annual meeting of Shareholders and authorizing the Board to fix the remuneration to be paid to Deloitte. Deloitte was appointed as the Company's auditor effective April 21, 2015 in conjunction with the RTO. Prior to the RTO, Davidson & Company LLP, Chartered Professional Accountants, was the Company's auditor.

Proxies given pursuant to this solicitation will, on any poll, be voted as directed and, if there is no direction, for the appointment of Deloitte, as the auditor of the Company to hold office for the ensuing year with remuneration to be fixed by the Board.

MANAGEMENT CONTRACTS

Other than as disclosed elsewhere in this Circular, no Management functions of the Company are to any substantial degree performed by a person or corporation other than the directors or NEOs of the Company.

AUDIT COMMITTEE

The Company is required to have an audit committee (the "**Audit Committee**") comprised of three directors, the majority of whom are not executive officers or employees of the Company or an affiliate of the Company.

Audit Committee Charter

The text of the Audit Committee's charter is attached as Schedule "A" to this Circular.

Composition of Audit Committee and Independence

The Company's Audit Committee consists of Iain McLaren (Chair), Robert Lambert and Eric Schwitzer.

National Instrument 52-110 - *Audit Committees* ("NI 52-110") provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Company, which could, in the view of the Company's Board, reasonably interfere with the exercise of the member's independent judgment. All of the members of the Audit Committee are "independent" as that term is defined.

NI 52-110 provides that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements. All of the members of the Audit Committee are "financially literate" as that term is defined. The following sets out the Audit Committee members' education and experience, that is relevant to the performance of his responsibilities as an Audit Committee member.

Relevant Education and Experience

Iain McLaren has significant experience in the oil and gas sector and is currently SID and Chair of the Audit Committee of Cairn Energy Plc, Chairman of Investors Capital Trust Plc, as well as a director of various other companies. He is a past President of the Institute of Chartered Accountants of Scotland, having been a partner at KPMG for 28 years until 2008.

Robert Lambert was formerly the President and CEO of the Company (May 2011- April 2015). He has over 49 years of experience in the international exploration and production business, during which time Mr. Lambert held numerous operational and management positions with international assignments in the US, Europe, North Africa, West Africa, Southeast Asia and the Caspian region, predominantly with Conoco Inc. Mr. Lambert was the Senior Independent Director of Eland Oil and Gas Plc (from August, 2012 until December, 2015) and was Chief Executive of GB Petroleum Ltd. from 2005 to 2010. Mr. Lambert is currently a Director of Ipex Energy Ltd., Inception Energy Ltd. and Hillcrest Petroleum Inc. Mr. Lambert has a B.Sc. and an M.B.A., both from Aberdeen University, and is a Chartered Geologist.

Eric Schwitzer has been the Vice Chair of Lincoln Peck Financial since January, 2010 and is the former managing partner of Enterprise Capital Inc. Mr. Schwitzer has extensive experience with the Canadian capital markets, having been a director of a number of Canadian publicly listed companies over the past 15 years.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Audit Committee of the Company has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board.

Reliance on Certain Exemptions

During the Company's most recently completed financial year, the Company relied on the exemption in section 2.4 (De Minimis Non-Audit Services) of NI 52-110, which exempts all non-audit services provided by the Company's auditor from the requirement to be pre-approved by the Audit Committee if such services are less than 5% of the auditor's annual fees charged to the Company.

Since the commencement of the Company's most recently completed financial year, the Company has not relied on:

- (a) the exemption in section 2.4 (De Minimis Non-Audit Services) of NI 52-110, which exempts all non-audit services provided by the Company's auditor from the requirement to be pre-approved by the Audit Committee if such services are less than 5% of the auditor's annual fees charged to the Company;
- (b) the exemption in subsection 6.1.1(4) (Circumstances Affecting the Business or Operations of the Venture Issuer) of NI 52-110;
- (c) the exemption in subsection 6.1.1(5) (Events Outside Control of Member) of NI 52-110;
- (d) the exemption in subsection 6.1.1(6) (Death, Incapacity or Resignation) of NI 52-110; or
- (e) an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions).

Pre-Approval Policies and Procedures

The Audit Committee has adopted a policy that the Company shall not engage the current auditor for any non-audit or non-audit related services. Any exceptions to this policy must be pre-approved by the Audit Committee.

Audit Fees

The following table sets forth the fees paid by the Company and its subsidiaries to Deloitte, as applicable, for the last two financial years:

	<u>December 31, 2017</u>	<u>March 31, 2017</u>
	(US\$)	(US\$)
Audit fees ⁽¹⁾	261,800	254,750
Audit related fees ⁽²⁾	0	25,000
Tax fees ⁽³⁾	57,900	10,400
All other fees ⁽⁴⁾	392,100	-
Total	<u>US\$711,800</u>	<u>US\$290,150</u>

Notes:

- (1) "Audit fees" include aggregate fees billed by the Company's external auditor in each of the last two fiscal years for audit fees.
- (2) "Audit related fees" include the aggregate fees billed in each of the last two fiscal years for assurance and related services by the Company's external auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under "Audit fees" above. The services provided include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax fees" include the aggregate fees billed in each of the last two fiscal years for professional services rendered by the Company's external auditor for tax due diligence, compliance, and tax advice. The services provided included tax advice related to mergers and acquisitions.

- (4) “All other fees” include the aggregate fees billed in each of the last two fiscal years for products and services provided by the Company’s external auditor, other than “Audit fees”, “Audit related fees” and “Tax fees” above. The fees disclosed are comprised of accounting advice related to the Company’s contemplated London listing and raise.

Exemption in Section 6.1

The Company is a “venture issuer” as defined in NI 52-110 and is relying on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (*Composition of Audit Committee*) and 5 (*Reporting Obligations*).

CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101 - *Disclosure of Corporate Governance Practices*, requires all reporting issuers to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines (the “**Guidelines**”) adopted in National Policy 58-201 - *Corporate Governance Guidelines*. These Guidelines are not prescriptive, but have been used by the Company in adopting its corporate governance practices. The Board and Management consider good corporate governance to be an integral part of the effective and efficient operation of Canadian corporations. The Company’s approach to corporate governance is set out below.

Board of Directors

Management is nominating seven individuals to the Board, all of whom are current directors of the Company.

The Guidelines suggest that the Board of every reporting issuer should be constituted with a majority of individuals who qualify as “independent” directors under NI 52-110, which provides that a director is independent if he or she has no direct or indirect “material relationship” with the Company. The “material relationship” is defined as a relationship which could, in the view of the Company’s Board, reasonably interfere with the exercise of a director’s independent judgement. Of the current members of the Board, Eric Schwitzer, Iain McLaren, Robert Lambert, David Neuhauser and Cedric Fontenit are considered “independent” within the meaning of NI 52-110 and A. Paul Blakeley and Dennis McShane are considered not to be independent. Mr. Blakeley is not considered to be independent, due to his role as the CEO of the Company and Mr. McShane is not considered to be independent, due to his role as the Chairman of the Company.

The Board has a stewardship responsibility to supervise the management of and oversee the conduct of the business of the Company, provide leadership and direction to Management, evaluate Management, set policies appropriate for the business of the Company and approve corporate strategies and goals. The day-to-day management of the business and affairs of the Company is delegated by the Board to the CEO. The Board will give direction and guidance through the CEO to Management and will keep Management informed of its evaluation of the senior officers in achieving and complying with goals and policies established by the Board.

The Board recommends nominees to the Shareholders for election as directors, and immediately following each annual general meeting appoints an Audit Committee and Compensation and Nominating Committee and the chairperson of each committee. The Board establishes and periodically reviews and updates the committee mandates, duties and responsibilities of each committee, elects a chairperson of the Board and establishes his or her duties and responsibilities, appoints the CEO and CFO of the Company and establishes the duties and responsibilities of those positions and, on the recommendation of the CEO, appoints the senior officers of the Company and approves the senior management structure of the Company.

The Board exercises its independent supervision over management by its policies that (a) periodic meetings of the Board be held to obtain an update on significant corporate activities and plans; and (b) all material transactions of the Company are subject to prior approval of the Board. The Board shall meet not less than four times during each year. The Board will also meet at any other time at the call of the Executive Chairman, or subject to the Articles of the Company, of any director. To facilitate open and candid discussion among its independent directors, such directors are encouraged to communicate with each other directly to discuss ongoing issues pertaining to the Company.

The Board has approved a mandate, which outlines the principal duties and responsibilities of the Board. The primary responsibility of the Board is to foster the short and long-term success of the Company. The Board's mandate also includes: managing the affairs of the Board, including assessing the adequacy and form of director compensation and assuming responsibility over the Company's governance practices; reviewing and approving business development initiatives including acquisitions and divestitures; dividend declarations; security offerings, financings and executive compensation. All annual reports, annual information forms, proxy circulars, offering memorandums and prospectuses are reviewed and approved by the Board. The Board is ultimately accountable and responsible for providing independent, effective leadership, in supervising the management of the business and affairs of the Company, and providing the strategic direction of the Company.

A copy of the Board's mandate was filed on SEDAR at www.sedar.com on August 28, 2015 as Schedule "D" to the Company's 2015 Management Information Circular.

Board and Committee Attendance

The table below shows a summary of directors attendance at Board and committee meetings for the period from April 1, 2017 to April, 2018.

Name and positions held in the Company	Board	Audit Committee	Compensation and Nominating Committee
A. Paul Blakeley <i>CEO and Director</i>	4 of 4	N/A	N/A
Dennis McShane⁽¹⁾ <i>Chairman and Director</i>	1 of 1	N/A	1 of 1
Iain McLaren <i>Director</i>	4 of 4	6 of 6	2 of 2
Eric Schwitzer <i>Director</i>	4 of 4	6 of 6	2 of 2
Robert Lambert <i>Director and Deputy Chairman</i>	4 of 4	6 of 6	N/A
David Neuhauser <i>Director</i>	4 of 4	N/A	N/A
Cedric Fontenit <i>Director</i>	4 of 4	N/A	2 of 2

(1) Mr. McShane was appointed a director of the Company on December 10, 2017 and has attended one Board meeting and one meeting of the Compensation and Nominating Committee held since that date.

Directorships

The following directors of the Company are also directors of other reporting issuers as stated:

Name of Director	Name of Other Reporting Issuer(s)
A. Paul Blakeley	None
Dennis McShane	None
Iain McLaren	Cairn Energy Plc Baillie Gifford Shin Nippon Plc Investors Capital Trust Plc Edinburgh Dragon Trust Plc Ecofin Global Utilities and Infrastructure Trust Plc
Eric Schwitzer	None
Robert Lambert	Hillcrest Petroleum Inc.
David Neuhauser	BNK Petroleum Inc.
Cedric Fontenit	None

Orientation and Continuing Education

The Board's practice is to recruit for the Board only persons with extensive experience in the oil and gas business, and in public company matters. Prospective new Board members are provided a reasonably detailed level of background information, verbal and documentary, on the Company's affairs and plans, prior to obtaining their consent to act as a director.

Board members are encouraged to communicate with management, auditors and technical consultants to keep themselves current with industry trends and developments and changes in legislation.

Ethical Business Conduct

The Board encourages and promotes a culture of ethical business conduct through communication and supervision as part of their overall stewardship responsibility. In addition, the Board has adopted a Code of Business Conduct and Ethics Policy (the "Code") to be followed by the Company's directors, officers, employees and principal consultants and those of its subsidiaries. The Code is also to be followed, where appropriate, by the Company's agents and representatives, including consultants where specifically required. The purpose of the Code is to, among other things, promote honest and ethical conduct, avoid conflict of interest, protect confidential information, and comply with the applicable government laws and securities rules and regulations.

A copy of the Code was filed on SEDAR at www.sedar.com on November 20, 2006.

In accordance with applicable corporate law, any director who is in a position of conflict must refrain from voting on any resolution of the Board with respect to the conflict. The Board may also require the director to excuse himself or herself from deliberations of the Board, or may alternatively refer the matter for consideration by a committee of independent directors of the Board.

In addition to the above, the Board has also adopted a policy on trading in securities of the Company to promote a culture of ethical conduct.

Whistleblower Policy

The Company has adopted a Whistleblower Policy which allows its directors, officers and employees who feel that a violation of the Code has occurred, or who have concerns regarding financial statement disclosure issues, accounting, internal accounting controls or auditing matters, to report such violation or concerns on a confidential and anonymous basis. Such reporting can be made to the members of the Company's Audit Committee or to the Company's General Counsel, who then investigate each matter so reported and takes corrective and disciplinary action, if appropriate.

Compensation and Nominating Committee

The Compensation and Nominating Committee is a committee appointed by the Board which is comprised of three directors, all of whom are independent. The Compensation and Nominating Committee assists the Board in identifying new candidates for Board nomination, makes recommendations to the Board with respect to membership on committees of the Board, other than the Compensation and Nominating Committee, assists the Board in setting director and senior executive compensation, develops and submits to the Board, recommendations with respect to other employee benefits as it sees fit, and assists the Board with respect to providing continuing education programs for directors.

Members of the Compensation and Nominating Committee shall be appointed or reappointed at the meeting of the Board following the Company's annual general meeting and from among the appointees to the Compensation and Nominating Committee, the Board shall appoint a chairperson (the "**Compensation and Nominating Committee Chairperson**"). The duties of the Compensation and Nominating Committee Chairperson include overseeing the proper functioning of the Compensation and Nominating Committee to ensure the proper discharge of its duties, to schedule meetings and to ensure timely reporting to the Board.

The Compensation and Nominating Committee will meet as often as may be necessary or appropriate in its judgment.

In exercising its mandate, the Compensation and Nominating Committee sets the standards for the compensation of directors, employees and officers based on industry data and with the goal to attract, retain and motivate key persons to ensure the long term success of the Company. Compensation generally includes the three following components: base salary, annual bonus based on performance and grant of stock options. The Compensation and Nominating Committee takes into account the increased competition in the market for its key personnel while also taking into account the performance and objectives set forth for the Company. The Compensation and Nominating Committee annually assesses the contribution and effectiveness of each director, with particular reference to any applicable position description as well as the competencies and characteristics each director is expected to bring to the Board and at the request of a director, will consider and, if deemed advisable, authorize the retaining by any director of an outside advisor for such director at the expense of the Company.

The Compensation and Nominating Committee is accountable to the Board and reports to the Board, at its next regular meeting, all deliberations and actions it has taken since any previous report. Minutes of Compensation and Nominating Committee meetings will be available for review by any member of the Board on request to the Compensation and Nominating Committee Chairperson.

The members of the Compensation and Nominating Committee are Iain McLaren, Eric Schwitzer, Dennis McShane and Cedric Fontenit (Chair).

Assessments

The Compensation and Nominating Committee is responsible for overseeing and evaluating the Board, the committees of the Board, and the contribution of individual directors. The Compensation and Nominating Committee is obliged to prepare an annual performance evaluation of the Board, which report compares the performance of the Board with the requirements of its written mandate and will assess the contribution of each director. The performance evaluations undertaken by the Compensation and Nominating Committee will be conducted in such manner as the members thereof deem appropriate.

The Board believes its corporate governance practices are appropriate and effective for the Company, given its size and operations. The Company's corporate governance practices allow the Company to operate efficiently, with checks and balances that control and monitor Management and corporate functions without excessive administration burden.

PARTICULARS OF MATTERS TO BE ACTED UPON

Confirming Stock Option Plan

Shareholders are being asked to confirm approval of the Company's 10% "rolling" Plan. There have been no changes to the Plan since it was last approved by shareholders of the Company on October 31, 2017. The Plan is subject to approval by the Exchange.

The following information is intended as a brief description of the Plan and is qualified in its entirety by the full text of the Plan, which will be available for review at the Meeting.

Options will be exercisable over periods of up to ten years as determined by the Board and are required to have an exercise price which, as determined by the Board in its sole discretion, shall not be less than the closing price of the Company's Common Shares traded through the facilities of the Exchange on the date preceding the date of grant, less any discount permitted by the Exchange, or if the Common Shares are no longer listed for trading on the Exchange, then such other exchange or quotation system on which the Common Shares are listed or quoted for trading. The maximum number of Common Shares which may be issued pursuant to options previously granted and those granted under the Plan will be 10% of the issued and outstanding Common Shares of the Company at the time of grant. In addition, the number of Common Shares which may be reserved for issuance to any one individual may not exceed 5% of the issued Common Shares on a yearly basis or not more than 2% of the issued Common Shares on a yearly basis if granted to any one consultant or to persons employed or engaged in investor relations activities.

Upon expiry of an option, or in the event an option is otherwise terminated for any reason, the number of Common Shares in respect of the expired or terminated option shall again be available for the purposes of the Plan.

Options shall be subject to vesting at the discretion of the Board. The Plan provides that if a change of control, as defined therein, occurs, all Common Shares subject to options shall immediately become vested and may thereupon be exercised in whole or in part by the option holder.

Any options granted pursuant to the Plan will terminate within 90 days of the option holder ceasing to act as a director, officer, employee or consultant of the Company unless such cessation is on account of death. If such cessation is on account of death, the options terminate on the earlier of one year of the option holder's death and the expiration date of the options. Upon retirement, stock options will become fully vested and will terminate on the expiration date of the options.

In accordance with the policies of the Exchange, a plan with a rolling 10% maximum must be confirmed by Shareholders at each annual general meeting.

Accordingly, at the Meeting, Shareholders will be asked to pass the following resolution:

“IT IS RESOLVED THAT the stock option plan is hereby approved and confirmed.”

General Matters

It is not known whether any other matters will come before the Meeting other than those set forth above and in the Notice of Meeting, but if any other matters do arise, the person named in the Proxy intends to vote on any poll, in accordance with his or her best judgement, exercising discretionary authority with respect to amendments or variations of matters set forth in the Notice of Meeting and other matters which may properly come before the Meeting or any adjournment of the Meeting.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found on SEDAR at www.sedar.com. Financial information about the Company is provided in the Company’s comparative annual financial statements to December 31, 2017, a copy of which, together with Management’s Discussion and Analysis thereon, can be found on the Company’s SEDAR profile at www.sedar.com. Additional financial information concerning the Company may be obtained by any securityholder of the Company free of charge by contacting the Company, attention: Robin Martin, Investor Relations Manager, by telephone at +1-403-975-6752 or by email at IR@jadestone-energy.com.

BOARD APPROVAL

The contents of this Circular have been approved and its mailing authorized by the directors of the Company.

DATED at Singapore the 27th day of April, 2018.

ON BEHALF OF THE BOARD

“A. Paul Blakeley”

A. Paul Blakeley
Chief Executive Officer

JADESTONE ENERGY INC.

SCHEDULE "A"
AUDIT COMMITTEE CHARTER

(see attached)

JADESTONE ENERGY INC.

AUDIT COMMITTEE CHARTER

1. INTRODUCTION

1.1 The audit committee (the “**Committee**”) is appointed by the board of directors (the “**Board**”) of Jadestone Energy Inc. (the “**Company**”) to be responsible for the oversight of the accounting and financial reporting process and financial statement audits of the Company.

1.2 This charter is prepared to assist the Committee, the Board and management in clarifying responsibilities and ensuring effective communication between the Committee, the Board and management.

2. COMPOSITION

2.1 The committee will be composed of three directors from the Board, the majority of whom will not be employees or senior officers of the Company.

2.2 All members of the Committee will be financially literate as defined by applicable legislation. If, upon appointment, a member of the Committee is not financially literate as required, the person will be provided a three month period in which to achieve the required level of literacy.

3. RESPONSIBILITIES

The Committee has the responsibility to:

- (a) review and report to the board of directors of the Company on the following before they are publicly disclosed:
 - (i) the financial statements and MD&A (management discussion and analysis) (as defined in *National Instrument 51-102 - Continuous Disclosure Obligations*) of the Company, and
 - (ii) the auditor’s report, if any, prepared in relation to those financial statements;
- (b) review the Company’s annual and interim earnings press releases before the Company publicly discloses this information;
- (c) satisfy itself that adequate procedures are in place for the review of the Company’s public disclosure of financial information extracted or derived from the Company’s financial statements and periodically assess the adequacy of those procedures;
- (d) recommend to the board of directors:
 - (i) the external auditor to be nominated for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company, and
 - (ii) the compensation of the external auditor;
- (e) oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company, including

the resolution of disagreements between management and the external auditor regarding financial reporting;

- (f) monitor, evaluate and report to the board of directors on the integrity of the financial reporting process and the system of internal controls that management and the board of directors have established;
- (g) monitor the management of the principal risks that could impact the financial reporting of the Company;
- (h) establish procedures for:
 - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters, and
 - (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;
- (i) pre-approve all non-audit services to be provided to the Company or its subsidiary entities by the Company's external auditor;
- (j) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company;
- (k) with respect to ensuring the integrity of disclosure controls and internal controls over financial reporting, understand the process utilized by the Chief Executive Officer and the Chief Financial Officer to comply with Multilateral Instrument 52-109; and
- (l) review, and report to the Board on its concurrence with the disclosure required by *Form 52-110F2 - Disclosure by Venture Issuers* in any management information circular prepared by the Company.

4. AUTHORITY

4.1 The Committee has the authority to engage independent counsel and other advisors as it deems necessary to carry out its duties and the Committee will set the compensation for such advisors.

4.2 The Committee has the authority to communicate directly with and to meet with the external auditor and the internal auditor, without management involvement. This extends to requiring the external auditor to report directly to the Committee.

5. REPORTING

5.1 The Committee will report to the Board on the proceedings of each Committee meeting and on the Committee's recommendations at the next regularly scheduled Board meeting.

6. EFFECTIVE DATE

6.1 This Charter was implemented by the Board on June 18, 2015