

JADESTONE ENERGY INC.

**Annual General Meeting
to be held on June 18, 2020**

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

May 8, 2020

JADESTONE ENERGY INC.

Springleaf Tower, #13-01
3 Anson Road
Singapore 079909

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**Meeting**”) of the shareholders of Jadestone Energy Inc. (the “**Company**”) will be held on Thursday, June 18, 2020, at 2.00 p.m. (London Time), through a virtual meeting by teleconference whereby shareholders may attend and participate in the Meeting via dial-in.

With the intent to proactively deal with the unprecedented public health impact of the CoVid-19 pandemic, comply with guidelines and instructions of government bodies, and mitigate risk to the health and safety of our communities, shareholders, employees and other stakeholders, the Company will hold the Meeting through a virtual meeting by teleconference which will be conducted via dial-in participation. All shareholders, regardless of geographic location and equity ownership will have an equal opportunity to participate at the Meeting and engage with directors of the Company and management as well as other shareholders.

At the Meeting, the shareholders will receive the financial statements of the Company for the year ended December 31, 2019, together with the auditor’s report thereon, and consider resolutions to:

1. fix the number of directors at eight;
2. elect each of the directors for the ensuing year;
3. appoint Deloitte & Touche LLP, Chartered Accountants, as auditor of the Company for the ensuing year and authorize the directors to determine the remuneration to be paid to the auditor; and
4. transact such other business as may properly be put before the Meeting.

All shareholders are entitled and encouraged to attend and vote at the Meeting by proxy. Further, shareholders and duly appointed proxyholders will be able to attend the Meeting, ask questions and vote, in real time, through dial-in participation (details are provided below).

The Board of Directors (the “**Board**”) requests that all shareholders who will not be attending the Meeting read, date and sign the accompanying proxy and deliver it to Computershare Trust Company of Canada (“**Computershare**”). If a shareholder does not deliver a proxy to Computershare, Attention: Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, by 2.00 p.m. (London Time) on June 16, 2020 (or before 48 hours, excluding Saturdays, Sundays and holidays before any adjournment of the meeting at which the proxy is to be used) then the shareholder will not be entitled to vote at the Meeting by proxy. Only shareholders of record at the close of business on May 8, 2020 will be entitled to vote at the Meeting.

An information circular and a form of proxy accompany this notice.

DATED on the 8th day of May, 2020.

ON BEHALF OF THE BOARD

“Dennis McShane”

Dennis McShane
Director and Chairman

Conference call dial-in details

Toronto (Local)	+1 416-764-8688
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Location	Toll Free
North American	888-390-0546
United Kingdom	08006522435
France	0800916834
Australia	1800076068
Indonesia	0078030208221
Singapore	(+1) 8001013217
Malaysia	1800817426
Switzerland	0800312635
Switzerland (Mobile)	0800312635

JADESTONE ENERGY INC.

Springleaf Tower, #13-01
3 Anson Road
Singapore 079909

INFORMATION CIRCULAR

(as at May 8, 2020 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, June 18, 2020 (the “**Meeting**”), through a virtual meeting by teleconference, at the time 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 2.00 p.m. (London Time) on June 16, 2020, 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 participating at the Meeting.

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 or her. 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).

Holders of depository interests held in the United Kingdom through CREST desiring to be represented by proxy must deposit their respective form of direction electronically through CREST Proxy Voting Service in accordance with the procedures set out in the CREST manual, by no later than 2.00 p.m. (UK time) on Monday, June 15, 2020 or, in the event that the Meeting is adjourned or postponed by no later than 2.00 p.m. (London time) three business days before any adjourned or postponed meeting.

If you are a Depository Interest holder on the UK register, you can complete the enclosed Form of Instruction (“FOI”) and return it to Computershare Investor Services PLC (“Depository”) The Pavilions, Bridgwater Road, Bristol BS13 8AE, United Kingdom, in order for the Depository to vote as per your instruction at the Meeting. Alternatively, Depository Interest holders are able to vote via the CREST system and will need to instruct your Nominee/Broker in order to submit your vote.

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 in respect of 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 in respect of 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 2.00 p.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 year ended December 31, 2019 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. The Company released its 2019 Annual Report on May 6, 2020. The 2019 Annual Report can be downloaded from the Company's website at https://www.jadestone-energy.com/wp-content/uploads/2020/05/JS.2019_ANNUAL.REPORT_200506_2pp.pdf

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

As at the close of business on May 8, 2020, the Company's authorized capital consists of an unlimited number of Common Shares of which 461,042,811 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 May 8, 2020, 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⁾	118,205,247 Common Shares	25.64%

Note:

- (1) Tyrus Capital S.A.M. acting as discretionary investment manager of Tyrus Capital Event Master Fund Limited, TC Six Limited, and TC Special Private Equity Opportunities IV Limited (collectively, 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.

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 eight and the Shareholders will be asked at the Meeting to pass an ordinary resolution to fix the number of directors for the ensuing year at eight, as eight nominees are being put forward for election to the Board.

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⁽⁵⁾⁽⁶⁾ Singapore</p> <p><i>Director, President and Chief Executive Officer</i></p> <p><i>Former Executive Chairman</i></p>	<p>Mr. Blakeley was a Director of Tiger Energy Pte. Ltd. from July, 2015 to September, 2017; and Executive Vice President of Talisman Energy Inc. from December, 1994 to July, 2015.</p>	<p>June 7, 2016</p>	<p>2,732,798</p>
<p>Daniel Young⁽⁵⁾ Singapore</p> <p><i>Director and Chief Financial Officer</i></p>	<p>Mr. Young was a Non-Executive Director of Licella Holdings Ltd. from September, 2015 to April, 2019; Senior Vice President and Head of Consulting in Asia Pacific at Wood Mackenzie from July, 2015 to December, 2016; and Executive Director of JPMorgan from February, 2009 to June, 2015.</p>	<p>August 8, 2018</p>	<p>217,919</p>
<p>Dennis McShane⁽³⁾ United Kingdom</p> <p><i>Director and Chairman</i></p>	<p>Mr. McShane is a Non-Executive Director of The Advertising Checking Bureau, Inc. in the United States of America; and previously, held directorship roles with Midas Resources AG in Switzerland; Ophir Energy Plc; Ferrexpo Plc; and JP Morgan Chase and Co.</p>	<p>December 10, 2017</p>	<p>453,651</p>
<p>Robert A. Lambert⁽²⁾⁽⁶⁾ United Kingdom</p> <p><i>Director and Deputy Chairman</i></p> <p><i>Former President and Chief Executive Officer</i></p>	<p>Mr. Lambert is a Director of Ipex Energy Ltd.; Hillcrest Petroleum Inc.; and Inception Energy Ltd. Mr. Lambert was Chief Executive Officer of Petra Petroleum Inc. from May 5, 2011 to April 21, 2015; President of Petra Petroleum Inc. from January 6, 2012 to April 21, 2015; Senior Independent Director of Eland Oil & Gas Plc from August, 2012 to December, 2015; Chief Executive Officer of GB Petroleum Ltd. from 2005 to 2010</p>	<p>May 5, 2011</p>	<p>553,919</p>
<p>Iain McLaren⁽²⁾⁽³⁾ Edinburgh, Scotland</p> <p><i>Director</i></p>	<p>Mr. McLaren is a Director of Ecofin Global Utilities and Infrastructure Trust Plc; and Wentworth Resources Plc.; and previously, Chairman of BMO UK High Income Trust Plc (formerly known as F&C UK High Income Trust Plc); Director of Baillie Gifford Shin Nippon Plc; Edinburgh Dragon Trust Plc; Cairn Energy Plc; and a partner at KPMG.</p>	<p>April 21, 2015</p>	<p>162,870</p>
<p>David Neuhauser Illinois, USA</p> <p><i>Director</i></p>	<p>Mr. Neuhauser is Managing Director of Livermore Partners LLC from June 2009 to present.</p>	<p>June 7, 2016</p>	<p>32,319,167⁽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⁾ Ile-de-France, France <i>Director</i>	Mr. Fontenit is co-founder and managing partner of Amavia Capital; and previously, Investment Analyst at Tyrus Capital S.A.M. from February, 2012 to August, 2018; and Investment Analyst at Tyrus Capital LLP from October, 2009 to February, 2012.	June 7, 2016	200,000 ⁽⁷⁾
Lisa A. Stewart ⁽²⁾⁽⁶⁾ Texas, USA <i>Director</i>	Ms. Stewart is an Executive Chairman of Sheridan Production Co LLC from 2007 to present; Director of Cimarex Energy Co. from October, 2015 to present; and previously, Director of Talisman Energy Inc. from 2009 to 2015; Executive Vice President of El Paso Corporation and a President of El Paso E&P from 2004 to 2006; and Executive Vice President of Apache Corporation from 1984 to 2004.	December 1, 2019	Nil

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.
- (5) Member of the Company's Disclosure Committee.
- (6) Member of the Company's Health, Safety, Social & Environmental Committee.
- (7) Mr. Fontenit owns 200,000 Common Shares of the Company directly. He also holds indirect beneficial interest in the Company through 443.5565 units of a fund managed by Tyrus Capital S.A.M. (the "Fund") holding an interest in the Common Shares of the Company. However, Mr. Fontenit does not exercise control or direction over the Fund's holding in the Company.

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

Pursuant to a relationship agreement (the "**Relationship Agreement**") dated August 3, 2018 between Tyrus Capital S.A.M., Tyrus Capital Event Master Fund Limited (together, "**Tyrus**"), Stifel Nicolaus Europe Limited, and the Company, Tyrus has a right to nominate one director so long as the Common Shares held by Tyrus represent 20% or more of the rights attaching to Common Shares to vote at a general meeting. It was recognised, in the Relationship Agreement, that Mr. Cedric Fontenit was Tyrus' nominee. Mr. Fontenit was employed by Tyrus from February 2012 to August 31, 2018. Mr. Fontenit was appointed as a Non-Executive Director of the Company on June 7, 2016 and continues to serve as a Non-Executive Director of the Company.

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.

Lisa A. Stewart, a director of the Company, served as the general partner of the Sheridan Production Partners Manager LLC, which managed the following entities:

- Sheridan Production Partners I-A, L.P., Sheridan Production Partners I-M, L.P., Sheridan Production Partners I-B, L.P., and Ms. Stewart also served as general partner of these entities; and
- Sheridan Investment Partners I, LLC, Sheridan Holding Company I, LLC, Sheridan Production Partners I, LLC, SPP I-B GP, LLC, and Ms. Stewart served as President, CEO and Chief Investment Officer of these entities.

These entities filed for Chapter 11 bankruptcy protection on March 23, 2020, after entering into a restructuring support agreement with their secured lenders. The plan of reorganization was confirmed on March 24, 2020. Pursuant to the plan of reorganization, all of the assets of these entities were transferred to a new entity owned by the secured lenders on March 30, 2020. Ms. Stewart continues to serve as the Executive Chairman of the Investment Committee of Sheridan Production Partners Manager, LLC, but on March 31, 2020, she resigned as President, CEO and Chief Investment Officer.

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.

Effective November 30, 2019, Mr. Schwitzer stepped down as a director of the Company. Lisa A. Stewart was appointed as a director of the Company effective December 1, 2019. As at December 31, 2019, the Company had three NEOs, being A. Paul Blakeley, the President and CEO, Daniel Young, the CFO and Michael Horn, the Executive Vice-President of Corporate and Business Development and the former Interim CEO, and eight directors, being A. Paul Blakeley, Daniel Young, Dennis McShane, Iain McLaren, Robert A. Lambert, David Neuhauser, Cedric Fontenit and Lisa A. Stewart.

Director and NEO Compensation, Excluding Compensation Securities

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 year ended December 31, 2019 and the year ended December 31, 2018.

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>(US\$)</u>	<u>Value of all Other Compensation</u> <u>(US\$)</u>	<u>Total Compensation</u> <u>(US\$)</u>
A. Paul Blakeley <i>Director, President and CEO</i>	2019	500,000	585,000	Nil	566,926	Nil	1,651,926
	2018	498,668	253,698	Nil	662,361	Nil	1,414,727
Daniel Young <i>Director and CFO</i>	2019	320,000	198,400	Nil	363,538	Nil	881,938
	2018	319,992	82,187	Nil	334,790	Nil	736,969

Table of Compensation Excluding Compensation Securities							
<u>Name and Position</u>	<u>Year</u>	<u>Salary, Consulting Fee, Retainer or Commission (US\$)</u>	<u>Bonus (US\$)</u>	<u>Committee or Meeting Fees (US\$)</u>	<u>Value of Perquisites ⁽¹⁾ (US\$)</u>	<u>Value of all Other Compensation (US\$)</u>	<u>Total Compensation (US\$)</u>
Michael Horn <i>Executive Vice President, Corporate and Business Development</i>	2019	320,000	217,600	Nil	396,196	Nil	933,796
	2018	319,992	72,386	Nil	361,712	Nil	754,090
Dennis McShane <i>Director & Chairman</i>	2019	125,000	Nil	5,000	Nil	Nil	130,000
	2018	125,000	Nil	5,000	Nil	Nil	130,000
Iain McLaren <i>Director</i>	2019	56,250	Nil	25,000	Nil	Nil	81,250
	2018	45,000	Nil	25,000	Nil	Nil	70,000
Eric Schwitzer ⁽²⁾ <i>Director</i>	2019	56,250	Nil	10,000	Nil	1,369	67,619
	2018	45,061	Nil	10,000	Nil	2,591	57,652
Robert A. Lambert <i>Director and Deputy Chairman</i>	2019	56,250	Nil	12,500	Nil	Nil	68,750
	2018	45,000	Nil	5,000	Nil	Nil	50,000
David Neuhauser <i>Director</i>	2019	56,250	Nil	Nil	Nil	Nil	56,250
	2018	45,000	Nil	Nil	Nil	Nil	45,000
Cedric Fontenit <i>Director</i>	2019	56,250	Nil	10,000	Nil	Nil	66,250
	2018	14,918	Nil	3,315	Nil	Nil	18,233
Lisa A. Stewart ⁽³⁾ <i>Director</i>	2019	5,000	Nil	833	Nil	Nil	5,833
	2018	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Includes cost of living differential, foreign service allowance, international talent allowance and pension allowance, as well as education, housing, utilities and wellness subsidies (benefits in kind).
- (2) Mr. Schwitzer stepped down as a director of the Company on November 30, 2019.
- (3) Ms. Stewart was appointed as a director of the Company on December 1, 2019.

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, 2019. The Company granted stock options to employees and directors on April 27, 2020, which is the last grant under the Company's Stock Option Agreement under which the non-executive directors will be recipients. Consistent with the Company's transition from a North American approach to a UK approach for numerous corporate governance matters, including the administration of its long-term incentive plans (the "LTI Plans"), non-executive director compensation will now be limited to cash based fees and will no longer include compensation securities.

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>Director, President and CEO</i>	Stock Options	1,200,000 Options representing 1,200,000 underlying Common Shares 0.26% ⁽²⁾	March 29, 2019	C\$0.85	C\$0.90	C\$1.59	March 28, 2029
Daniel Young ⁽³⁾ <i>Director and CFO</i>	Stock Options	750,000 Options representing 750,000 underlying Common Shares 0.16% ⁽²⁾	March 29, 2019	C\$0.85	C\$0.90	C\$1.59	March 28, 2029
Michael Horn ⁽⁴⁾ <i>Executive Vice President, Corporate and Business Development</i>	Stock Options	750,000 Options representing 750,000 underlying Common Shares 0.16% ⁽²⁾	March 29, 2019	C\$0.85	C\$0.90	C\$1.59	March 28, 2029
Dennis McShane ⁽⁵⁾ <i>Director and Chairman</i>	Stock Options	100,000 Options representing 100,000 underlying Common Shares 0.02% ⁽²⁾	March 29, 2019	C\$0.85	C\$0.90	C\$1.59	March 28, 2029
Iain McLaren ⁽⁶⁾ <i>Director</i>	Stock Options	75,000 Options representing 75,000 underlying Common Shares 0.02% ⁽²⁾	March 29, 2019	C\$0.85	C\$0.90	C\$1.59	March 28, 2029
Eric Schwitzer ⁽⁷⁾ <i>Director</i>	Stock Options	75,000 Options representing 75,000 underlying Common Shares 0.02% ⁽²⁾	March 29, 2019	C\$0.85	C\$0.90	C\$1.59	November 29, 2020
Robert A. Lambert ⁽⁸⁾ <i>Director and Deputy Chairman</i>	Stock Options	75,000 Options representing 75,000 underlying Common Shares 0.02% ⁽²⁾	March 29, 2019	C\$0.85	C\$0.90	C\$1.59	March 28, 2029

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	75,000 Options representing 75,000 underlying Common Shares 0.02% ⁽²⁾	March 29, 2019	C\$0.85	C\$0.90	C\$1.59	March 28, 2029
Cedric Fontenit ⁽¹⁰⁾ <i>Director</i>	Stock Options	75,000 Options representing 75,000 underlying Common Shares 0.02% ⁽²⁾	March 29, 2019	C\$0.85	C\$0.90	C\$1.59	March 28, 2029
Lisa A. Stewart ⁽¹¹⁾ <i>Director</i>	Stock Options	75,000 Options representing 75,000 underlying Common Shares 0.02% ⁽²⁾	December 3, 2019	C\$1.17	C\$1.17	C\$1.59	December 2, 2029

Notes:

- (1) As of the last day of the most recently completed financial year end, Mr. Blakeley held a total of 4,700,000 options which were granted on June 7, 2016, March 28, 2017, March 29, 2018, July 29, 2018 and March 29, 2019. Of these options, 500,000 granted on June 7, 2016 vest (or have vested) in four instalments with 125,000 vesting on the date of grant, 125,000 vesting on June 7, 2017, 125,000 vesting on June 7, 2018 and the remainder vesting on June 7, 2019. All other options vest (or have vested) over a period of three years in equal installments from the date of the grant.
- (2) Represents the percentage of the issued and outstanding Common Shares of the Company as at December 31, 2019.
- (3) As of the last day of the most recently completed financial year end, Mr. Young held a total of 1,950,000 options which were granted on March 28, 2017, March 29, 2018, July 29, 2018 and March 29, 2019. All options vest (or have vested) over a period of three years in equal installments from the date of the grant.
- (4) As of the last day of the most recently completed financial year end, Mr. Horn held a total of 2,250,000 options which were granted on June 7, 2016, March 28, 2017, March 29, 2018, July 29, 2018 and March 29, 2019. Of these options, 250,000 granted on June 7, 2016 vest (or have vested) in four instalments with 62,500 vesting on the date of grant, 62,500 vesting on June 7, 2017, 62,500 vesting on June 7, 2018 and the remainder vesting on June 7, 2019. All other options vest (or have vested) over a period of three years in equal installments from the date of the grant.
- (5) As of the last day of the most recently completed financial year end, Mr. McShane held a total of 345,000 options which were granted on December 10, 2017, March 29, 2018 and March 29, 2019. All options vest (or have vested) over a period of three years in equal installments from the date of the grant.
- (6) As of the last day of the most recently completed financial year end, Mr. McLaren held a total of 475,000 options which were granted on April 21, 2015, March 28, 2017, March 29, 2018 and March 29, 2019. Of these options, 250,000 granted on April 21, 2015 were not subject to vesting provision and they were immediately exercisable for a period of ten years from the date of grant. All other options vest (or have vested) over a period of three years in equal installments from the date of the grant.
- (7) As of the last day of the most recently completed financial year end, Mr. Schwitzer held a total of 425,000 options which were granted on April 21, 2015, March 28, 2017, March 29, 2018 and March 29, 2019. Mr. Schwitzer stepped down as director of the Company on November 30, 2019 and therefore all options have vested and they were immediately exercisable until November 29, 2020.
- (8) As of the last day of the most recently completed financial year end, Mr. Lambert held a total of 375,000 options which were granted on April 21, 2015, March 28, 2017, March 29, 2018 and March 29, 2019. Of these options, 150,000 granted on April 21, 2015 were not subject to vesting provision and they were immediately exercisable for a period of ten years from the date of grant. All other options vest (or have vested) over a period of three years in equal installments from the date of the grant.
- (9) As of the last day of the most recently completed financial year end, Mr. Neuhauser held a total of 225,000 options which were granted on March 28, 2017, March 29, 2018 and March 29, 2019. All options vest (or have vested) over a period of three years in equal installments from the date of the grant.
- (10) On March 28, 2017 Mr. Fontenit was granted 100,000. Mr. Fontenit waived his right to these 100,000 options on April 27, 2017, and the 100,000 options were subsequently cancelled. As of the last day of the most recently completed financial year end, Mr. Fontenit held a total of 75,000 options which were granted on March 29, 2019. All options vest (or have vested) over a period of three years in equal installments from the date of the grant.
- (11) As of the last day of the most recently completed financial year end, Ms. Stewart held a total of 75,000 options which were granted on December 3, 2019. Such options shall vest upon the third anniversary of the grant date, i.e. on December 3, 2022.

Exercise of Compensation Securities by NEOs and Directors

No director or NEO exercised any compensation securities, being solely comprised of stock options, during the Company's most recently completed financial year ended December 31, 2019.

Employment, Consulting and Management Agreements

Pursuant to an employment agreement with A. Paul Blakeley effective June 8, 2019 (the "**Blakeley Employment Agreement**"), Mr. Blakeley agreed to be employed as the President and CEO of the Company in exchange for a base salary of US\$500,000, which increased to US\$550,000 effective January 1, 2020 (with US\$50,000 being paid via an award under the Restricted Share Plan in lieu of cash) and a performance pay portion targeted at 75% of the annual base salary.

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. On June 15, 2017, 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. With effect from January 1, 2019, Mr. Horn was eligible to receive a performance pay targeted at 50% (range from 0-100%) of the annual basic remuneration.

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. Mr. Young was appointed as a director of the Company on August 8, 2018. The Young Employment Agreement remains in effect following Mr. Young's position change from CFO, to Director and CFO. With effect from January 1, 2019, Mr. Young was eligible to receive a performance pay targeted at 50% (range from 0-100%) of the annual basic remuneration.

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 during the Company's most recently completed financial year ended December 31, 2019:

Name and Principal Position	Termination and Termination or Resignation within 12 Months of Change of Control.
A. Paul Blakeley <i>Director, President and 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

Name and Principal Position	Termination and Termination or Resignation within 12 Months of Change of Control.
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>Director and 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 twelve (12) months 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.

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 the following principal components: base salaries, cash bonuses, stock options, performance share awards and restricted share awards, 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 associated with living in an expatriate location. 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, Mr. Young and Mr. Horn in the year ended December 31, 2019. Mr. Blakeley's performance contract for 2020 contains the following key objectives and weightings (i) achievement of operational targets including safety performance – 40%, (ii) delivery of continuous improvement in ESG performance – 20%, (iii) delivery of per share accretive growth in Asia Pacific – 20%, and (iv) creation of sustainable shareholder value – 20%.

LTI Plans

The Compensation and Nominating Committee also administers the Company's LTI Plans including the granting of stock option awards, performance share awards and restricted share awards (together, the "LTIs") that are designed to provide long-term incentives that are aligned with shareholder value. The Compensation and Nominating Committee makes recommendations to the Board regarding the number and form of LTIs 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 LTIs previously granted to the individual. The Compensation and Nominating Committee regularly reviews and where appropriate, adjusts the number of LTIs granted to executive officers. The Compensation and Nominating Committee sets the number of LTIs, as appropriate, designed to attract and retain qualified and talented executive officers.

Perquisites and Other Components

Other components of compensation include perquisites, largely associated with being in an expatriate location, and personal benefits as determined by the Compensation and Nominating Committee and recommended to the Board that are consistent with the overall compensation strategy. These are reviewed on an annual basis against appropriate data, as available, and set to be competitive with industry levels and established practice in the international environment. 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 the administration of the LTI Plans, 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	19,867,842	C\$0.68	22,236,439
Equity compensation plans not approved by the securityholders	Nil	Nil	Nil
Total	19,867,842		22,236,439

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 LTI Plans.

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.

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

As at December 31, 2019, the Audit Committee consisted of three members, being Iain McLaren (Chair), Robert A. Lambert and Lisa A. Stewart.

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 a director of Ecofin Global Utilities and Infrastructure Trust Plc, and Wentworth Resources Plc. He is past Chairman of BMO UK High Income Trust Plc (formerly known as F&C UK High Income Trust Plc), past Director of various other companies such as Baillie Gifford Shin Nippon Plc, Edinburgh Dragon Trust Plc, past President of the Institute of Chartered Accountants of Scotland, was a partner at KPMG for 28 years until 2008, and he was a director and Chair of the Audit Committee of Cairn Energy Plc from July, 2008 until May, 2018.

Robert A. Lambert was formerly the President and CEO of Petra Petroleum (name of the Company prior to the reverse takeover in 2015) from May, 2011 until April, 2015. He has over 50 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 & Gas Plc from August, 2012 until December, 2015 and was Chief Executive Officer 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 (GSL and EFG).

Lisa A. Stewart has over 30 years of experience in the upstream oil and gas industry in engineering and senior management positions. Ms. Stewart is Executive Chairman of Sheridan Production Co LLC and a director of Cimarex Energy Co. Mr. Stewart was a director of Talisman Energy Inc. from 2009 until 2015, Executive Vice President of El Paso Corporation and a President of El Paso E&P from 2004 until 2006, and Executive Vice President of Apache Corporation for 20 years from 1984 until 2004, including extensive experience in Asia Pacific with responsibility for reservoir engineering, business development, land, environmental, health & safety, and corporate purchasing.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Audit Committee 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, 2019</u>	<u>December 31, 2018</u>
	(US\$)	(US\$)
Audit fees ⁽¹⁾	371,000	353,200
Audit related fees ⁽²⁾	-	46,800
Tax fees ⁽³⁾	-	445,000
All other fees ⁽⁴⁾	-	997,000
Total	<u>371,000</u>	<u>1,842,000</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 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 eight 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, Iain McLaren, Robert A. Lambert, David Neuhauser, Cedric Fontenit and Lisa A. Stewart are considered “independent” within the meaning of NI 52-110 and A. Paul Blakeley, Daniel Young and Dennis McShane are considered not to be independent. Mr. Blakeley is not considered to be independent, due to his role as the President and CEO of the Company, Mr. Young is not considered to be independent, due to his role as the CFO 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 Chairman, the CEO, 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 charter (the “**Board Charter**”), 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 Charter 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.

For further details, please refer to the Board Charter available on the Company's website at: <https://www.jadestone-energy.com/wp-content/uploads/2020/04/JEI-Board-of-Directors-Charter.pdf>

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
Daniel Young	None
Dennis McShane	None
Iain McLaren	Ecofin Global Utilities and Infrastructure Trust Plc; and Wentworth Resources Plc.
Robert A. Lambert	Hillcrest Petroleum Inc.
David Neuhauser	BNK Petroleum Inc.
Cedric Fontenit	None
Lisa A. Stewart	Cimarex Energy Co.

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 Conduct 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.

For further details, please refer to the Code available on the Company's website at: <https://www.jadestone-energy.com/wp-content/uploads/2020/05/Code-of-Conduct-Policy.pdf>

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 take corrective and disciplinary action, if appropriate.

Compensation and Nominating Committee

In addition to the responsibilities set out above, the Compensation and Nominating Committee is a committee appointed by the Board which is comprised of three directors, two of whom are independent directors. 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 Cedric Fontenit (Chair), Iain McLaren and Dennis McShane.

Other Board Committees

In addition to the Audit Committee and the Compensation and Nominating Committee, the Board has two additional standing committees: the Disclosure Committee and the Health, Safety, Social & Environmental Committee.

The purpose of the Disclosure Committee is to assist the Board in fulfilling its responsibilities in respect of: (a) the requirement to make timely and accurate disclosure of all information that is

required to be disclosed to meet the legal and regulatory obligations and requirements arising under the Market Abuse Regulation (EU) No. 596/2014, the AIM Rules for Companies and the Disclosure Guidance and Transparency Rules sourcebook published by the Financial Conduct Authority from time to time; and (b) the requirement for the Company to take reasonable steps to establish and maintain adequate procedures, systems and controls to enable the Company to comply with such obligations. The Disclosure Committee has been established to, among other things, maintain adequate disclosure procedures, implement such disclosure procedures, review the adequacy of such disclosure procedures on an ongoing basis and monitor compliance with such disclosure procedures. The Disclosure Committee meets on an ad-hoc basis as and when it is deemed necessary for such meeting to be called as outlined by the Terms of Reference of the Disclosure Committee and its responsibility to report to the Board.

The members of the Disclosure Committee are Daniel Young (Chair), A. Paul Blakeley and Neil Prendergast (General Counsel of the Company).

The purpose of the Health, Safety, Social & Environmental Committee is to assist the Board in obtaining assurance that appropriate systems are in place to deal with the management of health, safety, environment and community relations risks. The Health, Safety, Social & Environmental Committee has been established to, among other things: (i) formulate the Company's policies and systems for identifying and managing health, safety, social/communities & environmental risks within the Company's operations and publish them on the Company's website; (ii) evaluate the effectiveness of such policies and systems; and (iii) assess compliance with such policies and systems.

The members of the Health, Safety, Social & Environmental Committee are Robert A. Lambert (Chair), A. Paul Blakeley and Lisa A. Stewart.

Board and Committee Attendance

The table below shows a summary of directors' attendance at Board and committee meetings for the period from January 1, 2019 to December 31, 2019.

Name and positions held in the Company	Board	Audit Committee	Compensation and Nominating Committee	Health, Safety, Security & Environment Committee	Disclosure Committee
A. Paul Blakeley <i>Director, President and CEO</i>	5 of 5	N/A	N/A	2 of 2	1 of 1
Daniel Young <i>Director and CFO</i>	5 of 5	N/A	N/A	N/A	1 of 1
Dennis McShane <i>Director and Chairman</i>	5 of 5	N/A	3 of 4	N/A	N/A
Iain McLaren <i>Director</i>	5 of 5	4 of 4	4 of 4	N/A	N/A

Name and positions held in the Company	Board	Audit Committee	Compensation and Nominating Committee	Health, Safety, Security & Environment Committee	Disclosure Committee
Eric Schwitzer ⁽¹⁾ <i>Director</i>	4 of 4	4 of 4	4 of 4	N/A	N/A
Robert A. Lambert <i>Director and Deputy Chairman</i>	5 of 5	4 of 4	N/A	2 of 2	N/A
David Neuhauser <i>Director</i>	5 of 5	N/A	N/A	N/A	N/A
Cedric Fontenit <i>Director</i>	5 of 5	N/A	4 of 4	N/A	N/A
Lisa A. Stewart ⁽²⁾ <i>Director</i>	1 of 1	N/A	N/A	N/A	N/A

Notes:

- (1) Mr. Schwitzer stepped down as a director of the Company on November 30, 2019. Mr. Schwitzer attended all Board meetings, Audit Committee meetings and Compensation and Nominating Committee meetings held prior to his resignation.
- (2) Ms. Stewart was appointed as a director of the Company on December 1, 2019 and has attended the one Board meeting since her appointment.

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.

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, 2019, 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 security holder 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 on the 8th day of May, 2020.

ON BEHALF OF THE BOARD

"Dennis McShane"

Dennis McShane
Director and Chairman

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.