

NOTICE OF MEETING

AND

MANAGEMENT INFORMATION CIRCULAR

SPECIAL MEETING OF SHAREHOLDERS

OF

PETROX RESOURCES CORP.

to be held on

July 10, 2018

at 10:00 AM (Calgary time)

**at the offices of Tingle Merrett LLP
Suite 1250, 639 - 5th Avenue SW
Calgary, Alberta**

This Management Information Circular and Proxy Statement is furnished in connection with the solicitation of proxies by the management of Petrox Resources Corp. to be voted at the Special Meeting to be held on July 10, 2018 at the time and place and for the purposes set out in the accompanying Notice of Special Meeting and at any adjournments thereof.

PETROX RESOURCES CORP.

NOTICE OF SPECIAL MEETING OF THE SHAREHOLDERS

TAKE NOTICE THAT an Special Meeting (the “**Meeting**”) of the shareholders of PETROX RESOURCES CORP. (the “**Corporation**”) will be held at 10:00 a.m. on July 10, 2018 (Calgary time) at the offices of Tingle Merrett LLP, Suite 1250, 639 – 5th Avenue SW, Calgary, Alberta, for the following purposes:

1. to consider and, if deemed advisable, to pass a special resolution, the full text of which is set forth in the Management Information Circular furnished for the purposes of the Meeting (the “**Management Information Circular**”), approving the consolidation of the Common Shares of the Corporation on a 5.5:1 basis (the “**Consolidation**”), to be implemented in conjunction with the completion of the Transaction with TrueNorth CX Inc. (the “**Transaction**”), as further described in the Management Information Circular;
2. to consider and, if deemed advisable, to pass a special resolution, the full text of which is set forth in the accompanying Management Information Circular, authorizing the Corporation to change its name to “TrueNorth CX Corp.”, to be implemented in conjunction with the Transaction;
3. to consider and, if deemed advisable, to pass an ordinary resolution, the full text of which is set forth in the accompanying Management Information Circular, authorizing the Corporation to apply to delist the Corporation’s common shares from the TSX Venture Exchange, to be implemented in conjunction with the Transaction;
4. to consider, and if deemed advisable, to pass an ordinary resolution, the full text of which is set forth in the accompanying Management Information Circular, to confirm and approve amendments to the stock option plan of the Corporation, to be implemented in conjunction with the Transaction;
5. to consider, and if deemed advisable, to pass an ordinary resolution, the full text of which is set forth in the accompanying Management Information Circular, authorizing the Corporation to confirm and approve a deferred share unit plan of the Corporation, to be implemented in conjunction with the Transaction;
6. to consider, and if deemed advisable, to pass an ordinary resolution, the full text of which is set forth in the accompanying Management Information Circular, authorizing the Corporation to confirm and approve an employee share purchase plan of the Corporation, to be implemented in conjunction with the Transaction; and
7. to transact such other business as may properly come before the Meeting.

Information relating to matters to be acted upon by the shareholders at the Meeting is set forth in the accompanying Management Information Circular.

A shareholder may attend the Meeting in person or may be represented at the Meeting by proxy. Shareholders who are unable to attend the Meeting in person and wish to be represented by proxy are requested to date, sign and return the accompanying Instrument of Proxy, or other appropriate form of proxy, in accordance with the instructions set forth in the accompanying Management Information Circular and Instrument of Proxy. An Instrument of Proxy will not be valid unless it is deposited with the Corporate Secretary of the Corporation, c/o Computershare Trust Company of Canada, 8th Floor, 100 University Avenue Toronto, Ontario M5J 2Y1 in the enclosed self-addressed envelope, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the time of the Meeting, or any adjournment thereof. A person appointed as proxy holder need not be a shareholder of the Corporation.

Only shareholders of record as at the close of business on June 5, 2018 (the “Record Date”) are entitled to receive notice of the Meeting.

SHAREHOLDERS ARE CAUTIONED THAT THE USE OF THE MAIL TO TRANSMIT PROXIES IS AT EACH SHAREHOLDER’S RISK.

DATED at Calgary, Alberta as of the 12th day of June 2018

BY ORDER OF THE BOARD OF DIRECTORS

(Signed) "*Edwin S.L. Tam*"

Edwin S.L. Tam
President, Chief Executive Officer and a Director

PETROX RESOURCES CORP.

MANAGEMENT INFORMATION CIRCULAR

(Unless otherwise stated, information contained herein is given as of June 5, 2018)

INFORMATION REGARDING PROXIES AND VOTING AT THE MEETING

Solicitation of Proxies

This Management Information Circular is furnished in connection with the solicitation of proxies by the management of Petrox Resources Corp. (the “**Corporation**”) for use at the Special Meeting of the holders (the “**Shareholders**”) of common shares (“**Common Shares**”) of the Corporation to be held at 10:00 a.m. on July 10, 2018 (Calgary time) (the “**Meeting**”), for the purposes set forth in the Notice of Special Meeting (the “**Notice**”) accompanying this Management Information Circular. Solicitation of proxies will be primarily by mail, but may also be undertaken by way of telephone, facsimile or oral communication by the directors, officers and regular employees of the Corporation, at no additional compensation. Costs associated with the solicitation of proxies will be borne by the Corporation.

Appointment of Proxyholders

Accompanying this Management Information Circular is an instrument of proxy for use at the Meeting. Shareholders who are unable to attend the Meeting in person and wish to be represented by proxy are required to date and sign the enclosed instrument of proxy and return it in the enclosed return envelope. **All properly executed instruments of proxy for Shareholders must be mailed so as to reach or be deposited with the Corporate Secretary of the Corporation, c/o Computershare Trust Company of Canada, 8th Floor, 100 University Avenue Toronto, Ontario M5J 2Y1 not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) prior to the time set for the Meeting or any adjournment thereof.**

The persons designated in the instrument of proxy are officers and/or directors of the Corporation. **A Shareholder has the right to appoint a person (who need not be a Shareholder) other than the persons designated in the accompanying instrument of proxy, to attend at and represent the Shareholder at the Meeting.** To exercise this right, a Shareholder should insert the name of the designated representative in the blank space provided on the instrument of proxy and strike out the names of management’s nominees. Alternatively, a Shareholder may complete another appropriate instrument of proxy.

Signing of Proxy

The instrument of proxy must be signed by the Shareholder or the Shareholder’s duly appointed attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by a duly authorized officer or attorney of the Corporation. An instrument of proxy signed by a person acting as attorney or in some other representative capacity (including a representative of a corporate Shareholder) should indicate that person’s capacity (following his or her signature) and should be accompanied by the appropriate instrument evidencing qualification and authority to act (unless such instrument has previously been filed with the Corporation).

Revocability of Proxies

A Shareholder who has submitted an instrument of proxy may revoke it at any time prior to the exercise thereof. In addition to any manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or by his or her duly authorized attorney or, if the Shareholder is a corporation, under its corporate seal or executed by a duly authorized officer or attorney of the corporation and deposited either: (i) at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or

any adjournments thereof, at which the instrument of proxy is to be used; or (ii) with the Chairman of the Meeting on the day of the Meeting, or any adjournment thereof. In addition, an instrument of proxy may be revoked: (i) by the Shareholder personally attending the Meeting and voting the securities represented thereby or, if the Shareholder is a corporation, by a duly authorized representative of the corporation attending at the Meeting and voting such securities; or (ii) in any other manner permitted by law.

Voting of Proxies and Exercise of Discretion by Proxyholders

All Common Shares represented at the Meeting by properly executed proxies will be voted on any ballot that may be called for and, where a choice with respect to any matter to be acted upon has been specified in the instrument of proxy, the Common Shares represented by the instrument of proxy will be voted in accordance with such instructions. The management designees named in the accompanying instrument of proxy will vote or withhold from voting the Common Shares in respect of which they are appointed in accordance with the direction of the Shareholder appointing him or her on any ballot that may be called for at the Meeting. **In the absence of such direction, such Common Shares will be voted “FOR” the proposed resolutions at the Meeting. The accompanying instrument of proxy confers discretionary authority upon the persons named therein with respect to amendments of or variations to the matters identified in the accompanying Notice and with respect to other matters that may properly be brought before the Meeting.** In the event that amendments or variations to matters identified in the Notice are properly brought before the Meeting or any further or other business is properly brought before the Meeting, it is the intention of the management designees to vote in accordance with their best judgment on such matters or business. At the time of printing this Management Information Circular, the management of the Corporation knows of no such amendment, variation or other matter to come before the Meeting other than the matters referred to in the accompanying Notice.

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

Except as disclosed in this Management Information Circular, none of the directors or executive officers of the Corporation at any time since the beginning of the Corporation’s last financial year, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of any of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise in any matter to be acted on, other than the election of directors or the appointment of auditors.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

Voting Shares and Record Date

The authorized share capital of the Corporation consists of an unlimited number of Common Shares. The record date for the determination of Shareholders entitled to receive notice of and to vote at the Meeting is June 5, 2018 (the “Record Date”). As at the Record Date, there were 55,132,258 Common Shares issued and outstanding as fully paid and non-assessable.

Common Shares

The holders of Common Shares are entitled to notice of and to vote at all Special Meetings of shareholders and are entitled to one vote per Common Share. The holders of Common Shares are entitled, upon dissolution, to receive the remaining property of the Corporation.

Voting of Common Shares – General

Only Shareholders whose names are entered in the Corporation’s register of shareholders at the close of business on the Record Date and holders of Common Shares issued by the Corporation after the Record Date and prior to the Meeting will be entitled to receive notice of and to vote at the Meeting, provided that, to the extent that: (i) a registered Shareholder has transferred the ownership of any Common Shares subsequent to the Record Date; and (ii) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he or she owns the Common Shares and demands, not later than ten days before the Meeting, that his or her name be

included on the Shareholder list before the Meeting, in which case the transferee shall be entitled to vote his or her Common Shares at the Meeting.

Voting of Common Shares – Advice to Non-Registered Holders

Only registered holders of Common Shares, or the persons they appoint as their proxies, are permitted to attend and vote at the Meeting. However, in many cases, Common Shares beneficially owned by a holder (a “**Non-Registered Holder**”) are registered either:

- (a) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Holder deals with in respect of the Common Shares. Intermediaries include banks, trust companies, securities dealers or brokers, and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans; or
- (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited or “**CDS**”).

In accordance with the requirements of National Instrument 54-101 of the Canadian Securities Administrators, the Corporation has distributed copies of the Notice, this Management Information Circular and the instrument of proxy (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward meeting materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Typically, Intermediaries will use a service company (such as Broadridge Investor Communication Solutions (“**Broadridge**”)) to forward Meeting Materials to Non-Registered Holders.

Generally, Non-Registered Holders who have not waived the right to receive meeting materials will:

- (a) have received as part of the Meeting Materials a voting instruction form which must be completed, signed and delivered by the Non-Registered Holder in accordance with the directions on the voting instruction form; voting instruction forms sent by Broadridge permit the completion of the voting instruction form by telephone or through the Internet at www.proxyvotecanada.com; or
- (b) less typically, be given a proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Holder but which is otherwise uncompleted. This form of proxy need not be signed by the Non-Registered Holder. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and deposit it with Equity Financial Trust Company at the address referred to above.

The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the Common Shares they beneficially own. Should a Non-Registered Holder wish to attend and vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons named in the proxy and insert the Non-Registered Holder’s (or such other person’s) name in the blank space provided or, in the case of a voting instruction form, follow the corresponding instructions on the form. In either case, Non-Registered Holders should carefully follow the instructions of their Intermediaries and their service companies.

Only registered Shareholders have the right to revoke a proxy. Non-Registered Holders who wish to change their vote must in sufficient time in advance of the Meeting, arrange for their respective Intermediaries to change their vote and if necessary revoke their proxy in accordance with the revocation procedures set forth above.

Principal Holders of Common Shares

To the knowledge of the directors and executive officers of the Corporation, as at the date hereof, no single shareholder beneficially owns, directly or indirectly, or exercises control or direction over 10% or more of the votes attached to the shares of the Corporation.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed in this Management Information Circular, none of the informed persons of the Corporation (as defined in National Instrument 51-102), nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year or in any Transaction which, in either case, has or will materially affect the Corporation and none of such persons has any material interest in any transaction proposed to be undertaken by the Corporation that will materially affect the Corporation.

PARTICULARS OF MATTERS TO BE ACTED UPON

Background

Petrox and TrueNorth CX Inc. ("**TNCX**") have entered into an Amalgamation Agreement dated June 11, 2018 (the "**Amalgamation Agreement**") pursuant to which Petrox and TNCX intend to complete a three cornered amalgamation (the "**Transaction**") whereby Petrox will incorporate a new wholly owned subsidiary which will amalgamate with TNCX to form a new company (the "**Resulting Issuer**").

Under the terms of the Amalgamation Agreement, it is proposed that pursuant to the Transaction, Petrox will complete a 5.5 to one (5.5:1) consolidation of all of its issued and outstanding common shares (the "**Consolidation**") and the parties will complete the following exchange of securities, at a deemed issue price of C\$0.10 per post consolidation common share:

- (i) each outstanding TNCX common share shall be exchanged for one unit (a "**Resulting Issuer Unit**") consisting of one post-Consolidation common share of the Resulting Issuer (a "**Resulting Issuer Common Share**") and one-half of a warrant (each whole warrant, a "**Resulting Issuer Warrant**"), each of which Resulting Issuer Warrant shall entitle the holder thereof to purchase one additional Resulting Issuer Common Share at a price of \$0.25 per shares for a period of one year, provided that if the Resulting Issuer Common Shares trade at \$0.50 or higher for five consecutive days, the Resulting Issuer may accelerate the expiry of the Resulting Issuer Warrants to the date (the "**Accelerated Expiration Date**") that is 21 calendar days following the date a press release is issued by the Resulting Issuer announcing the Accelerated Expiration Date; and
- (ii) each outstanding post consolidation Petrox common share will be exchanged for one Resulting Issuer Common Share.

The Transaction will be an arm's length transaction as none of the directors, officers or insiders of Petrox own any interest in TNCX and none of the directors, officers or insiders of TNCX own any interest in Petrox.

In connection with the Transaction, Petrox is proposing to change its name to "TrueNorth CX Corp." and will seek to list its shares for trading on the Canadian Securities Exchange (the "**CSE**") and will delist its shares from the TSX Venture Exchange (the "**TSXV**").

Certain of the principal shareholders of Petrox who hold, collectively, approximately 60% of the issued and outstanding shares in the capital of Petrox intend to enter into two-year voluntary escrow agreements with the Resulting Issuer pursuant to which 10% of the escrowed shares will be released upon the listing of the Resulting Issuer Common Shares on the CSE, 15% of the escrowed shares will be released on the 6, 12 and 18 month anniversaries of listing on the CSE and the balance (45%) being released 24 months after the closing of the

Transaction. Certain holders of common shares of TNCX will be subject to escrow requirements in accordance with Policy 2 of the CSE and National Policy 46-201.

About TNCX

TNCX is a Calgary, Alberta based software technology company developing a technology platform to be used by financial entities to launch their own highly secured cryptocurrency exchange and to license the platform to existing cryptocurrency exchanges.

TNCX's technology platform is based on auto-scale architecture and is designed to meet any demand load presented by the users of the system while maintain the highest level of security. To secure the crypto-wallet that is used on mobile devices, laptop and desktop computers, TNCX will utilize the next generation elliptic curve technology combining quantum cryptography to make the wallet the most secured on the blockchain.

TNCX's management is in discussion and review with insurers to obtain comprehensive insurance coverage for the cryptocurrencies being traded using the TNCX platform. If successful, this would be the most comprehensive coverage available in the marketplace for cryptocurrency exchanges and the underlying cryptocurrencies.

Forward Looking Statements

This Management Information Circular contains forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of TNCX or Petrox to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this Management Information Circular. Such forward-looking statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, the satisfaction of certain conditions to the Transaction, the economy generally, competition, and anticipated and unanticipated costs. Such statements could also be materially affected by the impact of general imprecision of environmental risks, environmental regulation, taxation policies, competition, the lack of available and qualified personnel or management, stock market volatility, the ability to access sufficient capital from internal or external sources and foreign exchange risk. Actual results, performance or achievement could differ materially from those expressed herein. While Petrox anticipates that subsequent events and developments may cause its views to change, Petrox specifically disclaims any obligation to update these forward-looking statements except as required by applicable securities laws. These forward-looking statements should not be relied upon as representing Petrox's views as of any date subsequent to the date of this Management Information Circular. Although Petrox has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The factors identified above are not intended to represent a complete list of the factors that could affect Petrox, TNCX or the Resulting Issuer.

Resolutions Sought

The Corporation is seeking the approval of the Shareholders for the Consolidation, the Name Change and the Delisting. Shareholder approval for the Transaction itself will not be required.

In addition, the Corporation is seeking the approval of the Shareholders to approve an amendment to the current stock option plan of the Corporation, to approve a deferred share unit plan and to approve an employee share purchase plan, all of which will be implemented if and only if the Transaction closes. Details with respect to the aforementioned plans and amendments have been set out below.

At the Meeting, the Corporation will require that certain of the resolutions for which approval is sought be approved by "Disinterested Shareholders". "**Disinterested Shareholder Approval**" means the approval by a majority of the votes cast by all Shareholders at the Meeting, excluding votes attached to Common Shares beneficially owned by: (i) directors or executive officers of the Corporation or its affiliates; (ii) an associate of a director or executive officer of the Corporation or of its affiliates; (iii) a permitted assigned of a director or executive officer of the Corporation or its affiliates; or (iv) persons who directly or beneficially own or control 10% or more of the Common Shares. At the date hereof, to the Corporation's knowledge, votes attaching to 13,765,333 Common Shares will not be included for the purpose of determining whether the Disinterested Shareholder approval has been obtained.

1. Share Consolidation

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass a special resolution authorizing the Consolidation. The Consolidation will be implemented immediately prior to the completion Transaction, if and only if the Transaction proceeds.

The full text of the resolution to be proposed at the Meeting with respect to the Consolidation is as follows:

"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

- 1. the Corporation be and is hereby authorized to consolidate the issued and outstanding common shares in the capital of the Corporation (which also includes outstanding convertible securities) on the basis of one new common share for every 5.5 existing common shares, as may be determined by the board of directors acting in its sole discretion (the "Share Consolidation");**
- 2. the directors be and are hereby authorized to implement the Share Consolidation by filing Articles of Amendment with the Registrar of Corporations under the applicable governing statute following the receipt of all necessary regulatory approvals; and**
- 3. notwithstanding the foregoing, the directors of the Corporation be and are hereby authorized, without further approval of or notice to the shareholders of the Corporation, to revoke this special resolution at any time."**

As a special resolution, in order to approve the foregoing resolution, a favourable vote of at least 66⅔% of the Shares of the Corporation voted in respect of the foregoing resolution, will be required. Unless instructed otherwise, the management designees in the accompanying instrument of proxy intend to vote FOR the special resolution for the Amalgamation.

2. Name Change

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass a special resolution authorizing the Name Change. The Name Change will be implemented immediately prior to the completion Transaction, if and only if the Transaction proceeds.

The full text of the resolution to be proposed at the Meeting with respect to the Name Change is as follows:

"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

- 1. the Corporation be and is hereby authorized to change the name of the Corporation to "TrueNorth CX Corp." or such other name as may be determined by the directors of the Corporation and as may be permitted by the Registrar of Corporations of Alberta (the "Name Change");**

2. **the directors be and are hereby authorized to implement the Name Change by filing Articles of Amendment with the Registrar of Corporations under the applicable governing statute following the receipt of all necessary regulatory approvals; and**
3. **notwithstanding the foregoing, the directors of the Corporation be and are hereby authorized, without further approval of or notice to the shareholders of the Corporation, to revoke this special resolution at any time.”**

As a special resolution, in order to approve the foregoing resolution, a favourable vote of at least 66 $\frac{2}{3}$ % of the Shares of the Corporation voted in respect of the foregoing resolution, will be required. Unless instructed otherwise, the management designees in the accompanying instrument of proxy intend to vote FOR the special resolution for the Amalgamation.

3. Delisting

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass an ordinary resolution authorizing the Delisting. It is intended that the Delisting will occur concurrently with or prior to the completion of the Transaction.

The full text of the resolution to be proposed at the Meeting with respect to the Delisting is as follows:

BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. **the Corporation be and is hereby authorized to make an application to the TSX Venture Exchange to delist (the “Delisting”) the Corporation's Common Shares from the TSX Venture Exchange;**
2. **any officer or director of the Corporation be and is hereby authorized for and on behalf of the Corporation to perform all such acts, deeds and things and execute or cause to be executed all documents and other writings, as may be required to give effect to the true intent of these resolutions, and to execute and, if appropriate, to deliver all other documents and do all other things as in his opinion may be necessary or desirable in connection with the foregoing; and**
3. **notwithstanding the foregoing, the directors of the Corporation be and are hereby authorized, without further approval of or notice to the shareholders of the Corporation, to revoke this resolution at any time.”**

As an ordinary resolution, in order to approve the foregoing resolution, a favourable vote of at least 50% plus one of the Shares of the Corporation voted in respect of the foregoing resolution, will be required. Pursuant to the requirements of the TSXV, votes in respect of the foregoing resolution from any persons who are Non-Arm's Length Parties of the Corporation, as such term is defined by the policies of the TSXV, will be excluded. Unless instructed otherwise, the management designees in the accompanying instrument of proxy intend to vote FOR the foregoing ordinary resolution.

4. Amendments to the Stock Option Plan

The Board wishes to seek shareholder approval to make amendments to the current stock option of the Corporation (the “**Stock Option Plan**”) to increase the number of Common Shares subject to the Stock Option Plan and to increase the maximum terms of options granted under the Stock Option Plan (the “**Proposed Stock Option Plan Amendments**”), which Proposed Stock Option Plan Amendments will only be implemented in the event the Transaction closes. If the Transaction does not close, the Corporation will retain its current stock option plan.

Increase in Common Shares Subject to the Stock Option Plan

The current Stock Option Plan of the Corporation is a “rolling” option plan pursuant to which the maximum number of Common Shares that may be reserved for issuance upon the exercise of stock options granted under the current Stock Option Plan is 10% of the total Common Shares issued and outstanding in the capital of the Corporation, from time to time. The Board wishes to amend the Stock Option Plan to increase the number of Common Shares that may be reserved under the Stock Option Plan to 15% of the total issued and outstanding Common Shares, from time to time. Currently there are 55,132,258 Common Shares issued and outstanding, resulting in up to 8,269,839 Common Shares being available for reservation under the proposed amendments to the Stock Option Plan. The amendments to the Stock Option Plan could result, at any time, in: (a) the number of Common Shares reserved for stock options for issuance under the Stock Option Plan and any other security-based compensation of the Corporation to a Related Person exceeding 10% of the issued Common Shares (or in excess of 5% with respect to any one Related Person); or (b) grants to Related Persons, within a 12 month period, of a number of Common Shares exceeding 10% of the issued Common Shares (or 5% with respect to any one Related Person).

Increase to Term of Options

In addition, the Board wishes to amend the Stock Option Plan to provide that the maximum term of options granted pursuant to the amended Stock Option Plan will not exceed ten years. Previously, the Stock Option Plan provided that the maximum term of options granted pursuant to the Stock Option Plan was five years.

Shareholder Approval

The Board believes these amendments are necessary to encourage Common Share ownership by directors, officers, consultants and key employees of the Corporation and its affiliates. Disinterested Shareholders are being asked to approve and confirm the actions of the directors in amending the Stock Option Plan. The effect of such approval will be that for so long as the Stock Option Plan is in existence, shareholder approval will not be required for the granting of options thereunder; however, particulars of the granting and exercise thereof will be disclosed in information circulars mailed to shareholders in accordance with applicable regulations.

The full text of the resolution to be proposed at the Meeting with respect to the Amendments to the Stock Option Plan is as follows:

“BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

- 1. the Corporation be and is hereby authorized to implement the Proposed Stock Option Plan Amendments:**
- 2. any officer or director of the Corporation be and is hereby authorized for and on behalf of the Corporation to perform all such acts, deeds and things and execute or cause to be executed all documents and other writings, as may be required to give effect to the true intent of these resolutions, and to execute and, if appropriate, to deliver all other documents and do all other things as in his opinion may be necessary or desirable in connection with the foregoing; and**
- 3. notwithstanding the foregoing, the directors of the Corporation be and are hereby authorized, without further approval of or notice to the shareholders of the Corporation, to revoke this ordinary resolution at any time.”**

Disinterested Shareholder Approval will be required in order to pass the foregoing resolution. Unless instructed otherwise, the management designees in the accompanying instrument of proxy intend to vote FOR the foregoing ordinary resolution.

5. Approval of the DSU Plan

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass an ordinary resolution to approve and adopt a deferred share unit plan (the “**DSU Plan**”). The DSU will be implemented immediately prior to the completion Transaction, if and only if the Transaction proceeds.

Under the DSU Plan, deferred share units (“**DSU**”) would be issued to senior officers and directors of the Corporation (“**Eligible Participants**”), in lieu of cash, for a portion of directors’ fees otherwise payable to the directors.

The Compensation and Governance Committee (by delegation from the Board) will, in its sole and absolute discretion: (i) interpret and administer the DSU Plan; (ii) establish, amend and rescind any rules and regulations relating to the DSU Plan; (iii) have the power to delegate, on such terms and the Committee deems appropriate, any or all of its powers under the DSU Plan to any officer of the Corporation; and (iv) make any other determinations that the Committee deems necessary or desirable for the administration of the DSU Plan.

The fair market value of the DSU on the date such units are calculated and issued represents the volume-weighted average trading price of the Common Shares for the five trading days immediately preceding the date of issuance of the DSU. Each DSU entitles the director to receive payment after the end of director’s term in the form of Common Shares of the Corporation.

An Eligible Participant who redeems a DSU under the DSU Plan as of an entitlement date will be entitled to receive from the Corporation on such entitlement date, as a single distribution, one Common Share for each whole DSU being redeemed.

The entitlement date elected by an Eligible Participant cannot be before a date on which such Eligible Participant has ceased to hold an office or directorship for any reason whatsoever, including death of the Eligible Participant.

Under the DSU Plan, the aggregate number of Common Shares issuable by the Corporation is limited to 11,026,451 Common Shares, representing 20% of the Corporation’s issued and outstanding Common Shares as of June 5, 2018. All Common Shares subject to DSU that terminate or are cancelled without being settled will be available for any subsequent issuance of DSU under the DSU Plan.

The aggregate number of Common Shares issued to Eligible Participants of the Corporation within any 12-month period, or issuable to Eligible Participants of the Corporation at any time, under the DSU Plan and any other security-based compensation arrangement of the Corporation, may not exceed 40% of the total number of issued and outstanding Common Shares of the Corporation at such time.

In the event of an Eligible Participant’s death, Common Shares shall become issuable in respect of any and all DSUs then credited to such Eligible Participant’s account as soon as reasonably practicable after the Eligible Participant’s death.

The Board shall determine the vesting periods, if any, in connection with any issuance of DSUs.

The DSU Plan and any DSU’s granted thereunder may be amended, suspended, modified, cancelled or terminated by the Board without the approval of the Shareholders. Notwithstanding the foregoing, shareholder approval (by a majority of the votes cast by Shareholders of the Corporation present and voting in person or by proxy at a meeting of Shareholders) is required for an amendment to: (i) increase the maximum number of Common Shares issuable pursuant to the DSU Plan; (ii) amend the assignment provisions of the DSU Plan; (iii) permit a person who is an employee of the Corporation or any subsidiary to be eligible for the grant of DSU under the DSU Plan; (iv) increase the number of Common Shares that may be issued to Eligible Participants; (v) include other types of equity compensation involving the issuance of Common Shares under the DSU Plan; or (vi) amend the amending provisions of the DSU Plan.

The Board may terminate the DSU Plan at any time and no DSU may become effective under the DSU Plan after the date of termination. No such termination will, without the consent of the Eligible Participants or unless required by law, adversely affect the rights of an Eligible Participant with respect to any amount in respect of which an Eligible

Participant has then elected to receive in DSU's or DSU's which the Eligible Participant has then been granted under the DSU Plan.

The rights of Eligible Participants respecting DSU's and other benefits under the DSU Plan are not transferable or assignable other than by will or the laws of descent and distribution.

Shareholder Approval

The Board believes is necessary to encourage Common Share ownership by directors, officers, and key employees of the Corporation and its affiliates. Disinterested Shareholders are being asked to approve and confirm the actions of the directors in establishing the DSU Plan. The effect of such approval will be that for so long as the DSU Plan is in existence, shareholder approval will not be required for the granting of DSUs thereunder; however, particulars of the granting and exercise thereof will be disclosed in information circulars mailed to shareholders in accordance with applicable regulations.

The full text of the resolution to be proposed at the Meeting with respect to the DSU is as follows:

“BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

- 1. the Corporation be and is hereby authorized to implement the DSU Plan;**
- 2. any officer or director of the Corporation be and is hereby authorized for and on behalf of the Corporation to perform all such acts, deeds and things and execute or cause to be executed all documents and other writings, as may be required to give effect to the true intent of these resolutions, and to execute and, if appropriate, to deliver all other documents and do all other things as in his opinion may be necessary or desirable in connection with the foregoing; and**
- 3. notwithstanding the foregoing, the directors of the Corporation be and are hereby authorized, without further approval of or notice to the shareholders of the Corporation, to revoke this ordinary resolution at any time.”**

Disinterested Shareholder Approval will be required in order to pass the foregoing resolution. Unless instructed otherwise, the management designees in the accompanying instrument of proxy intend to vote FOR the foregoing ordinary resolution.

6. Approval of the Employee Share Purchase Plan

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass an ordinary resolution to approve and adopt a proposed employee share purchase plan (the “**Employee Share Purchase Plan**”). The Employee Share Purchase Plan will be implemented immediately prior to the completion Transaction, if and only if the Transaction proceeds.

The purpose of the Employee Share Purchase Plan is to advance the interests of the Corporation by encouraging its employees, directors and officers (“**Eligible Employees**”) to invest in Common Shares, thereby increasing the proprietary interests of such Eligible Employees in the Corporation and aligning the interests of such Eligible Employees with the interests of the Corporation's shareholders generally.

The Board (or a committee thereof) have the authority to select Eligible Employees, who may participate in the Employee Share Purchase Plan. The Corporation will match the contribution of the Eligible Employee, which cannot exceed 10% of the basis annual remuneration of the Eligible Employee, on a quarterly basis. Each Eligible Employee will receive Common Shares having a value equal to the aggregate amount contributed to the Employee Share Purchase Plan by the Eligible Employee and the Corporation or through treasury issuances or market purchases. The purchase price per Common Share will be the weighted average price of the Common Shares on the

CSE for the calendar quarter in respect of which the Common Shares are issued. These Common Shares will either be issued from treasury or acquired through market purchases and delivered to Eligible Employees 12 months after their date of issue or purchase, as applicable (or a later date if required by applicable laws, regulations or listing requirements). The maximum number of Common Shares made available for the Employee Share Purchase Plan may be determined from time to time by the Board (or committee thereof) but, in any case, cannot exceed 5% of the Common Shares issued and outstanding.

Shareholder Approval

The Board believes is necessary to encourage Common Share ownership by directors, officers, and key employees of the Corporation and its affiliates. Disinterested Shareholders are being asked to approve and confirm the actions of the directors in establishing the Employee Share Purchase Plan. The effect of such approval will be that for so long as the Employee Share Purchase Plan is in existence, shareholder approval will not be required for the issuance of Common Shares thereunder; however, particulars of the granting and exercise thereof will be disclosed in information circulars mailed to shareholders in accordance with applicable regulations.

The full text of the resolution to be proposed at the Meeting with respect to the Consolidation is as follows:

“BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

- 1. the Corporation be and is hereby authorized to implement the Employee Share Purchase Plan;**
- 2. any officer or director of the Corporation be and is hereby authorized for and on behalf of the Corporation to perform all such acts, deeds and things and execute or cause to be executed all documents and other writings, as may be required to give effect to the true intent of these resolutions, and to execute and, if appropriate, to deliver all other documents and do all other things as in his opinion may be necessary or desirable in connection with the foregoing; and**
- 3. notwithstanding the foregoing, the directors of the Corporation be and are hereby authorized, without further approval of or notice to the shareholders of the Corporation, to revoke this ordinary resolution at any time.”**

Disinterested Shareholder Approval will be required in order to pass the foregoing resolution. Unless instructed otherwise, the management designees in the accompanying instrument of proxy intend to vote FOR the foregoing ordinary resolution.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available through the internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) which can be accessed at www.sedar.com. Financial information on the Corporation is provided in the comparative financial statements and management discussion and analysis of the Corporation which can also be accessed at www.sedar.com or which may be obtained upon request from the Corporation at Suite 2806, 505 - 6th Street SW, Calgary, Alberta, T2P 1X5.