



**NOTICE OF ANNUAL AND SPECIAL MEETING AND  
MANAGEMENT INFORMATION CIRCULAR**

**Dated November 30, 2020**

**with respect to the**

**Annual and Special Meeting of Shareholders**

**to be held on December 31, 2020**



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**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD ON DECEMBER 31, 2020**

**NOTICE IS HEREBY GIVEN** that an annual and special meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares ("**Common shares**") of Petrolympic Ltd. ("**PCQ**" or the "**Company**") will be held at **82 Richmond Street East, Toronto, Ontario, M5C 1P1** on Thursday, December 31, 2020 at 10:00 a.m. (Toronto time), for the following purposes:

1. to receive the consolidated financial statements of the Company for the fiscal year ended December 31, 2018 and 2019 together with the reports of the auditor's thereon;
2. to set the number of directors for the ensuing year at five;
3. to elect directors of the Company;
4. to appoint auditors and to authorize the directors to fix the auditors' remuneration;
5. to consider, and if deemed advisable, to confirm and ratify the rolling stock option plan of the Company, as more particularly described in the accompanying management information circular (the "**Circular**"); and
6. to transact such other business as may properly come before the Meeting or any adjournment thereof.

The specific details of the foregoing matters to be put before the Meeting, as well as further information with respect to voting by proxy, are set forth in the Circular, which accompanies, and is deemed to form a part of, this Notice of Meeting.

The nature of the business to be transacted at the Meeting is described in further detail in the Circular. Proxies are being solicited by the management of the Company. Shareholders who are entitled to vote at the Meeting may vote either in person or by proxy. Shareholders who are unable to be present in person at the Meeting are requested to sign, date and deliver the accompanying proxy to the Company's registrar and transfer agent, TSX Trust Company, Attention: Proxy Department, 301 - 100 Adelaide Street West, Toronto, ON M5H 4H1 or faxed to 416-361-0470 so it is received not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the City of Toronto, Ontario) prior to the time set for the Meeting or any adjournment or adjournments thereof.

In an effort to mitigate the risks associated with COVID-19, the Company asks that Shareholders follow the current instructions and recommendations of federal, provincial and local health authorities when considering attending the Meeting. While it is not known what the situation with COVID-19 will be on the date of the Meeting, the Company will adhere to all government and public health authority recommendations and restrictions in order to support efforts to reduce the impact and spread of COVID-19. As such, in order to mitigate potential risks to the health and safety of our communities, Shareholders, employees and other stakeholders, **the Company is urging all Shareholders to vote by proxy in advance of the Meeting and NOT to attend the Meeting in person unless and until all social distancing recommendations or restrictions have been lifted.** The Company will follow the guidance and orders of government and public health authorities in that regard, including those restricting the size of public gatherings. In order to adhere to all government and public health authority recommendations, the Company notes that the Meeting will be limited to only the legal requirements for shareholder meetings and guests will not be permitted entrance unless legally required. Rather than attending in person, the Company encourages Shareholders to access the Meeting via telephone conference call at 1-866-365-4406 (Toll-Free Canada) or

647-723-3984, Conference Participant Access Code 3616167. Shareholders attending the Meeting by telephone conference will be able to listen to the meeting but will not be able to vote at the Meeting.

If you are a *non-registered shareholder* of the Company and receive these materials through your broker or another intermediary, please complete and sign the materials in accordance with the instructions provided to you by such broker or other intermediary.

DATED this 30th day of November, 2020.

**BY ORDER OF THE BOARD OF DIRECTORS**

(signed) "*Mendel Ekstein*"

Mendel Ekstein, President and Chief Executive Officer

## MANAGEMENT INFORMATION CIRCULAR

as at November 30, 2020

### GENERAL PROXY INFORMATION

#### Solicitation of Proxies

This management information circular (the "Circular") is furnished in connection with solicitation by management of Petrolympic ("Petrolympic" or the "Company") of proxies to be used at the Company's annual general meeting of the holders (the "Shareholders") of common shares (the "Common Shares") to be held on December 31, 2020 (the "Meeting") or at any adjournment thereof at the time and place and for the purposes set forth in the accompanying notice of meeting (the "Notice of Meeting"). It is anticipated that the solicitations will be made primarily by mail, proxies may also be solicited personally or by telephone by directors, officers or employees of the Company at nominal cost. The cost of the solicitation will be borne by the Company. The Company has arranged for intermediaries to forward the Meeting Materials (as hereinafter defined) to beneficial owners of the Common Shares held of record by those intermediaries and the Company may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

#### Appointment and Revocation of Proxies

The person(s) designated by management of the Company in the enclosed form of proxy are directors and/or officers of the Company. **Each Shareholder has the right to appoint as proxyholder a person (who need not be a Shareholder of the Company) other than the person(s) named in the enclosed form of proxy to attend and act on the Shareholder's behalf at the Meeting or at any adjournment thereof. Such right may be exercised by striking out the names of the person(s) printed in the accompanying form of proxy and inserting the name of the person in the blank space provided in the enclosed form of proxy or by completing another suitable form of proxy and, in either case, delivering the completed and executed form of proxy as provided below.**

In the case of *registered shareholders*, the completed, dated and signed form of proxy should be sent in the enclosed envelope or otherwise to TSX Trust Company, 301-100 Adelaide Street West, Toronto ON M5H 4H1, fax number (416) 595-9593, email address [TMXEInvestorServices@tmx.com](mailto:TMXEInvestorServices@tmx.com). In the case of *non-registered shareholders* who receive these materials through their brokers or other intermediaries, the Shareholders should complete and send the form of proxy in accordance with the instructions provided by their brokers or other intermediaries. To be effective, a proxy must be received by TSX Trust Company not less than forty-eight (48) hours, excluding Saturdays, Sundays or statutory holidays in the Province of Ontario, before the time set for the holding of the Meeting or any adjournment(s) thereof (the "**Proxy Deadline**").

**A Shareholder who has given a proxy may revoke it by depositing an instrument in writing, including another proxy bearing a later date, signed by the Shareholder or by the Shareholder's attorney, who is authorized in writing, or by transmitting, by telephonic or electronic means, a revocation signed by electronic signature by the Shareholder or by the Shareholder's attorney, who is authorized in writing, to or at the head office of the Company at any time up to and including the last business day preceding the day of the Meeting, or in the case of any adjournment of the Meeting, the last business day preceding the day of the adjournment, or with the Chair of the**

**Meeting on the day of, and prior to the start of, the Meeting or any adjournment thereof. A Shareholder may also revoke a proxy in any other manner permitted by law.**

### **Voting of Proxies**

On any ballot that may be called for, the Common Shares represented by a properly executed proxy given in favour of the person(s) designated by management of the Company in the enclosed form of proxy will be voted or withheld from voting in accordance with the instructions given on the ballot, and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly.

**In the absence of any direction in the instrument of proxy, such Common Shares will be voted in favour of the matters set forth in the accompanying Notice of Meeting.** The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the accompanying Notice of Meeting, and with respect to other matters which may properly come before the Meeting or any adjournment thereof. At the date of this Circular, management of the Company is not aware of any such amendment, variation or other matter to come before the Meeting. However, if any amendment or variation to any matter identified in the accompanying Notice of Meeting or any other matter, which are not now known to management, should properly come before the Meeting or any adjournment thereof, the Common Shares represented by properly executed proxies given in favour of the person(s) designated by management of the Company in the enclosed form of proxy will be voted on any such matter pursuant to such discretionary authority.

### **Non-Registered Holders**

**Only registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting.** However, in many cases, Shareholders of the Company are "non-registered" Shareholders because the Common Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Common Shares. More particularly, a person is not a registered Shareholder in respect of Common Shares which are held on behalf of that person (a "**Non-Registered Holder**") but which 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, among others, 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) of which the Intermediary is a participant. Non-Registered Holders do not appear on the list of Shareholders of the Company maintained by the transfer agent.

In accordance with the requirements as set out in National Instrument 54-101 *Communications with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators, the Company has distributed copies of the Notice of Meeting, this Circular, the form of proxy and the supplemental mailing list return card (collectively, the "**Meeting Materials**") (i) directly to Non-Registered Holders who have advised their Intermediaries that they do not object to the Intermediaries providing their ownership information to issuers whose securities they beneficially own (referred to as non-objecting beneficial owners), and (ii) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders who have advised their Intermediaries that they object to such Intermediaries providing their ownership information.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive it. Very often, Intermediaries will use service

companies to forward the Meeting Materials to Non-Registered Holders. Generally, any Non-Registered Holder who has not waived the right to receive Meeting Materials will either:

- (a) be given a form of 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 not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Holder when submitting the proxy. If the Non-Registered Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the holder's behalf), the Non-Registered Holder must complete the form of proxy and deposit it with the Company's registrar and transfer agent, TSX Trust Company, as provided above. If a Non-Registered Holder wishes to attend and vote at the Meeting in person (or have another person attend and vote on the holder's behalf), the Non-Registered Holder must 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
- (b) more typically, be given a voting instruction form which is not signed by the Intermediary, and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions (often called a "**proxy authorization form**") which the Intermediary must follow. Typically, the proxy authorization form will consist of a one-page pre-printed form. Sometimes, instead of the one-page pre-printed form, the proxy authorization form will consist of a regular printed proxy form accompanied by a page of instructions, which contains a removable label containing a bar-code and other information. In order for the form of proxy to validly constitute a proxy authorization form, the Non-Registered Holder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and return it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company. If the Non-Registered Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the holder's behalf), the voting instruction form must be completed, signed and returned in accordance with the directions on the form. If a Non-Registered Holder wishes to attend and vote at the Meeting in person (or have another person attend and vote on the Holder's behalf), the Non-Registered Holder must complete, sign and return the voting instruction form in accordance with the directions provided and a form of proxy giving the right to attend and vote will be forwarded to the Non-Registered Holder.

In either case, the purpose of this procedure is to permit Non-Registered Holders to direct the votes attached to the Common Shares which they beneficially own. Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the management proxyholders named in the form and insert the Non-Registered Holder's name in the blank space provided on the form. **In either case, Non-Registered Holders should carefully follow the instructions of their Intermediaries, including those regarding when and where the proxy or proxies authorization forms are to be delivered.**

**Only registered Shareholders have the right to revoke proxies.** Any Non-Registered Holder who wishes to change its vote must arrange for its Intermediary to revoke its proxy on its behalf.

## Non-Objecting Beneficial Owners

The Meeting Materials are being sent to both registered holders of Common Shares and Non-Registered Holders of Common Shares. If you are a Non-Registered Holder, and the Company or its agent has sent these materials directly to you, your name and 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. By choosing to send these materials to you directly, the Company (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions or form of proxy delivered to you.

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

No director or executive officer of the Company, nor any person who has held such a position since the beginning of the Company's last financial year, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors, the appointment of auditors, and the approval of the Company's stock option plan (the "**Stock Option Plan**"), as amended (insofar as such directors and/or officers hold stock options. See "*Executive Compensation*" below for particulars on the options held by directors and officers).

## VOTING SHARES AND PRINCIPAL SHAREHOLDERS

The record date for the determination of Shareholders entitled to receive notice of, and to vote at, the Meeting or any adjournments or postponements thereof is November 30, 2020 (the "**Record Date**"). Shareholders whose names have been entered in the register of Shareholders at the close of business on the Record Date will be entitled to receive notice of, and to vote, at the Meeting or any adjournments or postponements thereof.

As of the Record Date, the Company had 110,443,894 Common Shares issued and outstanding. Each Common Share carries the right to one vote. The Common Shares are listed and posted for trading on the TSX Venture Exchange (the "TSXV") under the symbol "PCQ."

To the knowledge of the directors and executive officers of the Company, except as set out in the table below, no person or company beneficially owns, or controls or directs, directly or indirectly, 10% or more of any class of voting securities of the Company, on a non-diluted basis.

Name and Principal Place of Residence	Number of Shares Owned or Controlled or Directed	Percentage of Common Shares
Mendel Ekstein Monroe, New York, USA	11,283,129 <sup>(1)</sup>	10.22% <sup>(1)</sup>
Andreas Jacob Boisbriand, Quebec, Canada	11,967,625 <sup>(2)</sup>	10.84% <sup>(2)</sup>
Brocha Ekstein Monroe, New York, USA	15,245,607	13.80%

**Notes:**

- (1) In addition, 4,444,442 Common Shares are held by Benos Meluchim Inc., a religious corporation of which Mr. Ekstein is the president and a trustee.
- (2) Rachel Neuman, Mr. Jacob's wife, owns 4,925,000 Common Shares of the Company. Together, both Mr. Jacob and Ms. Neuman own 10.84% of the Common Shares of the Company.

As of the Record Date, the directors and senior officers of the Company, as a group, beneficially own, or control or direct, directly or indirectly, approximately 18,546,628 Common Shares, representing approximately 16.79% of the outstanding Common Shares. This figure does not include the Common

Shares held by Benos Meluchim Inc., a religious corporation of which Mr. Ekstein is the president and a trustee, Ms. Brocha Ekstein, Mr. Ekstein's spouse, and Ms. Rachel Neuman, Mr. Jacob's spouse. See above table for further information regarding such shareholdings.

## QUORUM

A quorum will be present at the Meeting if there are at least two persons present, each of whom is either a Shareholder entitled to attend and vote at the Meeting or the proxyholder of a Shareholder appointed by means of a valid proxy, holding or representing by proxy, collectively, not less than five percent (5%) of the issued and outstanding Common Shares.

## MATTERS TO BE ACTED ON AT THE MEETING

The Meeting has been called for the Shareholders to consider and, if thought appropriate, to pass resolutions in relation to each of the following matters.

### Financial Statements

The financial statements for the financial year ended December 31, 2018 and 2019, and the report of the auditors thereon, will be submitted to the Meeting. Receipt at the Meeting of the Company's financial statements and of the auditors' report thereon will not constitute approval or disapproval of any matters referred to therein.

### Election of Directors

The board of directors of the Company (the "**Board**") is a variable Board consisting of not fewer than one and not more than ten directors. The articles of the Company authorize the Board to fix the number of directors subject to the requirements of the *Business Corporations Act* (Ontario). The Board has determined that the number of directors constituting the Board shall be set at five. Accordingly, Shareholder approval will be sought to fix the number of directors of the Company at five.

The following information relates to the election of directors to the Board and to the persons proposed to be nominated for election as directors. Upon the recommendation of the Nominating Committee of the Company, management proposes that each of the persons named below be nominated at the Meeting for re-election or election, as the case may be, as directors of the Company to serve until the next annual meeting of Shareholders or until his or her successor is elected or appointed. Management does not contemplate that any of the nominees will be unable to serve as a director. **However, should a nominee be unable to so serve for any reason prior to the Meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion.**

**You can vote for all of the directors, vote for some of them and withhold for others, or withhold for all of them. Unless otherwise instructed, Common Shares represented by proxies in favour of the management nominees will be voted FOR the election of each of the proposed nominees set forth below as directors of the Company.**

The following table and the notes thereto state the names of all persons to be nominated for election as directors, all other positions or offices with the Company now held by them, their principal occupations of employment, the year in which they became directors for the Company, the approximate number of Commons Shares beneficially owned, or controlled or directed, directly or indirectly, by each of them, as of the date hereof, and the number of options to acquire Common Shares held by each of them as of the date hereof.

Name and Municipality of Residence	Present Principal Occupation	Year first became director	Number of Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly <sup>(1)</sup>	Number of Options Held
Mendel Ekstein <sup>(2)</sup> Monroe, New York, USA	President and CEO of Petrolympic	December 21, 2007	11,283,129 <sup>(3)</sup>	1,650,000
Andreas Jacob Boisbriand, Quebec Canada	Vice-President of Petrolympic	December 21, 2007	7,042,625 <sup>(5)</sup>	2,400,000
Alain Fleury <sup>(2)(4)(6)</sup> Quebec, Canada	Independent Consultant	December 21, 2007	15,000	1,050,000
Miles Pittman <sup>(6)(7)</sup> Calgary, Alberta, Canada	Partner at Borden Ladner Gervais LLP	December 21, 2007	Nil	1,050,000
Rodger Creamer <sup>(4)(7)</sup> Los Angeles, California, USA	President of SE-AM Tech Inc.	November 21, 2011	Nil	550,000

**Notes:**

- (1) Information supplied by nominees and does not include shares issuable upon exercise of options or other convertible securities.
- (2) Member of the Reserves & Disclosure Committee.
- (3) In addition, 15,245,607 Common Shares are held by Brocha Ekstein, Mr. Ekstein's wife, and 4,444,442 Common Shares are held by Benos Meluchim Inc., a religious corporation of which Mr. Ekstein is the president and a trustee.
- (4) Member of the Compensation Committee.
- (5) Rachel Neuman, Mr. Jacob's wife, holds an additional 4,925,000 Common Shares.
- (6) Member of the Audit Committee.
- (7) Member of the Governance and Nominating Committee.

Set forth below is a description of the principal occupation of each of the Board nominees during the past five years:

***Mendel Ekstein –President, Chief Executive Officer and Director***

Mr. Ekstein possesses extensive management experience across a wide variety of industries. He has managed large-scale textile manufacturing plants in both South America and the United States. Since 1984, Mr. Ekstein has focused on the insurance and investment industries, developing extensive relationships with national and international insurers and investment houses and building a portfolio of over 3,500 investors. Since 1994, Mr. Ekstein has developed a diversified real estate investment portfolio and since 2002 he has been involved in oil and gas exploration in Quebec.

***Andreas Jacob – Vice-President and Director***

After arriving in Canada in 1992, Mr. Jacob spent several years consulting on various business enterprises to the Neuman family, the owners of Genu-Neuman, a large private label textile manufacturing, import/export business dealing with Canada's largest retailers. In 1999, Mr. Jacob assisted in the expansion internationally of Jacob Jewelers, a Belgium-based jewelry business. In 2003 and 2004, Mr. Jacob consulted to the Neuman family on its family-owned Denault Paints, a manufacturer and distributor of architectural paints and industrial coatings, resulting in the successful turnaround. Since 2004, Mr. Jacob has focused his energies on the Company.

***Alain Fleury –Director***

Mr. Fleury has over thirty-five years of experience in the oil and gas sector. As a field engineer for Schlumberger Overseas S.A., he was responsible for well log recording and interpretation in various

locations across the Middle-East, Africa, India and South-East Asia. As a reservoir engineer for Soquip, first in Calgary and later in Quebec City, Mr. Fleury conducted flow testing of gas wells reserve evaluations and estimates, and economic feasibility studies for several development projects. Mr. Fleury has extensive experience as an independent consultant to junior oil and gas companies and has taught several courses in physics and geology.

***Miles Pittman – Director***

Mr. Miles Pittman is a partner with Borden Ladner Gervais LLP, where his practices focus mainly, but not exclusively, on the energy sector. He works closely with energy clients in the upstream, midstream and downstream sectors and the oilfield service sector, on mergers and acquisitions, joint ventures, gathering and processing arrangements and tax-effective structuring. He also advises clients in other sectors on M&A, project development and restructuring matters. Mr. Pittman is a director of several private corporations in the energy sector and he is past President of the Canadian Energy Law Foundation.

***Rodger Creamer – Director***

Mr. Creamer is a professional engineer and has 40 years of experience in various project functions. He is currently the President of SE-AM Tech Inc. and a project manager/communication officer with SNF – Flopam between France/USA, which is the largest supplier of polymers for the oil recovery. From 2008 to 2015, Mr. Creamer was involved in Chevron’s Kern River oil and Oxy Ventura oil fields responsible for gas recovery, heavy oil de-emulsification, cogeneration plants and facilities. Mr. Creamer has been involved in numerous other projects over the years, including combined airport rebuild, cogeneration plants, pulp and paper plants, refinery plant engineering including project direction refinery de-sulphurization of naphtha and diesel products (Vitol), polyethylene plant (Petro Kemya), Greenfield WOSEP separation plant Aramco) and a Greenfield headquarters for a (ORICA, formerly ICI) chemical producer and as well various other petroleum industrial plants. These projects have ranged in value from a few million dollars to projects with combined totals in excess of one billion dollars. The project experiences include all project function including conception, financial structuring, initial infrastructure, construction, start-up, troubleshooting and operations. In addition, he has been an advisor to several company boards and has sat on several company boards.

**Orders, Penalties and Bankruptcies**

To the knowledge of the Company, as of the date hereof, no director to be nominated for election at the Meeting:

- (a) is at the date of this Information Circular, or has been, within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Company) that:
  - (i) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
  - (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer,
- (b) is at the date of this Information Circular, or has been, within 10 years before the date hereof, a director or executive officer of any company (including the Company) that, while such nominee was acting in that capacity, or within a year of such nominee 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; or

- (c) has, within ten years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become 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 such nominee.

For the purposes of the above section, the term "order" means:

- (i) a cease trade order;
- (ii) an order similar to a cease trade order; or
- (iii) an order that denied the relevant company access to any exemption under securities legislation

that was in effect for a period of more than 30 consecutive days.

To the knowledge of the Company, as of the date hereof, no director nominated for election at the Meeting has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body.

### **Appointment of Auditors**

Management recommends the appointment of Clearhouse LLP of Mississauga, Ontario, as auditor of the Company to hold office until the close of the next annual meeting of the Shareholders, or until their successor is appointed by the Board. Clearhouse LLP was first appointed as auditor of the Company on December 7, 2018.

**Unless otherwise instructed, Common Shares represented by proxies in favour of the management nominees will be voted FOR the appointment of Clearhouse LLP as auditor of the Company and authorizing the directors of the Company to fix their remuneration.**

### **Audit Fees**

The aggregate fees billed by the Company's external auditors for professional services rendered for the audit of the consolidated financial statements of the Company and its subsidiaries, reporting in connection with the various securities offerings of the Company and for the reviews of the Company's quarterly financial statements were \$14,000 in the fiscal year ended December 31, 2018 and \$11,000 in the fiscal year ended December 31, 2019 and as of the date of this Circular \$nil, has been billed for the 2020 audit.

### **Audit Related Fees**

The aggregate fees (including reimbursed expenses) billed by the Company's external auditors for services related to the audit or review the Company's financial statements were \$nil.

### **Tax Fees**

The aggregate fees (including reimbursed expenses) billed by the Company's external auditors for the preparation of corporate tax returns, tax compliance, tax advice and tax planning services were \$3,000 in the fiscal year ended December 31, 2018 and \$1,000 in the fiscal year ended December 31, 2019.

### **All Other Fees**

The aggregate fees, including expenses reimbursed, billed by the Company's external auditors for services rendered to the Company and its subsidiaries, other than the services described above, were \$nil in the fiscal year ended December 31, 2018 and 2019.

### **Ratification of 10% Rolling Stock Option Plan**

In accordance with the requirements of the TSXV, Shareholders will be asked to approve and ratify the "rolling" Stock Option Plan, attached hereto as Schedule "B".

The purpose of the Stock Option Plan is to advance the interests of the Company by encouraging the directors, officers, employees and consultants retained by the Company (each a "**Participant**") to acquire Common Shares, thereby: (i) increasing the proprietary interests of such persons in the Company; (ii) aligning the interests of such persons with the interests of the Shareholders generally; (iii) encouraging such persons to remain associated with the Company; and (iv) furnishing such persons with an additional incentive in their efforts on behalf of the Company. The aggregate number of Common Shares reserved for issuance under the Stock Option Plan shall not exceed ten percent (10%) of the total number of issued and outstanding Common Shares (calculated on a non-diluted basis), unless the Company receives permission from the TSXV to exceed such threshold. Option grants are made by and are within the discretion of the Board.

The following information is intended to be a brief description of the Stock Option Plan and is qualified in its entirety by the full text of the Stock Option Plan, attached hereto as Schedule "B", and which is also available for review by any Shareholder up until the day preceding the Meeting at the offices of the Company's solicitors, Fogler, Rubinoff LLP at 77 King Street W., Suite 3000, TD Centre, Toronto, Ontario, M5K 1G8 and will be available at the Meeting.

The Stock Option Plan is administered by the Board, which has full and final authority with respect to the granting of all options thereunder subject to the requirements of the TSXV. Options may be granted under the Stock Option Plan to such Participants as the Board may from time to time designate.

Under the policies of the TSXV, options granted under such a rolling stock option plan are not required to have a vesting period, although the directors may continue to grant options with vesting periods, as the circumstances require. The Stock Option Plan authorizes the Board to grant stock options to the Participants on the following terms:

1. The number of Common Shares that may be acquired under an option granted pursuant to the Stock Option Plan shall be determined by the Board as at the time the option is granted, provided that:
  - a. the aggregate number of Common Shares reserved for issuance to any one Participant under the Stock Option Plan or any other plan of the Company, shall not exceed five percent (5%) of the total number of issued and outstanding Common Shares (calculated on a non-diluted basis) in any 12-month period unless the Company receives permission from the TSXV to exceed such threshold; and
  - b. the number of options granted to any one consultant in a 12-month period shall not exceed two percent 2% of the total number of issued and outstanding shares (calculated on a non-diluted basis) in any 12-month period.
2. The Company shall obtain disinterested Shareholder approval for grants of options to insiders (as defined in the *Securities Act* (Ontario)), for a number of options exceeding ten percent (10%) of the issued Common Shares, within any twelve (12) month period.

4. If any option granted shall expire or terminate for any reason without having been exercised in full, any un-purchased Common Shares to which such option relates shall be available for the purposes of the granting of options under the Stock Option Plan.
5. The exercise price of an option shall not be less than from time to time permitted under the rules of the TSXV.
6. No option may be exercisable for a period exceeding five (5) years from the date that the option is granted unless the Company receives approval from the TSXV.
7. The options are non-transferable or assignable, except in certain circumstances. The options can only be exercised by the optionee as long as the optionee remains an eligible optionee pursuant to the Stock Option Plan or within a period of not more than ninety (90) days after ceasing to be an eligible optionee or, if the optionee dies, within one (1) year from the date of the optionee's death.
8. On the occurrence of a sale by the Company of all or substantially all of its assets or in the event of a change of control of the Company, each Participant shall be entitled to exercise, in whole or in part, the options granted to such Participant on an accelerated basis, either during the term of the option or within ninety (90) days after the date of the sale or change of control, whichever first occurs.

As of the Record Date, the Company has 110,443,894 Common Shares issued and outstanding. Therefore, a total of 11,044,389 options are currently available to be granted pursuant to the Stock Option Plan. As of the date of the Circular, 8,750,000 options had been granted pursuant to the Stock Option Plan and 2,294,389 options were still available to be granted.

At the Meeting, Shareholders will be asked to pass an ordinary resolution substantially in the following form:

**"RESOLVED, AS AN ORDINARY RESOLUTION, THAT:**

1. the stock option plan (the "**Stock Option Plan**") of Petrolympic Ltd. (the "**Company**") is hereby ratified, confirmed and approved;
2. the Company is authorized to grant stock options pursuant and subject to the terms and conditions of the Stock Option Plan, as amended, entitling all of the option holders in aggregate to purchase up to such number of Common Shares of the Company (the "**Common Shares**") as is equal to ten percent (10%) of the number of Common Shares issued and outstanding on the applicable grant date; and
3. any one officer or director of the Company is authorized and directed to perform all such acts, deeds and things and execute, under the seal of the Company or otherwise, all such documents and other writings, including treasury orders, stock exchange and securities commission forms, as may be required to give effect to the true intent of this resolution."

**Unless otherwise instructed, Common Shares represented by proxies in favour of management nominees will be voted FOR the ratification and approval of the Stock Option Plan.**

## EXECUTIVE COMPENSATION

The following table provides a summary of total compensation earned during each of the 12 month periods ended December 31, 2017, December 31, 2018 and December 2019, respectively, by the Company's chief executive officer (the "**Chief Executive Officer**" or the "**CEO**") and chief financial officer ( the "**Chief Financial Officer**" or the "**CFO**"), each of the three other most highly compensated executive officers of the Company who were serving as such as at December 31, 2017 and whose total compensation was, individually, more than Cdn\$150,000 (the "**Other Executive Officers**"), and each other individual who would have been an executive officer but for the fact that such individual was neither serving as an executive officer, nor acting in a similar capacity, as at December 31, 2019 (hereinafter, collectively, referred to as the "**Named Executive Officers**" or the "**NEO's**") for services rendered in all capacities during such period.

SUMMARY COMPENSATION TABLE							
Name and Principal Position of Named Executive Officer	Twelve Months Ended Dec. 31	Salary (CDN\$)	Option-Based Awards (CDN\$)	Non-Equity Incentive Plan Compensation		All Other Compensation (CDN\$)	Total Compensation (CDN\$)
				Annual Incentive	Long-Term Incentive		
				Plans (CDN\$)	Plans (CDN\$)		
Mendel Ekstein President and CEO	2019	\$73,170	Nil	Nil	Nil	Nil	\$73,170
	2018	\$180,384	\$63,000	Nil	Nil	Nil	\$243,384
	2017	\$76,642	\$16,756 <sup>(2)</sup>	Nil	Nil	Nil	\$93,398
Carmelo Marrelli CFO	2019	Nil	Nil	Nil	Nil	\$24,988	\$24,988
	2018	Nil	Nil	Nil	Nil	\$21,939	\$21,939
	2017	Nil	Nil	Nil	Nil	\$30,276 <sup>(1)</sup>	\$30,276
Andreas Jacob Vice President	2019	\$74,511	\$35,100	Nil	Nil	Nil	\$109,611
	2018	\$182,032	\$63,000	Nil	Nil	Nil	\$245,032
	2017	\$71,749	\$12,567 <sup>(2)</sup>	Nil	Nil	Nil	\$84,316

**Notes:**

- (1) Paid to Marrelli Support for the services of Carmelo Marrelli to act as the CFO of the Company. In addition, Marrelli Support also provides bookkeeping services to the Company.
- (2) The dollar values in respect of the options were arrived at using the Black-Scholes valuation model based on the following assumptions: a five year expected average life; share price of \$0.105; 117-129% volatility; risk-free interest rate of 0.94-2.14%; and a dividend yield of 0%. See the Consolidated Financial Statements of the Company for the year ended December 31, 2018 and 2019 for more information. The auditors used the Black-Scholes valuation model as it most accurately captured the fair value of such stock options.

### Named Executive Officer Outstanding Option-Based Awards

The table below reflects all option-based awards for each Named Executive Officer outstanding as at December 31, 2019 (including option-based awards granted to a Named Executive Officer before fiscal 2019). The Company does not have any other equity incentive plans other than its Stock Option Plan.

OPTION-BASED AWARDS OUTSTANDING AS AT DECEMBER 31, 2019				
Name of Named Executive Officer	Number of Securities Underlying Unexercised Options <sup>(1)</sup>	Option Exercise Price (CDN\$/Security)	Option Expiration Date	Value of Unexercised In-the-Money Options (CDN\$) <sup>(2)</sup>
Mendel Ekstein President and Chief Executive Officer	400,000	\$0.105	May 28, 2023	Nil
	200,000	\$0.12	May 30, 2022	Nil
	700,000	\$0.105	May 28, 2023	Nil
Carmelo Marrelli Chief Financial Officer	100,000	\$0.10	August 21, 2020	Nil
	50,000	\$0.105	May 28, 2023	Nil
Andreas Jacob Vice President	400,000	\$0.105	May 28, 2023	Nil
	150,000	\$0.12	May 30, 2022	Nil
	700,000	\$0.105	May 28, 2023	Nil
	850,000	\$0.10	March 12, 2024	Nil

**Notes:**

- (1) Each option entitles the holder to purchase one common share.  
(2) All of the options vested on the day they were granted. Calculated using the closing price per Common Share on the TSXV on December 31, 2019 of \$0.045 less the exercise price of the applicable stock options.

**Incentive Award Plans**

The following table provides information concerning the incentive award plans of the Company with respect to each Named Executive Officer during the fiscal year ended December 31, 2019. The only incentive award plan of the Company during fiscal 2019 was its Stock Option Plan.

INCENTIVE AWARD PLANS – VALUE VESTED OR EARNED DURING THE FISCAL YEAR ENDED DECEMBER 31, 2019		
Name of Executive Officer	Option-Based Awards – Value Vested During Fiscal 2019 (CDN\$)	Non-Equity Incentive Plan Compensation – Value Earned During Fiscal 2019 (CDN\$)
Mendel Ekstein	Nil	Nil
Carmelo Marrelli	Nil	Nil
Andreas Jacob	Nil	Nil

## Equity Compensation Plan Information

The following table sets out equity compensation plan information as at the end of the fiscal year ended December 31, 2019:

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 securityholders	7,400,000	\$0.17	3,644,389
Equity compensation plans not approved by securityholders	Nil	N/A	N/A
Total	7,400,000	\$0.17	3,644,389

## Compensation Discussion and Analysis

### *Introduction*

The compensation discussion and analysis section of this Information Circular sets out the objectives of the Company's executive compensation arrangements, the Company's executive compensation philosophy and the application of this philosophy to the Company's executive compensation arrangements. It also provides an analysis of the compensation design and the decisions that the Compensation Committee made in fiscal 2019 with respect to the Named Executive Officers. When determining the compensation arrangements for the Named Executive Officers, the Compensation Committee considers the objectives of: (i) retaining an executive critical to the success of the Company and the enhancement of shareholder values; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and shareholders of the Company; and (iv) rewarding performance, both on an individual basis and with respect to the business in general. See the "Statement of Corporate Governance" below for more discussion on the Compensation Committee.

### *Benchmarking*

The Compensation Committee considers a variety of factors when designing and establishing, reviewing and making recommendations for executive compensation arrangements to all executive officers of the Company. The Company typically does not position executive pay to reflect a single percentile within the junior mining and oil and gas industry for each executive. Rather, in determining the compensation level for each executive, the Compensation Committee looks at factors such as the relative complexity of the executive's role within the organization, the executive's performance and potential for future advancement, the compensation paid by the other companies in the junior mining and oil and gas industry, and pay equity considerations.

### *Elements of Compensation*

The compensation paid to the Named Executive Officers in any year consists of two primary components:

- (a) base salary; and
- (b) long-term incentives in the form of stock options granted under the Stock Option Plan.

The Company believes that making a significant portion of the Named Executive Officer's compensation

based on a base salary and long-term incentives supports the Company's executive compensation philosophy, as these forms of compensation allow those most accountable for the Company's long-term success to acquire and hold the Company's shares. The key features of these two primary components of compensation are discussed below:

1. Base Salary

Base salary recognizes the value of an individual to the Company based on his or her role, skill, performance, contributions, leadership and potential. It is critical in attracting and retaining executive talent in the markets in which the Company competes for talent. Base salaries for the Named Executive Officers are reviewed annually. Any change in base salary of a Named Executive Officer is generally determined by an assessment of such executive's performance, a consideration of competitive compensation levels in companies similar to the Company (in particular, companies in the junior mining and oil and gas industries) and a review of the performance of the Company as a whole and the role such executive officer played in such corporate performance.

2. Stock Option Awards

The Company provides long-term incentives to the Named Executive Officers in the form of stock options as part of its overall executive compensation strategy. (For a description of the material terms of the Stock Option Plan, see "*Ratification of 10% Rolling Stock Option Plan*" above). The Compensation Committee believes that stock option grants serve the Company's executive compensation philosophy in several ways: firstly, it helps attract, retain, and motivate talent; secondly, it aligns the interests of the Named Executive Officers with those of the shareholders by linking a specific portion of the officer's total pay opportunity to share price; and finally, it provides long-term accountability for Named Executive Officers.

### Compensation of Directors

The Company did not pay any fees to directors for serving on the board (or any subcommittee) beyond reimbursing such directors for travel and related expenses.

#### *Individual Director Compensation for Fiscal 2019*

The following table provides a summary of all amounts of compensation provided to the directors of the Company during the fiscal year ended December 31, 2019.

<b>DIRECTOR COMPENSATION TABLE FOR FISCAL 2019</b>					
Name <sup>(1)</sup>	Fee Earned (CDN\$)	Option-Based Awards (CDN\$)	Non-Equity Incentive Plan Compensation (CDN\$)	All Other Compensation (CDN\$)	Total (CDN\$) <sup>(2)</sup>
Rodger Creamer	Nil	Nil	Nil	Nil	Nil
Miles Pittman	Nil	Nil	Nil	Nil	Nil
Alain Fleury	Nil	Nil	Nil	Nil	Nil
Glenn MacNeill	Nil	Nil	Nil	Nil	Nil

**Note:**

- (1) The relevant disclosure for Messrs. Ekstein and Jacob is provided in the Summary Compensation Table for NEO's above.
- (2) The dollar values in respect of the options were arrived at using the Black-Scholes valuation model based on the following assumptions: a five year expected average life; share price of \$0.105; 117-129% volatility; risk-free interest rate of 0.94-2.14%; and a dividend yield of 0%. See the Consolidated Financial Statements of the Company for the year ended December 31, 2018 and 2019 for more information. The auditors used the Black-Scholes valuation model as it most accurately captured the fair value of such stock options.

*Director Outstanding Option-Based Awards*

The table below reflects all option-based awards for each director of the Company outstanding as at December 31, 2019 (including option-based awards granted to a director before fiscal 2019). The Company does not have any other equity incentive plans other than the Stock Option Plan.

<b>DIRECTOR OPTION-BASED AWARDS OUTSTANDING AS AT DECEMBER 31, 2019</b>				
<b>Name of Director</b>	<b>Number of securities Underlying Unexercised Options</b>	<b>Option Exercise Price (CDN\$/Security)</b>	<b>Option Expiration Date</b>	<b>Value of Unexercised In-the-Money Options<sup>(1)</sup> (CDN\$)</b>
Miles Pittman	100,000	\$0.12	May 30, 2022	Nil
	700,000	\$0.105	May 28, 2023	Nil
Alain Fleury	100,000	\$0.12	May 30, 2022	Nil
	700,000	\$0.105	May 28, 2023	Nil
Rodger Creamer	350,000	\$0.12	May 30, 2022	Nil
	50,000	\$0.105	May 28, 2023	Nil
Glenn MacNeill	250,000	\$0.105	May 28, 2023	Nil

**Note:**

- (1) All of the options vested on the day they were granted. The trading price of the Common Shares on the TSXV as of the close of day on December 31, 2019 was \$0.045 per Common Share.

The following table provides information concerning the incentive award plans of the Company with respect to each director of the Company during the fiscal year ended December 31, 2019. The only incentive award plans of the Company during fiscal 2019 was the Stock Option Plan.

<b>INCENTIVE AWARD PLANS – VALUE VESTED OR EARNED DURING THE FISCAL YEAR ENDED DECEMBER 31, 2019</b>		
<b>Name of Director <sup>(1)</sup></b>	<b>Option-Based Awards – Value Vested During Fiscal 2019 (CDN\$)</b>	<b>Non-Equity Incentive Plan Compensation – Value Earned During Fiscal 2019 (CDN\$)</b>
Rodger Creamer	Nil	Nil
Miles Pittman	Nil	Nil
Alain Fleury	Nil	Nil
Glenn MacNeill	Nil	Nil

**Note:**

- (1) The relevant disclosure for Messrs. Ekstein and Jacob is provided in the Summary Compensation Table for the Named Executive Officers above.

## STATEMENT OF CORPORATE GOVERNANCE MATTERS

### Corporate Governance

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the Shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company. National Policy 58-201 *Corporate Governance Guidelines* ("**NP 58-201**") establishes corporate governance guidelines that apply to all public companies. These guidelines are not intended to be prescriptive but to be used by issuers in developing their own corporate governance practices. The Board is committed to sound corporate governance practices, which are both in the interest of its Shareholders and contribute to effective and efficient decision making.

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("**NI 58-101**"), the Company is required to disclose its corporate governance practices, as summarized below. The Board will continue to monitor such practices on an ongoing basis and, when necessary, implement such additional practices as it deems appropriate.

### Board of Directors

The Board is currently comprised of six directors: Messrs. Mendel Ekstein, Andreas Jacob, Alain Fleury, Rodger Creamer, Glenn MacNeill and Miles Pittman. All of the aforementioned directors, with the exception of Glenn MacNeill, are proposed to be nominated as directors at the Meeting.

NI 58-101 defines an "independent director" as a director who has no direct or indirect material relationship with the Company. A "material relationship" is in turn defined as a relationship which could, in the view of the Board, be reasonably expected to interfere with such member's independent judgment. Mendel Ekstein and Andreas Jacob are not considered "independent" as a result of their positions as President and Chief Executive Officer and Vice President of the Company, respectively. The remaining directors are considered to be independent directors since they are all independent of management and free from any material relationship with the Company. The basis for this determination is that, within the last three years, none of the independent directors has worked for the Company, received remuneration from the Company (other than in their capacity as directors) or had material contracts with or material interests in the Company which could interfere with their ability to act with a view to the best interests of the Company.

The Board believes that it functions independently of management. To enhance its ability to act independent of management, the members of the Board may meet in the absence of members of management and the non-independent directors or may excuse such persons from all or a portion of any meeting where a potential conflict of interest arises or where otherwise appropriate. Aside from the periodic meetings of the Compensation and Audit Committees, the Board did not hold any meetings of the independent directors during the fiscal year ended December 31, 2019.

### Other Reporting Issuer Directorships

Currently, none of the directors of the Company are also directors of other reporting issuers (or the equivalent).

### Orientation and Continuing Education

Each new director is given an outline of the nature of the business of the Company, its corporate strategy and current issues within the Company. New directors are also required to meet with management of the Company to discuss and better understand the Company's business and are given the opportunity to meet with counsel to the Company to discuss their legal obligations as directors of the Company.

In addition, management of the Company takes steps to ensure that its directors and officers are continually

updated as to the latest corporate and securities policies which may affect the directors, officers and committee members of the Company as a whole. The Company continually reviews the latest securities rules and policies. Any such changes or new requirements are then brought to the attention of the Company's directors either by way of director or committee meetings or by direct communications from management to the directors.

### **Ethical Business Conduct**

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation, the common law and the restrictions placed by applicable corporate legislation on an individual directors' participation in the decision making of the Board, in which the director has an interest, as well as adherence to the standards contained in the Company's Code of Business Conduct and Ethics have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company. Further, the Company's auditors have full and unrestricted access to the Audit Committee of the Company at all times to discuss the annual audits of the Company's financial statements and any related findings as to the integrity of the financial reporting process.

### **Nomination of Directors**

The Company has established a Governance and Nominating Committee which is comprised of three directors: Rodger Creamer, Glenn MacNeill and Miles Pittman, all of whom were independent of management within the meaning of NI 58-101. The Governance and Nominating Committee meets at least twice annually and is responsible for: (a) seeking individuals qualified to become board members; (b) determining each proposed nominee's qualifications; (c) evaluating the independence of directors and potential directors; (d) considering issues involving possible conflicts of interest; (e) evaluating the performance of each director before recommending to the Board his/her nomination for an additional term as director; and (f) evaluating and recommending to the Board when new members should be added to the Board.

### **Compensation**

The Company has established a Compensation Committee which is currently composed of two directors: Messrs. Alain Fleury and Rodger Creamer, all of whom were independent of management within the meaning of NI 58-101. The Compensation Committee meets at least twice annually and is responsible for making recommendations to the Board regarding: (a) CEO compensation; (b) compensation of other executives; (c) incentive compensation plans; and (d) employment agreements, severance agreements, retirement agreements, change in control agreements and provisions, and any special or supplemental benefits for each officer of the Company. The Board then determines whether to adopt such recommendations as submitted or otherwise.

### **Other Board Committees**

In addition to the Audit, Compensation and Governance and Nominating Committees, the Board also has a Reserves and Disclosure Committee.

The Reserves and Disclosure Committee is comprised of three directors, Messrs. Mendel Ekstein, Glenn MacNeill and Alain Fleury. The Reserves and Disclosure Committee is responsible for overseeing the Company's disclosure practices and sets benchmarks for a preliminary assessment of materiality and determines when developments justify public disclosure. The Reserves and Disclosure Committee meets as conditions dictate and must be kept fully apprised of all pending material developments in the Company in order to evaluate and discuss those events and to determine the appropriateness and timing for the public release of information.

The Reserves and Disclosure Committee also adopted and oversees compliance with the Company's confidentiality and insider trading policies which prevent the Company's insiders from trading on the basis of material undisclosed information and require timely disclosure of permitted insider trading, all in

accordance with Canadian securities law.

### Assessment of Board Performance

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and committees.

## AUDIT COMMITTEE INFORMATION

### Audit Committee Disclosure

Pursuant to the *Business Corporations Act* (Ontario), the policies of the TSXV and National Instrument 52-110 – *Audit Committees* ("NI 52-110"), the Company is required to have an audit committee comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company. NI 52-110 requires the Company, as a venture issuer, to disclose annually in its information circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor.

### Audit Committee's Charter

The Audit Committee is responsible for the Company's financial reporting process and the quality of its financial reporting. In addition to its other duties, the Audit Committee reviews all financial statements, annual and interim, intended for circulation among Shareholders and reports upon these to the Board. In addition, the Board may refer to the Audit Committee other matters and questions relating to the financial position of the Company. In performing its duties, the Audit Committee maintains effective working relationships with the board, management and the external auditors and monitors independence of those auditors. The Audit Committee has formally adopted an Audit Committee charter, which sets forth purposes of the Audit Committee and guidelines for its practices. The full text of the Audit Committee Charter is annexed hereto as Schedule "A".

### Composition of the Audit Committee

The following are the members of the Audit Committee:

<b><u>Name</u></b>	<b><u>Independent</u></b> <sup>(1)</sup>	<b><u>Financial Literacy</u></b> <sup>(1)</sup>
Alain Fleury	Independent	Financially literate
Miles Pittman	Independent	Financially literate
Glenn MacNeill	Independent	Financially literate

**Note:**

(1) As defined in NI 52-110.

### Relevant Education and Experience

**Alain Fleury** has over thirty-five years of experience in the oil and gas sector. As a field engineer for Schlumberger Overseas S.A., he was responsible for well log recording and interpretation in various locations across the Middle-East, Africa, India and South-East Asia. As a reservoir engineer for Soquip, first in Calgary and later in Quebec City, Mr. Fleury conducted flow testing of gas wells reserve evaluations and estimates, and economic feasibility studies for several development projects. Mr. Fleury has extensive experience as an independent consultant to junior oil and gas companies and has taught several courses in physics and geology.

**Miles Pittman** is a partner with Borden Ladner Gervais LLP, where his practices focus mainly, but not exclusively, on the energy sector. He works closely with energy clients in the upstream, midstream and downstream sectors and the oilfield service sector, on mergers and acquisitions, joint ventures, gathering and processing arrangements and tax-effective structuring. He also advises clients in other sectors on M&A, project development and restructuring matters. Mr. Pittman is a director of several private corporations in the energy sector and he is past President of the Canadian Energy Law Foundation.

**Glenn MacNeill** is a professional engineer and has over 30 years of experience in various project and financial functions. He is currently Portfolio Manager with Qwest Investment Fund Management Ltd. Previously, Mr. MacNeill was with Lawrence Asset Management as Chief Investment Officer and Sentry Select Capital Corp. as VP, Investments. In the past, he also worked with HSBC Securities Inc., Scotia Capital Inc., Imperial Life/Desjardin Group and TD Bank. He has over 30 years of experience in financial and petroleum fields. Mr. MacNeill has extensive experience in oil and gas royalty trusts, energy companies, and private investment opportunities. Mr. MacNeill started his career as a Petroleum Engineer after he received a Bachelor of Science Degree in Mechanical Engineering from Queen's University in Kingston in Ontario, Canada.

### **Audit Committee Oversight**

At no time since the commencement of the fiscal year ended December 31, 2019 was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

### **Reliance on Certain Exemptions**

The Company is relying on the exemption in Section 6.1 of NI 52-110 (*Venture Issuers*). At no time since the commencement of the fiscal year ended December 31, 2016 has the Company relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

Since the beginning of the last completed financial year and up to the date hereof, no director, executive officer or employee or former executive officer, director or employee of the Company or any of its subsidiaries has been indebted to the Company.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Other than as set forth herein, for the fiscal year ended December 31, 2019, "informed persons" (as such term is defined in National Instrument 51-102) of the Company, proposed directors and associates and affiliates of any such persons did not have an interest in any transactions or proposed transactions which have materially or would materially affect the Company.

## **REGISTRAR AND TRANSFER AGENT**

TSX Trust Company, at 301-100 Adelaide Street West, Toronto ON M5H 4H1, is the registrar and transfer agent for the Common Shares.

## **OTHER MATTERS**

Management of the Company knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting accompanying this Circular. However, if any other matter properly comes before the Meeting, the forms of proxy furnished by the Company will be voted on such matters in accordance with the best judgment of the person or persons voting the proxy.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company can be found on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is provided in the Company's comparative financial statements and management discussion and analysis for its most recently completed financial year. Copies of the Company's financial statements and management discussion and analysis may be obtained, without charge, upon request to the Corporate Secretary at Fogler, Rubinoff LLP, 77 King St. W, Suite 3000, TD Centre, Toronto, Ontario M5K 1G8.

**APPROVAL OF DIRECTORS**

The contents and the sending of this Circular have been approved by the directors of the Company.

**DATED at Toronto, Ontario this 30<sup>th</sup> day of November 2020.**

(signed) "*Mendel Ekstein*"

Mendel Ekstein  
President and Chief Executive Officer

**SCHEDULE "A"**  
**PETROLYMPIC**  
**LTD.**  
**AUDIT COMMITTEE CHARTER**

**1 OVERALL PURPOSE / OBJECTIVES**

The committee will assist the Board of Directors of the Company (the "**Board**") in fulfilling its responsibilities. The committee will review the financial reporting process, the system of internal control and management of financial risks, the audit process, and the Company's process for monitoring compliance with laws and regulations and its own code of business conduct. In performing its duties, the committee will maintain effective working relationships with the Board, management, and the external auditors and monitor the independence of those auditors. The committee will also be responsible for reviewing the Company's financial strategies, its financing plans and its use of the equity and debt markets.

To perform his or her role effectively, each committee member will obtain an understanding of the responsibilities of committee membership as well as the Company's business, operations and risks.

**2 AUTHORITY**

The Board authorizes the committee, within the scope of its responsibilities, to seek any information it requires from any employee and from external parties, to obtain outside legal or professional advice and to ensure the attendance of the Company officers at meetings as appropriate.

**3 ORGANIZATION**

**3.1 Membership**

- a. The committee will be comprised of at least three directors of the Company, a majority of whom are not officers or employees of the Company or any of its affiliates.
- b. The chairman of the audit committee will be nominated by the committee from time to time.
- c. A quorum for any meeting will be two members.
- d. The secretary of the committee will be the company secretary, or such person as nominated by the Chairman.

**3.2 Attendance at Meetings**

- a. The committee may invite such other persons (e.g. the CEO) to its meetings, as it deems appropriate.
- b. The external auditors should be present at each quarterly audit committee meeting and be expected to comment on the financial statements in accordance with best practices.

- c. Meetings shall be held not less than four times a year. Special meetings shall be convened as required. External auditors may convene a meeting if they consider that it is necessary.
- d. The proceedings of all meetings will be minuted.

#### **4 ROLES AND RESPONSIBILITIES**

The committee will:

- 4.1 Gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.
- 4.2 Gain an understanding of the current areas of greatest financial risk and whether management is managing these effectively.
- 4.3 Review the Company's strategic and financing plans to assist the Board's understanding of the underlying financial risks and the financing alternatives.
- 4.4 Review management's plans to access the equity and debt markets and to provide the Board with advice and commentary.
- 4.5 Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- 4.6 Review any legal matters which could significantly impact the financial statements as reported on by the general counsel and meet with outside counsel whenever deemed appropriate.
- 4.7 Review the annual and quarterly financial statements including Management's Discussion and Analysis and determine whether they are complete and consistent with the information known to committee members; determine that the auditors are satisfied that the financial statements have been prepared in accordance with generally accepted accounting principles.
- 4.8 Pay particular attention to complex and/or unusual transactions such as those involving derivative instruments and consider the adequacy of disclosure thereof.
- 4.9 Focus on judgmental areas, for example those involving valuation of assets and liabilities and other commitments and contingencies.
- 4.10 Review audit issues related to the Company's material associated and affiliated companies that may have a significant impact on the Company's equity investment.
- 4.11 Meet with management and the external auditors to review the annual financial statements and the results of the audit.
- 4.12 Assess the fairness of the interim financial statements and disclosures, and obtain explanations from management on whether:
  - a. actual financial results for the interim period varied significantly from budgeted or projected results;

- b. generally accepted accounting principles have been consistently applied;
  - c. there are any actual or proposed changes in accounting or financial reporting practices;
  - d. there are any significant or unusual events or transactions which require disclosure and, if so, consider the adequacy of that disclosure.
- 4.13 Review the external auditors' proposed audit scope and approach and ensure no unjustifiable restriction or limitations have been placed on the scope.
  - 4.14 Review the performance of the external auditors and approve in advance provision of services other than auditing.
  - 4.15 Consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the Company.
  - 4.16 Make recommendations to the Board regarding the reappointment of the external auditors.
  - 4.17 Meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately.
  - 4.18 Endeavour to cause the receipt and discussion on a timely basis of any significant findings and recommendations made by the external auditors.
  - 4.19 Obtain regular updates from management and the Company's legal counsel regarding compliance matters, as well as certificates from the Chief Financial Officer as to required statutory payments and bank covenant compliance and from senior operating personnel as to permit compliance.
  - 4.20 Ensure that the Board is aware of matters which may significantly impact the financial condition or affairs of the business.
  - 4.21 Perform other functions as requested by the full Board.
  - 4.22 If necessary, institute special investigations and, if appropriate, hire special counsel or experts to assist.
  - 4.23 Review and update the charter; receive approval of changes from the Board.

**SCHEDULE "B"**  
**PETROLYMPIC LTD.**  
**STOCK OPTION PLAN**

**1. The Plan**

A stock option plan (the "**Plan**"), pursuant to which options to purchase common shares, or such other shares as may be substituted therefor ("**Shares**"), in the capital of Petrolympic Ltd. (the "**Company**") may be granted to the directors, officers and employees of the Company and to consultants retained by the Company, is hereby established on the terms and conditions set forth herein.

**2. Purpose**

The purpose of this Plan is to advance the interests of the Company by encouraging the directors, officers and employees of the Company and consultants retained by the Company to acquire Shares, thereby: (i) increasing the proprietary interests of such persons in the Company; (ii) aligning the interests of such persons with the interests of the Company's shareholders generally; (iii) encouraging such persons to remain associated with the Company; and (iv) furnishing such persons with an additional incentive in their efforts on behalf of the Company.

**3. Administration**

- (a) This Plan shall be administered by the board of directors of the Company (the "**Board**").
- (b) Subject to the terms and conditions set forth herein, the Board is authorized to provide for the granting, exercise and method of exercise of Options (as defined in paragraph 3(d) below), all on such terms (which may vary between Options granted from time to time) as it shall determine. In addition, the Board shall have the authority to: (i) construe and interpret this Plan and all option agreements entered into hereunder; (ii) prescribe, amend and rescind rules and regulations relating to this Plan and (iii) make all other determinations necessary or advisable for the administration of this Plan. All determinations and interpretations made by the Board shall be binding on all Participants (as hereinafter defined) and on their legal, personal representatives and beneficiaries.
- (c) Notwithstanding the foregoing or any other provision contained herein, the Board shall have the right to delegate the administration and operation of this Plan, in whole or in part, to a committee of the Board or to the President or any other officer of the Company. Whenever used herein, the term "**Board**" shall be deemed to include any committee or officer to which the Board has, fully or partially, delegated responsibility and/or authority relating to the Plan or the administration and operation of this Plan pursuant to this Section 3.
- (d) Options to purchase the Shares granted hereunder ("**Options**") shall be evidenced by (i) an agreement, signed on behalf of the Company and by the person to whom an Option is granted, which agreement shall be in such form as the Board shall approve, or (ii) a written notice or other instrument, signed by the Company, setting forth the material attributes of the Options.

**4. Shares Subject to Plan**

- (a) Subject to Section 15 below, the securities that may be acquired by Participants upon the exercise of Options shall be deemed to be fully authorized and issued Shares of the Company. Whenever used herein, the term "**Shares**" shall be deemed to include any other securities that may be acquired by a Participant upon the exercise of an Option the terms of which have been modified in accordance with Section 15 below.
- (b) The aggregate number of Shares reserved for issuance under this Plan, or any other plan of the Company, shall not, at the time of the stock option grant, exceed ten percent (10%) of the total number of issued and outstanding Shares (calculated on a non-diluted basis) unless the Company receives the permission of the stock exchange or exchanges on which the Shares are then listed to exceed such threshold.
- (c) If any Option granted under this Plan shall expire or terminate for any reason without having been exercised in full, any un-purchased Shares to which such Option relates shall be available for the purposes of the granting of Options under this Plan.

**5. Maintenance of Sufficient Capital**

The Company shall at all times during the term of this Plan ensure that the number of Shares it is authorized to issue shall be sufficient to satisfy the Company's obligations under all outstanding Options granted pursuant to this Plan.

**6. Eligibility and Participation**

- (a) The Board may, in its discretion, select any of the following persons to participate in this Plan:
  - (i) directors of the Company;
  - (ii) officers of the Company;
  - (iii) employees of the Company; and
  - (iv) consultants retained by the Company, provided such consultants have performed and/or continue to perform services for the Company on an ongoing basis or are expected to provide a service of value to the Company;

(any such person having been selected for participation in this Plan by the Board is herein referred to as a "**Participant**").

- (b) The Board may from time to time, in its discretion, grant an Option to any Participant, upon such terms, conditions and limitations as the Board may determine, including the terms, conditions and limitations set forth herein, provided that Options granted to any Participant shall be approved by the shareholders of the Company if the rules of any stock exchange on which the Shares are listed require such approval.
- (c) The Company represents that, for any Options granted to an officer, employee or consultant of the Company, such Participant is a *bona fide* officer, employee or consultant of the Company.

## 7. **Exercise Price**

The Board shall, at the time an Option is granted under this Plan, fix the exercise price at which Shares may be acquired upon the exercise of such Option provided that such exercise price shall not be less than that from time to time permitted under the rules of any stock exchange or exchanges on which the Shares are then listed. In addition, the exercise price of an Option must be paid in cash. Disinterested shareholder approval shall be obtained by the Company prior to any reduction to the exercise price if the affected Participant is an insider (as defined in the *Securities Act* (Ontario)) of the Company at the time of the proposed amendment.

## 8. **Number of Optioned Shares**

The number of Shares that may be acquired under an Option granted to a Participant shall be determined by the Board as at the time the Option is granted, provided that the aggregate number of Shares reserved for issuance to any one Participant under this Plan or any other plan of the Company, shall not exceed five percent of the total number of issued and outstanding Shares (calculated on a non-diluted basis) in any 12 month period unless the Company receives the permission of the stock exchange or exchanges on which the Shares are listed to exceed such threshold and provided further that the number of Options granted to any one consultant in a 12 month period shall not exceed 2% of the total number of issued and outstanding Shares and the aggregate number of Options granted to persons employed to provide investor relations activities shall not exceed 2% of the total number of issued and outstanding Shares in any 12 month period. The Company shall obtain disinterested shareholder approval for grants of Options to insiders (as defined in the *Securities Act* (Ontario)), of a number of Options exceeding 10% of the issued Shares, within any 12-month period.

## 9. **Term**

The period during which an Option may be exercised (the "Option Period") shall be determined by the Board at the time that the Option is granted, subject to any vesting limitations which may be imposed by the Board in its sole unfettered discretion at the time that such Option is granted and Sections 11, 12 and 16 below, provided that:

- (a) no Option shall be exercisable for a period exceeding five (5) years from the date that the Option is granted unless the Company receives the permission of the stock exchange or exchanges on which the Shares are then listed and as specifically provided by the Board and as permitted under the rules of any stock exchange or exchanges on which the Shares are then listed, and in any event, no Option shall be exercisable for a period exceeding ten (10) years from the date the Option is granted;
- (b) no Option in respect of which shareholder approval is required under the rules of any stock exchange or exchanges on which the Shares are then listed shall be exercisable until such time as the Option has been approved by the shareholders of the Company; and
- (c) the Board may, subject to the receipt of any necessary regulatory approvals, in its sole discretion, accelerate the time at which any Option may be exercised, in whole or in part.

## 10. **Method of Exercise of Option**

- (a) Except as set forth in Sections 11 and 12 or as otherwise determined by the Board, no Option may be exercised unless the holder of such Option is, at the time the Option is exercised, a director, officer, employee or consultant of the Company.

- (b) Options that are otherwise exercisable in accordance with the terms thereof may be exercised in whole or in part from time to time.
- (c) Any Participant (or his legal, personal representative) wishing to exercise an Option shall deliver to the Company, at its principal office in the City of Toronto, Ontario:
  - (i) a written notice expressing the intention of such Participant (or his legal, personal representative) to exercise his Option and specifying the number of Shares in respect of which the Option is exercised; and
  - (ii) a cash payment, certified cheque or bank draft, representing the full purchase price of the Shares in respect of which the Option is exercised.
- (d) Upon the exercise of an Option as aforesaid, the Company shall use reasonable efforts to forthwith deliver, or cause the registrar and transfer agent of the Shares to deliver, to the relevant Participant (or his legal, personal representative) or to the order thereof, a certificate representing the aggregate number of fully paid and non-assessable Shares in respect of which the Option has been duly exercised.

#### **11. Ceasing to be a Director, Officer, Employee or Consultant**

If any Participant shall cease to hold the position or positions of director, officer, consultant or employee of the Company (as the case may be) for any reason other than death or as set out in Sections 9(d) and 9(e), his Option will terminate at 4:00 p.m. (Toronto time) on the earlier of the date of the expiration of the Option Period and 90 days after the date such Participant ceases to hold the position or positions of director, officer, employee or consultant of the Company as the case may be, and ceases to actively perform services for the Company. An Option granted to a Participant who performs investor relations services on behalf of the Company shall terminate on the date of termination of the employment or cessation of services being provided and shall be subject to Exchange policies and procedures for the termination of Options for investor relations services. For greater certainty, the termination of any Options held by the Participant, and the period during which the Participant may exercise any Options, shall be without regard to any notice period arising from the Participant's ceasing to hold the position or positions of director, officer, employee or consultant of the Company (as the case may be).

Neither the selection of any person as a Participant nor the granting of an Option to any Participant under this Plan shall: (i) confer upon such Participant any right to continue as a director, officer, employee or consultant of the Company, *as* the case may be; or (ii) be construed as a guarantee that the Participant will continue as a director, officer, employee or consultant of the Company, as the case may be.

#### **12. Death of a Participant**

In the event of the death of a Participant, any Option previously granted to him shall be exercisable until the end of the Option Period or until the expiration of 12 months after the date of death of such Participant, whichever is earlier, and then, in the event of death, only:

- (a) by the person or persons to whom the Participant's rights under the Option shall pass by the Participant's will or applicable law; and
- (b) to the extent that he was entitled to exercise the Option as at the date of his death.

### 13. **Rights of Participants**

No person entitled to exercise any Option granted under this Plan shall have any of the rights or privileges of a shareholder of the Company in respect of any Shares issuable upon exercise of such Option until such Shares have been paid for in full and issued to such person.

### 14. **Proceeds from Exercise of Options**

The proceeds from any sale of Shares issued upon the exercise of Options shall be added to the general funds of the Company and shall thereafter be used from time to time for such corporate purposes as the Board may determine and direct.

### 15. **Adjustments**

- (a) The number of Shares subject to the Plan shall be increased or decreased proportionately in the event of the subdivision or consolidation of the outstanding Shares of the Company, and in any such event a corresponding adjustment shall be made to the number of Shares deliverable upon the exercise of any Option granted prior to such event without any change in the total price applicable to the unexercised portion of the Option, but with a corresponding adjustment in the price for each Share that may be acquired upon the exercise of the Option. In case the Company is reorganized or merged or consolidated or amalgamated with another corporation, appropriate provisions shall be made for the continuance of the Options outstanding under this Plan and to prevent any dilution or enlargement of the same.
- (b) Adjustments under this Section 15 shall be made by the Board, whose determination as to what adjustments shall be made, and the extent thereof, shall be final, binding and conclusive. No fractional Shares shall be issued upon the exercise of an Option following the making of any such adjustment.

### 16. **Change of Control**

Notwithstanding the provisions of section 11 or any vesting restrictions otherwise applicable to the relevant Options, in the event of a sale by the Company of all or substantially all of its assets or in the event of a change of control of the Company, each Participant shall be entitled to exercise, in whole or in part, the Options granted to such Participant hereunder, either during the term of the Option or within 90 days after the date of the sale or change of control, whichever first occurs.

For the purpose of this Plan, "**change of control of the Company**" means and shall be deemed to have occurred upon:

- (a) the acceptance by the holders of Shares of the Company, representing in the aggregate, more than 50 percent of all issued Shares of the Company, of any offer, whether by way of a takeover bid or otherwise, for all or any of the outstanding Shares of the Company; or
- (b) the acquisition, by whatever means, by a person (or two or more persons who, in such acquisition, have acted jointly or in concert or intend to exercise jointly or in concert any voting rights attaching to the Shares acquired), directly or indirectly, of beneficial ownership of such number of Shares or rights to Shares of the Company, which together with such person's then owned Shares and rights to Shares, if any, represent (assuming the full exercise of such rights to voting securities) more than fifty percent (50%) of the combined voting rights of the Company's then outstanding Shares; or

- (c) the entering into of any agreement by the Company to merge, consolidate, amalgamate, initiate an arrangement or be absorbed by or into another corporation;
- (d) the passing of a resolution by the Board or shareholders of the Company to substantially liquidate the assets or wind-up the Company's business or significantly rearrange its affairs in one or more transactions or series of transactions or the commencement of proceedings for such a liquidation, winding-up or re-arrangement (except where such re-arrangement is part of a bona fide reorganization of the Company in circumstances where the business of the Company is continued and where the shareholdings remain substantially the same following the rearrangement); or
- (e) individuals who were members of the Board of the Company immediately prior to a meeting of the shareholders of the Company involving a contest for or an item of business relating to the election of directors, not constituting a majority of the Board following such election.

**17. Transferability**

All benefits, rights and Options accruing to any Participant in accordance with the terms and conditions of this Plan shall be non-transferable and non-assignable unless specifically provided herein. During the lifetime of a Participant, any Options granted hereunder may only be exercised by the Participant and in the event of the death of a Participant, by the person or persons to whom the Participant's rights under the Option pass by the Participant's will or applicable law.

**18. Amendment and Termination of Plan**

The Board may, at any time, suspend or terminate this Plan. The Board may also, at any time, amend or revise the terms of this Plan, subject to the receipt of all necessary regulatory approvals, provided that no such amendment or revision shall alter the terms of any Options theretofore granted under this Plan.

**19. Necessary Approvals**

The obligation of the Company to issue and deliver Shares in accordance with this Plan and Options granted hereunder is subject to applicable securities legislation and to the receipt of any approvals that may be required from any regulatory authority or stock exchange having jurisdiction over the securities of the Company. If Shares cannot be issued to a Participant upon the exercise of an Option for any reason whatsoever, the obligation of the Company to issue such Shares shall terminate and any funds paid to the Company in connection with the exercise of such Option will be returned to the relevant Participant as soon as practicable.

**20. Stock Exchange Rules**

This Plan and any option agreements entered into hereunder shall comply with the requirements from time to time of the stock exchange or exchanges on which the Shares are listed.

**21. Right to Issue Other Shares**

The Company shall not by virtue of this Plan be in any way restricted from declaring and paying stock dividends, issuing further Shares, varying or amending its share capital or corporate structure or conducting its business in any way whatsoever.

22. **Notice**

Any notice required to be given by this Plan shall be in writing and shall be given by registered mail, postage prepaid or delivered by courier or by facsimile transmission addressed, if to the Company, at its principal address in Toronto, Ontario (Attention: The Chairman); or if to a Participant, to such Participant at his address as it appears on the books of the Company or in the event of the address of any such Participant not so appearing then to the last known address of such Participant; or if to any other person, to the last known address of such person.

23. **Gender**

Whenever used herein words importing the masculine gender shall include the feminine and neuter genders and vice versa.

24. **Interpretation**

This Plan will be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

\* \* \* \* \*

**DATED** this 30<sup>th</sup> day of November 2020.

**PETROLYMPIC LTD.**

Per: "Mendel Ekstein"  
Mendel Ekstein  
President and Chief Executive Office

