



NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

TO BE HELD ON JUNE 2, 2021

AND

MANAGEMENT INFORMATION CIRCULAR

DATED MAY 2, 2021

QUESTERRE ENERGY CORPORATION
SUITE 1650, 801 – 6TH AVENUE S.W.
CALGARY, ALBERTA
T2P 3W2

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT an Annual Meeting (the “**Meeting**”) of the shareholders of Questerre Energy Corporation (the “**Corporation**”) will be held virtually via live video webcast, available online using the Zoom meeting platform on June 2, 2021 at 9:00 a.m. (Calgary time) for the following purposes:

1. to receive the audited financial statements of the Corporation for the year ended December 31, 2020 and the report of the auditors thereon;
2. to fix the number of directors to be elected at the Meeting at five;
3. to elect the directors of the Corporation for the ensuing year;
4. to appoint PricewaterhouseCoopers LLP, Chartered Professional Accountants, as the auditors of the Corporation for the ensuing year and to authorize the board of directors to fix their remuneration; and
5. to transact such other business as may properly come before the Meeting or any adjournment or adjournments thereof.

The details of all matters proposed to be put before shareholders at the Meeting are set forth in the Management Information Circular accompanying this Notice of Meeting. At the Meeting, shareholders will be asked to approve each of the foregoing items.

Only shareholders of record as of April 21, 2021, the record date, are entitled to receive notice of the Meeting.

DATED at Calgary, Alberta, this 2nd day of May 2021.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) “*Michael R. Binnion*”

President and Chief Executive Officer

IMPORTANT

Amid ongoing concerns about the Coronavirus (COVID-19) pandemic, the Corporation remains mindful of the well-being of our shareholders and their families, our industry partners and other stakeholders as well as the communities in which we operate. The Corporation currently intends on holding an in person shareholder meeting. To mitigate the COVID-19 risks, the Corporation will hold the Meeting as a virtual (by electronic means) shareholder meeting only.

The Corporation is holding the Meeting via Zoom webcast. To access the Meeting via Zoom, attendees will need to download the Zoom application onto their computer or smart device and, once the application is loaded, enter the Meeting ID and Password below or open the following link:

Meeting link: <https://zoom.us/meeting/register/tJwkf-iopzsoEtGyv6fWEIkVKU5Ggkfa7nP>

Meeting ID: 989 8109 0285

Password: 267359

During the Meeting held by way of Zoom webcast, shareholders will have an equal opportunity to attend, ask questions and vote their common shares at the Meeting. Registered shareholders and duly appointed proxyholders will not be able to physically attend the Meeting; however, such registered shareholders and duly appointed proxyholders will be able to attend, ask questions and vote at the Meeting online. Non-registered shareholders (being shareholders who beneficially own common shares that are registered in the name of an intermediary such as a bank, trust company, securities broker or other nominee, or in the name of a depository of which the intermediary is a participant) who have not duly appointed themselves as proxyholder will be able to attend the Meeting online as guests, but guests will not be able to vote or ask questions at the Meeting.

It is desirable that as many common shares as possible are represented at the Meeting. If you do not expect to attend and would like your common shares represented, please complete the enclosed Instrument of Proxy and return it as soon as possible in the envelope provided for that purpose. Shareholders who do not hold their common shares in their own name are strongly encouraged to complete the voting instruction forms received from their broker as soon as possible and to follow the instructions set out under "Advice to Beneficial Holders of Common Shares" in the accompanying Management Information Circular.

To be effective, the enclosed Instrument of Proxy must be received by Computershare Trust Company of Canada: (a) by mail to Computershare Trust Company of Canada, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1; or (b) by Fax at 1-866-249-7775, not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) prior to the time set for the Meeting or any adjournment(s) thereof.

QUESTERRE ENERGY CORPORATION

ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON JUNE 2, 2021

MANAGEMENT INFORMATION CIRCULAR

This Management Information Circular is furnished in connection with the solicitation of proxies by the management of Questerre Energy Corporation (“**Questerre**” or the “**Corporation**”) for use at the Annual Meeting of the holders of Class A common voting shares (the “**Common Shares**”) of the Corporation to be held virtually via live video webcast, available online using the Zoom meeting platform on the 2nd day of June, 2021 at 9:00 a.m. (Calgary time), or at any adjournment thereof (the “**Meeting**”), for the purposes set forth in the accompanying Notice of Meeting. The information contained herein is given as of the 2nd day of May, 2021, except where otherwise indicated. There is enclosed herewith a form of proxy for use at the Meeting. Each shareholder who is entitled to attend at meetings of shareholders is encouraged to participate in the Meeting and shareholders are urged to vote in person or by proxy on matters to be considered.

IMPORTANT

Amid ongoing concerns about the Coronavirus (COVID-19) outbreak, the Corporation remains mindful of the well-being of its shareholders and their families, its industry partners and other stakeholders as well as the communities in which the Corporation operates. The Corporation will hold the Meeting as a virtual (by electronic means) shareholder meeting only. A summary of the information you need to participate in the Meeting online is provided below under the heading “Voting at the Meeting”.

In order to ensure as many Common Shares as possible are represented at the Meeting, shareholders are strongly encouraged to complete the enclosed Instrument of Proxy and return it as soon as possible in the envelope provided for that purpose following the instructions set out below under the headings “Appointment and Revocation of Proxies”. Shareholders who do not hold their Common Shares in their own name are strongly encouraged to complete the voting instruction forms received from their broker as soon as possible and to follow the instructions set out below under the heading “Advice to Beneficial Shareholders of Common Shares”.

ATTENDING THE MEETING VIA ZOOM

In order to mitigate the COVID-19 risks, Questerre is holding the Meeting via Zoom webcast. In order to access the Meeting via Zoom, attendees will need to download the Zoom application onto their computer or smart device and, once the application is loaded, enter the Meeting ID and Password below or open the following link:

Meeting link: <https://zoom.us/meeting/register/tJwkf-iopzsoEtGyv6fWEIkVKU5Ggkfa7nP>

Meeting ID: 989 8109 0285

Password: 267359

Zoom Meeting Voting Procedures

Shareholders and duly appointed proxyholders will be asked to confirm their identification prior to the voting on matters at the Meeting. Shareholders and duly appointed proxyholders are asked to have a piece of government issued identification, which includes the full name, picture and signature of the shareholder or proxyholder, with them during the Meeting. If a shareholder or duly appointed proxyholder desires to vote at the Meeting, that shareholder or duly appointed proxyholder will be asked to show his or her piece of government issued identification to the webcam prior to casting their vote upon the matters being considered at the Meeting. Upon verification of the identity of the shareholder or duly appointed proxyholder, the person will be entitled to vote on the matters described in this Management Information Circular, by way of raising their hand once the call for votes has been issued.

Shareholders and proxyholders will have the option through the application to join the video and audio or simply view and listen. Shareholders will also have the option through the application to join by telephone using the applicable dial-in phone numbers.

If Shareholders attend the Meeting via the view and listen option on Zoom or via telephone, those shareholders will not be permitted to vote. Shareholders using these means to attend the Meeting will be permitted to view and/or listen, and participate in the question and answer period of the Meeting only.

It is the attendees' responsibility to ensure connectivity during the Meeting and the Corporation encourages the shareholders to allow sufficient time to log in to the Meeting before it begins.

APPOINTMENT AND REVOCATION OF PROXIES

Those shareholders desiring to be represented by proxy must deposit their respective forms of proxy with Computershare Trust Company of Canada ("**Computershare**") at 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, Attention: Proxy Department, by no later than 3:00 p.m. (Calgary time) on May 28, 2021 or on the second last business day preceding any adjournment of the Meeting. A proxy must be executed by the shareholder or by his or her attorney authorized in writing, or if the shareholder is a corporation, under its seal or by an officer or attorney thereof duly authorized. A proxy is valid only at the Meeting in respect of which it is given or any adjournment of the Meeting.

Each shareholder submitting a proxy has the right to appoint a person to represent him, her or it at the Meeting other than the persons designated in the form of proxy furnished by the Corporation. The shareholder may exercise this right by striking out the names of the persons so designated and inserting the name of the desired representative in the blank space provided, or by completing another form of proxy and in either case depositing the proxy with Computershare at the place and within the time specified above for the deposit of proxies.

A proxy may be revoked by the person giving it at any time prior to the exercise thereof. If a person who has given a proxy attends personally at the Meeting at which such proxy is to be voted, such person may revoke the proxy and vote in person. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the shareholder or his or her attorney authorized in writing, or if the shareholder is a corporation, under its seal or by an officer or attorney thereof duly authorized, and deposited with Computershare at the place and within the time specified above for the deposit of proxies.

The close of business on April 21, 2021 is the record date for the determination of shareholders who are entitled to notice of, and to attend and vote at, the Meeting (the “**Record Date**”).

ADVICE TO BENEFICIAL HOLDERS OF COMMON SHARES

The information set forth in this section is of significant importance to many shareholders. A substantial number of shareholders do not hold Common Shares in their own name (“**Beneficial Shareholders**”). There are two kinds of Beneficial Shareholders - those who do not object to the issuer of the securities they own knowing who they are and how many securities they hold (“**NOBOs**” for Non-Objecting Beneficial Owners), and those who object to their name and holdings being made known to the issuer of the securities (“**OBOs**” for Objecting Beneficial Owners). Issuers can request and obtain a list of their NOBOs from intermediaries via their transfer agent, use this list for specific purposes connected with the affairs of the Corporation (including the ability to formally recognize NOBOs at the Meeting for the purposes of voting their shares in person or by proxy), and obtain and use the NOBO list for distribution of proxy-related materials directly (not via Broadridge Financial Solutions, Inc. (“**Broadridge**”)).

The Corporation is not sending proxy-related materials directly to NOBOs and accordingly, NOBOs can expect to receive a scannable Voting Instruction Form (“**VIF**”) from Broadridge. These VIFs are to be completed and returned to Broadridge in the envelope provided or by facsimile. In addition, Broadridge provides both telephone voting and internet voting as described on the VIF itself which contains complete instructions. Broadridge will tabulate the results of the VIFs received from the NOBOs and will provide appropriate instructions to the Corporation’s Registrar and Transfer Agent with respect to the shares represented by the VIFs they receive. **Please return your voting instructions as specified in the VIF.**

OBOs should note that only proxies deposited by shareholders whose names appear on the records of the Corporation as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a shareholder by a broker, then, in almost all cases, such Common Shares will not be registered in the Shareholder’s name on the records of the Corporation. Such Common Shares will more likely be registered in the name of the broker or an agent of the broker.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from OBOs in advance of the Meeting. Every intermediary/broker has its own mailing procedures and provides its own return instructions which should be carefully followed by OBOs in order to ensure that their Common Shares are voted at the Meeting. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge. Broadridge mails the proxy materials to the OBOs and asks them to return the proxy forms to Broadridge. **An OBO receiving a proxy from Broadridge will not be able to use that proxy to vote shares directly at the Meeting. The proxy must be returned to Broadridge well in advance of the Meeting in order to have the shares voted. The Corporation**

does not know the names of the OBOs. As a result, OBOs will not be recognized at the Meeting for the purposes of voting their Common Shares in person or by proxy, without following the procedures set out by their broker or its agent. OBOs may only revoke their proxies in accordance with the procedure established by their broker or its agent.

All references to shareholders in this Management Information Circular and the accompanying form of proxy and Notice of Meeting are to shareholders of record, unless specifically stated otherwise.

EXERCISE OF DISCRETION WITH RESPECT TO PROXIES

The Common Shares represented by the enclosed proxy will be voted or withheld from voting on any motion, by ballot or otherwise, in accordance with any indicated instructions. In the absence of such direction, such shares will be voted FOR the resolutions referred to in items 1, 2 and 3 of the proxy.

If any amendment or variation to matters identified in the Notice of Meeting is proposed at the Meeting or any adjournment or postponement thereof, or if any other matters properly come before the Meeting or any adjournment or postponement thereof, the enclosed proxy confers discretionary authority to vote on such amendments or variations or such other matters according to the best judgment of the appointed proxyholder. As at the date of this Management Information Circular, the management of the Corporation is not aware of any amendments or variations or other matters to come before the Meeting.

Signature on Proxies

The form of proxy must be executed by the shareholder or his or her duly appointed attorney authorized in writing or, if the shareholder is a corporation, by a duly authorized officer whose title must be indicated. A form of proxy signed by a person acting as attorney or in some other representative capacity should indicate that person's capacity (following that person's signature) and should be accompanied by the appropriate instrument evidencing qualification and authority to act (unless such instrument has been previously filed with the Corporation).

Solicitation of Proxies

This solicitation is made on behalf of the management of the Corporation. This Management Information Circular and forms of proxy are not being sent to registered or beneficial owners using the Notice and Access procedures contained in National Instrument 54-101 *Communications with Beneficial Owners of Securities of a Reporting Issuer*. The costs incurred in the preparation and mailing of both the form of proxy and this Management Information Circular will be borne by the Corporation. In addition to the use of mail, proxies may be solicited by personal interviews, personal delivery, telephone or any form of electronic communication or by directors, officers and employees of the Corporation who will not be directly compensated therefor.

The Corporation is not sending this Management Information Circular and forms of proxy directly to NOBOs. The Corporation will be sending these materials directly to its registered shareholders and indirectly to all non-registered shareholders through their intermediaries. The Corporation will pay for an intermediary to deliver these materials and a VIF to OBOs.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

As of the date of this Management Information Circular, Questerre had 427,515,836 issued and outstanding Common Shares. Each Common Share confers upon the holder thereof the right to one vote. Only those shareholders of record on the Record Date are entitled to receive notice of and vote at the Meeting. Any transferee or person acquiring Common Shares after the Record Date may, on proof of ownership of Common Shares, demand of Computershare not later than 10 days before the Meeting that his, her or its name be included in the list of persons entitled to attend and vote at the Meeting.

Two or more holders of five (5%) percent of the Common Shares present in person or represented by proxy constitutes a quorum for the Meeting, irrespective of the number of persons actually present at the Meeting.

To the knowledge of the directors and executive officers of the Corporation, as of the date hereof, no person or company beneficially owns, controls or directs, directly or indirectly, more than 10% of the voting rights attached to all of the issued and outstanding Common Shares of the Corporation.

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Compensation Objectives and Process

The ESG, Compensation, Corporate Governance and Nominating Committee of the board of directors of the Corporation (the “**Board**”) makes recommendations to the Board regarding compensation to be provided to the executive officers and directors of the Corporation and, in doing so, receives input from the President and the Chief Executive Officer of the Corporation (the “**CEO**”) in respect of all executive officers other than the CEO. Compensation of all executive officers, including the CEO, is based on the underlying philosophy that such compensation should be competitive with other corporations of similar size and should be reflective of the experience, performance and contribution of the individuals involved and the overall performance of the Corporation.

The Corporation’s executive compensation program is available to the Named Executive Officers of the Corporation which is defined by the securities legislation to mean each of the following individuals, namely: (i) the Chief Executive Officer of the Corporation; (ii) the Chief Financial Officer of the Corporation; (iii) each of the Corporation’s three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the Chief Executive Officer and Chief Financial Officer, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and (iv) each individual who would be a “Named Executive Officer” under (iii) above but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of the most recently completed financial year-end (the “**Named Executive Officer**”).

The objectives of the Corporation’s executive compensation program are twofold, namely: (i) to enable the Corporation to attract and retain highly qualified and experienced individuals to serve as Named Executive Officers; and (ii) to align the compensation levels available to the Named Executive Officers to the successful implementation of the Corporation’s strategic plans. The

Corporation's executive compensation program is designed to reward the Named Executive Officers where they have contributed to the prosperity and growth of the Corporation.

Elements of Compensation

The Corporation's executive compensation program consists of a combination of the following significant elements, namely: base salary, the payment of bonuses where appropriate under the bonus plan and participation in the Stock Option Plan (as hereinafter defined). These elements contain both short-term incentives, comprised of cash payments, being those provided by way of base salaries and under the bonus plan, as well as long-term incentives, comprised of equity-based incentives, being those provided under the Stock Option Plan. Extended health care, dental and insurance benefits are provided to all employees, including the Named Executive Officers. The process for determining perquisites and approval of benefits for the Named Executive Officers is, firstly, to implement perquisites and benefits which are comparable to those usually offered by other corporations of a similar size to the Corporation and secondly, to make those perquisites and benefits available to each Named Executive Officer, equally. The Corporation chooses to pay each element of its executive compensation program in order to maintain its competitive position in the marketplace. The amount for each element of the Corporation's executive compensation program is determined based upon compensation levels provided by the Corporation's competitors as well as upon the discretion of the Board, where applicable, as described below. Each element of the Corporation's executive compensation program is intended to contribute to an overall total compensation package which is designed to provide both short-term and long-term financial incentives to the Named Executive Officers and to thereby assist the Corporation to successfully implement its strategic plans. The ESG, Compensation, Corporate Governance and Nominating Committee annually assesses how each element fits into the overall total compensation package and makes recommendations to the Board relating thereto from time to time.

Base Salaries

Base salaries for the Named Executive Officers are reviewed annually and are set to be competitive with industry levels. In addition, in its annual review of base salaries, the ESG, Compensation, Corporate Governance and Nominating Committee has regard to the contributions made by the Named Executive Officers, how their compensation levels relate to compensation packages that would be available to such officers from other employment opportunities, commercially available salary survey data and information publicly disclosed by some of the Corporation's competitors and peers. This enables the Corporation to establish base salaries which attract and retain highly qualified and experienced individuals. Other than as set out immediately above, the base salaries of the Named Executive Officers are not determined based on benchmarks, performance goals or a specific formula.

Effective May 2018, the Corporation reversed the 10% reduction in salaries introduced in the first quarter of 2015.

Effective February 2019, following an independent review of its compensation by a third-party advisory firm, the Company instituted the following changes to the Base Salaries for the Named Executive Officers:

Name	Base Salary in effect from May 2018 to January 2019 (\$)	Base Salary in effect from February 2019 to March 2020 (\$)	Base Salary effective April 2020 (\$)
Michael Binnion, President and Chief Executive Officer	342,000	322,000	257,600
Jason D'Silva, Chief Financial Officer	200,000	220,000	176,000
Peter Coldham, Vice President, Engineering	200,000	200,000	160,000
Rick Tityk, Vice President, Land	180,000	190,000	152,000
John Brodylo Vice President, Exploration	180,000	190,000	152,000

Effective April 2020, the Corporation reinstituted a four-day work week and a 20% reduction in salaries to reduce overhead expenses in the low commodity price environment. These changes remain in effect as of the date of the Management Information Circular.

Bonus Plan

In addition to base salaries, the Board may award cash bonuses to employees, including executive officers. The award of a bonus is recommended, in the case of employees, by senior management, for approval by the ESG, Compensation, Corporate Governance and Nominating Committee. Bonus levels for Vice Presidents are established by the ESG, Compensation, Corporate Governance and Nominating Committee in consultation with the CEO, and the CEO's bonus is established by the ESG, Compensation, Corporate Governance and Nominating Committee in consultation with the independent members of the Board. In the case of non-executive employees, bonuses are based on the employee's contribution in adding share value, reducing costs and the employee's contribution to overall corporate goals. In the case of executive officers, including the CEO, bonus awards are based on actual corporate and individual performance as assessed by the ESG, Compensation, Corporate Governance and Nominating Committee and/or the independent members of the Board, as applicable. The Corporation has not adopted a formal bonus plan.

For the year ended December 31, 2020 no payments were made under the bonus plan to reflect the commodity price environment. For the year ended December 31, 2019, payments totalling \$0.19 million were made in 2020 under the bonus plan to recognize the achievement of corporate objectives, specifically the closing of the acquisition of assets in Quebec. For the prior year, no payments were made under the bonus plan due the financial results that were negatively impacted by the decline in commodity prices.

Risks of Compensation Policies and Practices

The Corporation's compensation program is designed to provide executive officers incentives for the achievement of near-term and long-term objectives, without motivating them to take unnecessary risk. As part of its review and discussion of executive compensation, the ESG, Compensation, Corporate Governance and Nominating Committee noted the following facts that discourage the Corporation's executives from taking unnecessary or excessive risk:

- the Corporation's current financial strength, operating strategy and related compensation philosophy;
- the effective balance, in each case, between cash and equity mix, near-term and long-term focus, corporate and individual performance, and financial and non-financial performance; and
- the Corporation's approach to performance evaluation and compensation provides greater rewards to an executive officer achieving both short-term and long-term agreed upon objectives.

Based on this review, the ESG, Compensation, Corporate Governance and Nominating Committee believes that the Corporation's total executive compensation program does not encourage executive officers to take unnecessary or excessive risk.

Financial Instruments

The Corporation's insider trading policy prohibits directors, officers, consultants, employees and those persons deemed to have a "special relationship" with the Corporation from buying or selling any derivative securities that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the executive officer or director.

Stock Option Plan

The stock option plan of the Corporation (the "**Stock Option Plan**") permits the granting of stock options to the Corporation's employees, officers, directors and consultants and certain other eligible persons for the purpose of developing the interest of the participants in the growth and development of the Corporation and to better enable the Corporation to attract and retain persons of desired experience and ability. The Stock Option Plan facilitates the alignment of the compensation levels of the Named Executive Officers to the successful implementation of the Corporation's strategic plans by resultant increases in the price of the Common Shares. For a description of the process used by the Corporation to grant stock options, see the section herein entitled "**Option-Based Awards**". Other than as set out therein, the number of options granted are not based on benchmarks, performance goals or a specific formula.

The aggregate number of Common Shares issuable pursuant to stock options granted under the Stock Option Plan and under any other security based compensation arrangement, if any, issued to insiders within any one year period and, issuable to insiders, shall in either case, not exceed 10% of the issued and outstanding Common Shares. The aggregate number of Common Shares granted to any one person may not exceed 5% of the issued and outstanding Common Shares. In addition, the Stock Option Plan provides that the maximum number of Common Shares issuable pursuant to stock options granted shall not exceed 10% of the aggregate number of issued and outstanding Common Shares. The Stock Option Plan provides for the exercise price to be determined by the Board provided that the exercise price of the options may not be less than that permitted by the Toronto Stock Exchange (the "**TSX**") being the closing price on the last business day preceding the date of grant. Vesting of the stock options is determined by the Board in its sole discretion. Substantially all of the Corporation's stock options have been granted so as to vest in equal quarterly amounts over a three-year period starting at the grant date or one year from the grant date.

Participation in the Stock Option Plan is voluntary. In order to constitute a valid stock option under the Stock Option Plan, the participant and the Corporation must enter into a valid option agreement in a form acceptable to the Board. Stock options granted under the Stock Option Plan will be for a term of no longer than six years commencing on the date of the granting of the option, subject to extension in certain circumstances and with appropriate approvals. The interest of any optionee under the Stock Option Plan is not transferable or assignable by the optionee. If any optionee ceases to be a participant as a result of death, then such options may be exercised until the earlier of one year after the date of death and the expiry of the options. If an optionee is terminated for cause by the Corporation, no unvested option held by such optionee may be exercised following the date of termination. If the optionee ceases to be a participant for any reasons other than as described above, the optionee may exercise any vested options for a period of 90 days following the date of such cessation, however, at the discretion of the Corporation, the exercise period of the options may be extended in certain circumstances for a maximum of the expiry date of the options or five years from the date of such cessation. In the event of a change of control, at the Board's discretion, all unexercised and unvested outstanding stock options shall immediately vest and be exercisable. In the event a bona fide offer ("**Offer**") is made for the Common Shares, the Corporation will notify each optionee of the Offer and the full particulars thereof and such option may be exercised in whole or in part by the optionee so as to permit the optionee to tender the Common Shares received upon exercise of its options (the "**Optioned Shares**") to the Offer. If the Offer is not completed, the Optioned Shares shall be returned by the optionee to the Corporation in exchange for the exercise price therefor and the options shall be reinstated on the same terms. If the Corporation amalgamates, consolidates or merges with or into another corporation, any Common Shares receivable on the exercise of an option shall be converted into securities, property or cash the participant would have received had the option been exercised prior to such event and the option price shall be adjusted appropriately by the Board. In the event of any change in the Common Shares through a consolidation, subdivision or reclassification of Common Shares, or otherwise, the number of Common Shares available under the Stock Option Plan, the Common Shares subject to an option and the purchase price thereof shall be adjusted appropriately by the Board. Subject to the *Business Corporations Act* (Alberta) or any other laws applicable to the Corporation, the Board may at any time authorize the Corporation to loan money to any optionee on such terms and conditions (including without limiting the generality of the foregoing, terms and conditions respecting whether such loan shall be made with or without recourse and whether and at what rate interest shall be payable thereon) as the Board in its sole discretion may determine, to assist such optionee to exercise a stock option held by the optionee.

The Stock Option Plan includes a put right (the "**Put Right**") which allows an optionee, from time to time, to require the Corporation to purchase all or any part of the then vested options of the Optionee for an amount equal to the market price of the Common Shares less the option price of the Option Shares. Notwithstanding the foregoing, the Corporation may, at its sole discretion, decline to accept and, accordingly, have no obligations with respect to the exercise of a Put Right at any time.

In order to comply with the withholding requirements pursuant to the *Income Tax Act* (Canada) upon the exercise of stock options, the Stock Option Plan permits the Corporation to take all reasonable and necessary steps, including the sale of any Optioned Shares issued upon the exercise of stock options, to satisfy any tax remittance obligations of the Corporation.

The Board approved an amendment of a "housekeeping nature" to the Stock Option Plan on May 11, 2017 to provide an automatic extension of the expiry date of options issued pursuant to the Stock Option Plan during a Blackout Period (as defined below). As a result of the amendment, in

the event that an optionee is subject to a restriction on trading in the securities of the Corporation as a result of the policies of the Corporation (the period during which such restriction is in effect being referred to as a “**Blackout Period**”) and if any stock options granted under the Stock Option Plan expire during such Blackout Period, then without any further action, the expiry date of such Option(s) shall be extended to the date that is ten (10) business days after the conclusion of the Blackout Period. The foregoing extension applies to all Options whatever the date of grant and shall not be considered an extension of the term of the Options.

The Stock Option Plan also provides that the Board may, in its sole discretion and without further approval of the shareholders of the Corporation, amend, suspend, terminate or discontinue the Stock Option Plan and may amend the terms and conditions of stock options granted under the Stock Option Plan, subject to any required approval of any applicable regulatory authority or the TSX. Disinterested shareholder approval will be required for any reduction in the exercise price or the expiry date of stock options granted to insiders. The approval of the shareholders of the Corporation will be required for future amendments to the Stock Option Plan which amend the number of Common Shares issuable pursuant to stock options issued thereunder or which change the class of participants which may broaden or increase participation by insiders of the Corporation.

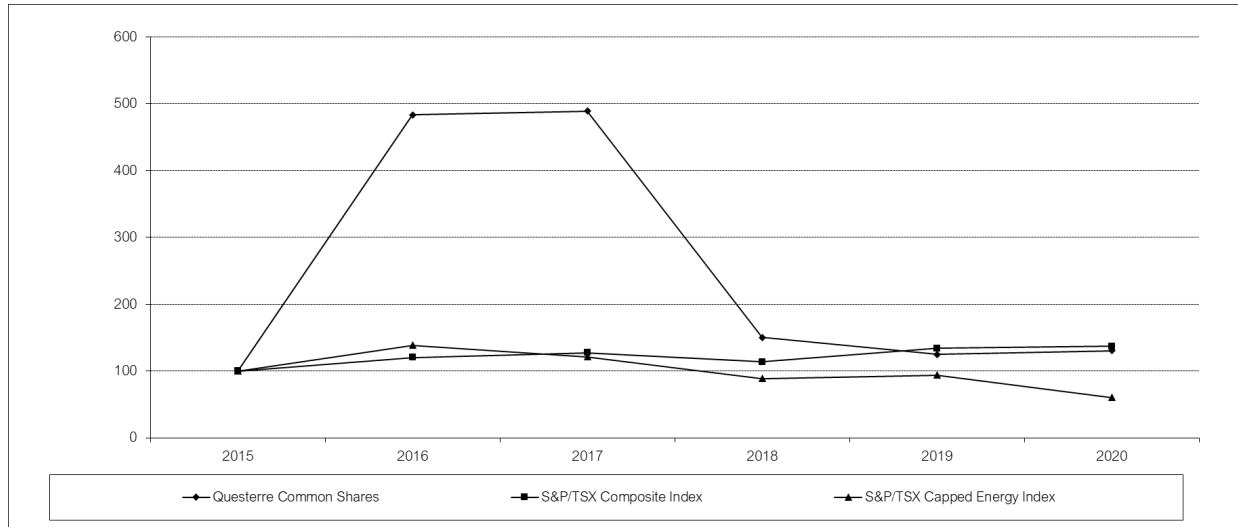
As of the date hereof: (i) the Corporation has issued under the Stock Option Plan stock options pursuant to which 33,701,250 Common Shares are issuable which represents 7.88% of the currently outstanding Common Shares; and (ii) there remains for issuance under the Stock Option Plan stock options pursuant to which 9,050,334 Common Shares may be issued which represent 2.12% of the currently outstanding Common Shares. For the year ended December 31, 2020, there were no Common Shares issued pursuant to the exercise of stock options.

The Stock Option Plan burn rate is expressed as a percentage and is calculated in accordance with Section 316(p) of the TSX Company Manual, by dividing: (i) the number of securities granted under the Stock Option Plan during the applicable fiscal year; by (ii) the weighted average number of securities outstanding for the applicable fiscal year. The Stock Option Plan is not subject to a multiplier that may increase the number of shares to be issued on settlement based on performance or any other measure.

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Burn Rate (% calculated)	1.51%	1.47%	0.83%

Performance Graph

The preceding graph illustrates cumulative shareholder return, as measured by the closing price of the Common Shares at the end of each financial year indicated, assuming an initial investment of \$100 on December 31, 2015, compared to the S&P/TSX Composite Index and the S&P TSX Capped Energy Index.



	2015	2016	2017	2018	2019	2020
Questerre Common Shares	100	483	489	150	125	131
S&P/TSX Composite Index	100	120	127	113	134	137
S&P/TSX Capped Energy Index	100	138	121	89	94	60

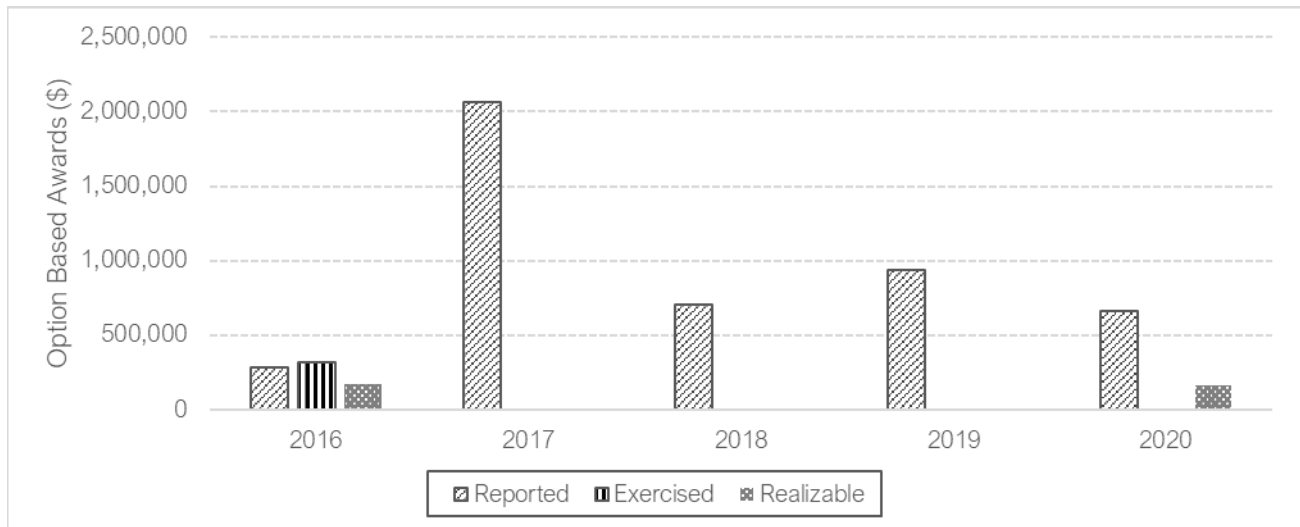
Executive Compensation Alignment with Shareholder Value

The Corporation's compensation strategy is designed to pay for performance and includes the following components:

- Base salaries are not dependent on share performance; they are determined by competitiveness with industry levels, internal relativity and performance;
- Payments under the bonus plan are based on the employee's contribution in adding shareholder value, reducing costs and their contribution to overall corporate goals. In the case of executive officers, payments are based on actual corporate and individual performance;
- Awards under the Stock Option Plan are designed to facilitate the alignment of compensation to the successful implementation of the Corporation's strategic plans by resulting increases in the price of Common Shares. The value realized from stock options is entirely dependent on the Corporation's share price performance, creating alignment between NEO compensation and shareholder returns. If the Corporation's share price appreciates from the date the stock options were granted, they will accrue additional value for the NEOs; if the share price does not appreciate, these incentives will accrue no value to the NEOs.

The material discrepancy between the Reported Option Based Awards and the Realizable Option Based Awards in the last five years reflects the out of the money status of the options. With the exception of 2016, there have been no stock options exercised by NEOs in the last five years resulting in a material difference between the Reported amount and the Exercised and the Realizable amount. The net impact to shareholders over this time has been near-zero dilution from stock options as the options have either been out of the money and/or have yet to vest.

The relatively high percentage of at-risk compensation for the NEOs, of which Option Based awards represent the majority, allow the Corporation to compensate its NEOs such that value actually received is ultimately aligned with returns to shareholders.



Option Based Awards (\$)	2016	2017	2018	2019	2020
Reported	280,000	2,064,000	705,280	935,286	661,662
Exercised	320,100	-	-	-	-
Realizable	168,000	-	-	-	166,250

Notes:

- (1) Reported Option Based Awards are the value of option based awards for the NEOs based on the Black-Scholes option pricing model for stock options granted in the year as reported in the Summary Compensation Table.
- (2) Exercised Option Based Awards is the difference between the exercise price of the options and the closing price on the date of exercise for options exercised by the NEOs in the year.
- (3) Realizable Option Based Awards is the value of unexercised in the money options based on the difference between the exercise price of the options and the closing price of the Common Shares on the TSX as of December 31, 2020 of \$0.235. The amount at December 31, 2020 is reported in the year the options were granted to illustrate the realizable value relative to the reported value.

Option-Based Awards

The process that the Corporation uses to grant option-based awards to executive officers, including the Named Executive Officers, and the factors that are taken into account when considering new grants under the Stock Option Plan, is based upon a number of criteria, including the performance of the executive officers, the number of stock options available for grant under the Stock Option Plan, the number of stock options anticipated to be required to meet the future needs of the Corporation, as well as the number of stock options previously granted to each of the Named Executive Officers. It is the entire Board, as opposed to the ESG, Compensation, Corporate Governance and Nominating Committee, which determines the need for any amendments to the Stock Option Plan and it is the entire Board, based on the recommendation of the Compensation, Corporate Governance and Nominating Committee, which determines the number of stock option grants to be made under the Stock Option Plan. The CEO provides input and recommendations to the Board regarding the granting of stock options, from time to time. The CEO, in turn, and where appropriate, also obtains input from other executive officers of the Corporation when providing his input and recommendations. Other than as set out immediately above, the grant of option-based awards is not determined based on benchmarks, performance goals or a specific formula.

During the last three years, stock options were awarded to the Named Executive Officers as part of the usual practice of making annual awards.

Compensation Governance

The policies and practices adopted by the Board to determine the compensation of the Corporation's executive officers and directors is described under "**Statement of Executive Compensation – Compensation Discussion and Analysis**" and "**Statement of Executive Compensation – Director Compensation**", respectively.

The ESG, Compensation, Corporate Governance and Nominating Committee is currently comprised of two independent directors, being Ms. Fontaine and Mr. Tonnessen. The skills and experience of each of the Compensation, Corporate Governance and Nominating Committee members in executive compensation that is relevant to his responsibilities and the making of decisions on the suitability of the Corporation's compensation policies and practices is as follows:

Member	Independent	Skills and Experience
Bjorn Inge Tonnessen, Chair	Yes	An independent businessman, Mr. Tonnessen is the former Chief Executive Officer of Edge Petroleum, a private exploration and production company focused on the Norwegian Continental Shelf since June 2017. From June 2012 to May 2017, he was President and Chief Executive Officer of Spike Exploration, a private Norwegian exploration and production company.
Mireille Fontaine	Yes	Partner, BCF Business Law since 2016. Ms. Fontaine is co-head of the firm's Corporate Finance and Foreign Investments and International Growth groups. She has over 25 years' experience in mergers and acquisitions and commercial law.

The ESG, Compensation, Corporate Governance and Nominating Committee's mandate is to prepare policies and make recommendations to the Board regarding: (i) compensation policies and guidelines for senior officers, as well as supervisory and management personnel of the Corporation and its subsidiaries; (ii) corporate benefits; (iii) incentive plans, including bonus plans; (iv) the evaluation of the performance and compensation of the CEO and other senior management; (v) the granting of stock options to members of the Board, management and employees of the Corporation; (vi) compensation levels for members of the Board and Committees; (vii) succession plans for the CEO and for key employees of the Corporation; and (viii) material changes in human resources policy, procedure, remuneration and benefits.

Summary Compensation

Securities legislation requires the disclosure of the compensation received by each Named Executive Officer of the Corporation for the three most recently completed financial years. The following table sets forth, for each Named Executive Officer of the Corporation, for the financial years ended December 31, 2020, 2019 and 2018, a summary of total compensation:

Name and principal position	Year	Salary ⁽¹⁾ (\$)	Option-based awards ⁽²⁾ (\$)	Annual non-equity incentive plans ⁽³⁾ (\$)	All other compensation (\$)	Total compensation (\$)
Michael Binnion, President and Chief Executive Officer ⁽⁴⁾	2020	273,700	208,946	Nil	Nil	482,646
	2019	324,500	295,353	26,800	Nil	646,653
	2018	327,750	218,880	Nil	Nil	546,630
Jason D'Silva, Chief Financial Officer	2020	187,000	139,297	Nil	Nil	326,294
	2019	217,500	196,902	44,000	Nil	458,402
	2018	191,667	128,000	Nil	Nil	319,667
Peter Coldham, Vice President, Engineering	2020	170,000	104,473	Nil	Nil	274,473
	2019	200,000	147,677	16,700	Nil	364,377
	2018	191,667	128,000	Nil	Nil	319,667
Rick Tityk, Vice President, Land	2020	161,500	104,473	Nil	Nil	265,973
	2019	188,750	147,677	42,000	Nil	378,427
	2018	172,500	115,200	Nil	Nil	287,700
John Brodylo, Vice President, Exploration	2020	161,500	104,473	Nil	Nil	265,973
	2019	188,750	147,677	15,800	Nil	352,227
	2018	172,500	115,200	Nil	Nil	287,700

Notes:

- (1) Each of the Named Executive Officers is a party to an executive employment agreement with the Corporation. See the section herein entitled "Termination and Change of Control Benefits."
- (2) The value of the option-based awards represents the value calculated using the Black-Scholes option pricing model of stock options granted during the year. The option grant values reflect assumptions for expected life, volatility, risk-free interest and forfeiture rate. The aggregate number of options held by each of the Named Executive Officers, including the number of options granted to each Named Executive Officer during the financial year ended December 31, 2020, is set out in the table under the heading entitled "Incentive Plan Awards". The Black-Scholes option pricing model values and assumptions used by the Corporation are listed below.
- | | 2020 | 2019 | 2018 |
|------------------------------|-------|-------|-------|
| Fair Value (\$) | 0.14 | 0.29 | 0.32 |
| Risk Free Rate (%) | 1.31 | 1.85 | 2.21 |
| Expected Life (years) | 5.00 | 5.00 | 5.00 |
| Expected Volatility (%) | 90.43 | 85.98 | 82.52 |
| Expected Forfeiture Rate (%) | 11.57 | 12.60 | 13.14 |
- (3) In 2018, no amounts were earned by the Named Executive Officers under the Bonus Plan. In 2019, \$0.19 million was earned by the Named Executive Officers under the Bonus Plan and paid in the first quarter of 2020. In 2018, no amounts were earned by the Named Executive Officers under the Bonus Plan.
- (4) Mr. Binnion also serves as a director of the Corporation. All of the compensation paid to Mr. Binnion relates to his position as a Named Executive Officer and none of the compensation paid to Mr. Binnion relates to his role as a director.

Incentive Plan Awards

Outstanding Option-Based Awards

The following table sets forth information in respect of all option-based awards outstanding at the end of the financial year ended December 31, 2020 to the Named Executive Officers of the Corporation. The Corporation has not granted any share-based awards.

Name	Option-based Awards			
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾
Michael Binnion, President and Chief Executive Officer	1,500,000	0.20	February 3, 2025	52,500
	1,500,000	0.29	February 4, 2024	-
	684,000	0.48	July 31, 2023	-
	2,000,000	0.69	April 18, 2022	-
	1,000,000	0.18	June 15, 2021	60,000
Jason D'Silva, Chief Financial Officer	1,000,000	0.20	February 3, 2025	35,000
	1,000,000	0.29	February 4, 2024	-
	400,000	0.48	July 31, 2023	-
	1,000,000	0.69	April 18, 2022	-
	600,000	0.18	June 15, 2021	36,000
Peter Coldham, Vice President, Engineering & Operations	750,000	0.20	February 3, 2025	26,250
	750,000	0.29	February 4, 2024	-
	400,000	0.48	July 31, 2023	-
	600,000	0.69	April 18, 2022	-
	400,000	0.18	June 15, 2021	24,000
Rick Tityk, Vice President, Land	750,000	0.20	February 3, 2025	26,250
	750,000	0.29	February 4, 2024	-
	360,000	0.48	July 31, 2023	-
	600,000	0.69	April 18, 2022	-
	400,000	0.18	June 15, 2021	24,000
John Brodylo, Vice President, Exploration	750,000	0.20	February 3, 2025	26,250
	750,000	0.29	February 4, 2024	-
	360,000	0.48	July 31, 2023	-
	600,000	0.69	April 18, 2022	-
	400,000	0.18	June 15, 2021	24,000

Note:

(1) Value is calculated based on the difference between the exercise price of the options and the closing price of the Common Shares on the TSX as of December 31, 2020 of \$0.235.

Value Vested or Earned During the Year

The following table sets forth information in respect of the value vested or earned during the Corporation's financial year ended December 31, 2020 of option-based awards for Named

Executive Officers of the Corporation if the options under the option-based award had been exercised on the vesting date.

Name	Option-based awards – Value vested during the year (\$) ⁽¹⁾	Non-equity incentive plan compensation – Value earned during the year (\$)
Michael Binnion, President and Chief Executive Officer	Nil	Nil
Jason D'Silva, Chief Financial Officer	Nil	Nil
Peter Coldham Vice President, Engineering & Operations	Nil	Nil
Rick Tityk, Vice President, Land	Nil	Nil
John Brodylo Vice President, Exploration	Nil	Nil

Note:

(1) Value is calculated based on the difference between the exercise price of the options and the closing price of the Corporation's Common Shares on the TSX on the vesting date of the options.

Pension Plan Benefits

The Corporation does not have a pension plan or any other plan that provides for payments or benefits at, following or in connection with retirement. The Corporation does not have a deferred compensation plan.

Termination and Change of Control Benefits

Other than as described herein, the Corporation does not have any contract, agreement, plan or arrangement that provides for payments to the Named Executive Officers at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, a change in control of the Corporation or a change in the Named Executive Officer's responsibilities.

The Corporation has entered into written executive employment agreements with each of the Named Executive Officers of the Corporation. Each of these written agreements provides that in the event of a change of control of the Corporation, or a termination without just cause, each of the Named Executive Officers is entitled to eighteen months of the applicable base salary for Named Executive Officers excluding the Chief Executive Officer and twenty four months of the applicable base salary for the Chief Executive Officers.

The written agreements provide that the Named Executive Officers shall provide the Corporation with thirty to ninety days' notice of the termination of their employment. The written agreements also provide that the Corporation shall reimburse the Named Executive Officers for all reasonable business expenses incurred in the performance of his duties on behalf of the Corporation. The written agreements further provide that the Named Executive Officers will not, for a period of eighteen months after the effective date of their termination of employment, solicit any employees of the Corporation to become an employee of any enterprise that competes with the Corporation. The estimated incremental payments, payables and benefits which might be paid by the Corporation for the five Named Executive Officers of the Corporation, assuming a change of control or termination

without just cause occurred on the last business day of the most recently completed financial year of the Corporation, would be, in aggregate, approximately \$1.84 million.

The Stock Option Plan provides that in the event of a change of control, all unexercised and unvested outstanding stock options issued shall immediately vest and be exercisable. If an Offer is made but not completed, the Optioned Shares issued in connection therewith shall be returned by the optionee to the Corporation in exchange for the exercise price therefor and the options shall be reinstated on the same terms.

Estimated Incremental Payments and Benefits as of December 31, 2020

The following table sets forth the estimated incremental payments and benefits that would be received by Named Executive Officers following a “change of control” of the Corporation, had such event occurred on December 31, 2020.

Name	Employment Agreements ⁽¹⁾ (\$)	Stock Option Plan ⁽²⁾ (\$)	Total (\$)
Michael Binnion, President and Chief Executive Officer	644,000	112,500	756,500
Jason D'Silva, Chief Financial Officer	330,000	71,000	401,000
Peter Coldham, Vice President, Engineering	300,000	50,250	350,250
Rick Tityk, Vice President, Land	285,000	50,250	335,250
John Brodylo Vice President, Exploration	285,000	50,250	335,250

Notes:

- (1) As provided in the employment agreement with each of the relevant Named Executive Officers assuming a change of control, change of responsibilities, termination without just cause or such other events as further described above, on December 31, 2020.
- (2) As provided for in the Plan, assuming a change of control on December 31, 2020 with all unvested stock options held by Named Executive Officers vesting and becoming immediately exercisable. Value is calculated based on the difference between the exercise price of the options and the closing price of the Common Shares on the Exchange on December 31, 2020, being the last trading day in the Corporation's fiscal year ended December 31, 2020, of \$0.235.

Director Compensation

Director Compensation Table

The following table sets forth information in respect of all amounts of compensation provided to the directors of the Corporation for the Corporation's financial year ended December 31, 2020.

Name ⁽¹⁾	Fees earned (\$) ⁽²⁾	Option-based awards ⁽³⁾ (\$)	Total (\$)
Mireille Fontaine ⁽⁴⁾	16,796	27,546	44,342
Earl Hickok ⁽⁴⁾	21,414	20,895	42,309
Hans Jacob Holden	42,600	20,895	63,495
Dennis Sykora	45,150	20,895	66,045
Bjorn Inge Tonnessen	74,350	34,824	109,174

Notes:

- (1) Compensation information for Michael R. Binnion, President, CEO and a director of the Corporation has been previously provided herein under the section entitled "Summary Compensation Table".
- (2) The following table sets forth the fees payable to directors of the Corporation in 2020 for annual retainers, committee memberships and attendance at Board meetings. In April 2020, the Board implemented a 20% reduction in the fees payable for annual retainers, committee memberships and attendance at Board meetings.

	Fees in effect for January 2020 to March 2020	Fees in effect for April 2020 to December 2020
Annual Retainer		
Chairman	\$60,000	\$48,000
Director	\$30,000	\$24,000
Committee Membership		
Chair	\$6,000	\$4,800
Member	\$3,000	\$2,400
Attendance per Board meeting		
In Person	\$1,250	\$1,000
Via Teleconference	\$1,250	\$1,000

- (3) The value of the option-based awards represents the value calculated using the Black-Scholes option pricing model of stock options granted during the year. The option grant values reflect assumptions for expected life, volatility, risk-free interest and forfeiture rate. For the Black-Scholes option pricing model assumptions used by the Corporation, please refer to Note (2) under the Summary Compensation table for the Named Executive Officers. The aggregate number of options held by each of the directors of the Corporation, including the number of options granted to each director of the Corporation during the financial year ended December 31, 2020, is set out in the table under the heading entitled "Outstanding Option-Based Awards".
- (4) Ms. Fontaine was appointed as a director at the Special and Annual Meeting held on June 9, 2020.
- (5) Mr. Hickok did not stand for re-appointment as a director of the Company at the Special and Annual Meeting held on June 9, 2020.

Outstanding Option-Based Awards

The following table sets forth information in respect of all option-based awards outstanding at the end of the Corporation's financial year ended December 31, 2020 to the directors of the Corporation. The Corporation has not granted any share-based awards.

Name ⁽¹⁾	Option-based Awards			
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽²⁾ (\$)
Mireille Fontaine ⁽³⁾	250,000	0.15	June 9, 2025	21,250
Earl Hickok ⁽⁴⁾	75,000	0.20	February 3, 2025	2,625
	50,000	0.29	February 4, 2024	-
	49,500	0.48	July 31, 2023	-
	100,000	0.69	April 18, 2022	-
	50,000	0.18	June 15, 2021	3,000
Hans Jacob Holden	150,000	0.20	February 3, 2025	5,250
	100,000	0.29	February 4, 2024	-
	88,500	0.48	July 31, 2023	-
	350,000	0.69	April 18, 2022	-
Dennis Sykora	150,000	0.20	February 3, 2025	5,250
	100,000	0.29	February 4, 2024	-
	103,500	0.48	July 31, 2023	-
	200,000	0.69	April 18, 2022	-
	100,000	0.18	June 15, 2021	6,000
Bjorn Inge Tonnessen	250,000	0.20	February 3, 2025	8,750
	150,000	0.29	February 4, 2024	-
	147,000	0.48	July 31, 2023	-
	400,000	0.69	April 18, 2022	-
	200,000	0.18	June 15, 2021	12,000

Notes:

- (1) Compensation information for Michael Binnion, President, CEO and a director of the Corporation has been previously provided herein under the section entitled "Incentive Plan Awards".
- (2) Value is calculated based on the difference between the exercise price of the options and the closing price of the Corporation's Common Shares on the TSX as of December 31, 2020 of \$0.235.
- (3) Ms. Fontaine was appointed as a director at the Special and Annual Meeting held on June 9, 2020.
- (4) Mr. Hickok did not stand for re-appointment as a director of the Company at the Special and Annual Meeting held on June 9, 2020.

Value Vested or Earned During the Year

The following table sets forth information in respect of the value vested or earned during the Corporation's financial year ended December 31, 2020 of option-based awards for directors of the Corporation if the options under the option-based awards had been exercised on the vesting date.

Name ⁽¹⁾	Option-based awards Value vested during the year (\$) ⁽²⁾	Non-equity incentive plan compensation – Value earned during the year (\$)
Mireille Fontaine ⁽³⁾	833	Nil
Earl Hickok ⁽⁴⁾	Nil	Nil
Dennis Sykora	Nil	Nil
Hans Jacob Holden	Nil	Nil
Bjorn Inge Tonnessen	Nil	Nil

Notes:

- (1) Compensation information for Michael R. Binnion, President, CEO and a director of the Corporation has been previously provided herein under the section entitled “Incentive Plan Awards”.
- (2) Value is calculated based on the difference between the exercise price of the options and the closing price of the Corporation’s Common Shares on the TSX on the vesting date of the options.
- (3) Ms. Fontaine was appointed as a director at the Special and Annual Meeting held on June 9, 2020.
- (4) Mr. Hickok did not stand for re-appointment as a director of the Company at the Special and Annual Meeting held on June 9, 2020.

EQUITY COMPENSATION PLAN INFORMATION

The following table provides details as at December 31, 2020 with respect to all compensation plans of the Corporation under which equity securities of the Corporation are authorized for issuance.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected herein)
Equity compensation plans approved by security holders ⁽¹⁾	25,351,250	\$0.38/share	17,400,334
Equity compensation plans not approved by security holders	Nil	N/A	N/A
Total	25,351,250	\$0.38/share	17,400,334

Note:

- (1) The Stock Option Plan provides that the maximum number of Common Shares issuable pursuant to stock options issued and outstanding under the Stock Option Plan shall not exceed 10% of the aggregate number of issued and outstanding Common Shares at the time of the grant of any stock option. As at December 31, 2020, 427,515,836 Common Shares were issued and outstanding.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, executive officer, employee, former executive officer, director or employee of the Corporation, or any proposed nominee for election as a director or any associate of any such director, officer or employee or proposed nominee is, or has been at any time since the beginning of the most recently completed financial year of the Corporation, indebted to the Corporation, nor, at any time since the beginning of the most recently completed financial year of the Corporation has, any indebtedness of any such person been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation.

DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES

Under National Instrument 58-101 *Disclosure of Corporate Governance Practices*, the Corporation is required to include in this Management Information Circular the disclosure required under Form 58-101F1 with respect to the matters set out under National Policy 58-201 *Corporate Governance Guidelines*.

1. Board of Directors

Questerre's Board, which has the statutory responsibility to oversee the conduct of the business of the Corporation and to supervise management, who are responsible for the daily conduct of the business of the Corporation, is comprised of five directors, of which four are independent and accordingly a majority of the directors are independent. The independent directors are Mireille Fontaine, Hans Jacob Holden, Dennis Sykora, and Bjorn Inge Tonnessen. The CEO of the Corporation, Michael Binnion, is not independent by virtue of being an executive officer of the Corporation.

Mr. Binnion is presently a director of the following reporting issuers: High Arctic Energy Services Inc. and Huntington Exploration Inc. Mr. Sykora is also a director of Dominion Lending Centres Inc.

During the year ended December 31, 2020, the independent directors of the Corporation regularly met without members of Management present for a portion of regularly scheduled Board meetings. In order to provide leadership for the independent directors, the Board encourages communication among the independent directors. Mr. Tonnessen has been appointed as Chairman to provide leadership to the directors, manage the affairs of the Board and ensure that the Board is organized properly, functions effectively and meets its obligations and responsibilities. The Chairman presides at each meeting of the Board and is responsible for coordinating with management and the corporate secretary to ensure that documents are delivered to directors in sufficient time in advance of Board meetings for a thorough review, that matters are properly presented for the Board's consideration at meetings, and that the Board has an appropriate opportunity to discuss issues at each meeting. The Chairman is responsible for communicating with each Board member, ensuring that each director has the opportunity to be heard, that each director is accountable to the Board, and that the Board and each Committee is discharging its duties. The Chairman is also responsible for organizing the Board to function independently of management and arranges for the independent directors, from time to time, to meet without non-independent directors and management present. Most importantly, the Chairman is the Board's role model for responsible, ethical and effective decision-making.

2. Board Mandate

The text of the Board's written mandate (the "**Board Mandate**") is attached hereto as Schedule "A".

3. Position Descriptions

The Board has developed written position descriptions for the chair of the Board and for the chair of each Board committee. The Board together with the CEO has developed a written position description for the CEO the text of which is available from the Corporation on request.

As of the date of this circular, the Board has established the following Board committees comprised of the members and chaired by the individuals set out in the following table:

Committee	Members	Independent
Audit Committee	Dennis Sykora - Chair Hans Jacob Holden Bjorn Inge Tonnessen	Yes Yes Yes
ESG, Compensation, Corporate Governance and Nominating Committee	Bjorn Inge Tonnessen - Chair Mireille Fontaine	Yes Yes
Reserves Committee	Hans Jacob Holden - Chair Dennis Sykora Bjorn Inge Tonnessen	Yes Yes Yes

Attendance

The following table sets forth the attendance during 2020 of each director at meetings of the Board and, as applicable, the attendance of members of the committees of the Board at committee meetings:

Director	Board	Audit Committee	ESG, Compensation, Corporate Governance & Nominating Committee	Reserves Committee
Michael Binnion	6/6	-	-	-
Mireille Fontaine ⁽¹⁾	2/6	-	-	-
Earl Hickok ⁽²⁾	4/6	-	1/1	1/1
Hans Jacob Holden	6/6	4/4	-	1/1
Dennis Sykora	6/6	4/4	-	1/1
Bjorn Inge Tonnessen	6/6	4/4	1/1	-

Note:

- (1) Ms. Fontaine was appointed as a director at the Special and Annual Meeting of shareholders held on June 9, 2020 and has attended all Board Meetings since that date.
- (2) Mr. Hickok did not stand for re-appointment as a director of the Company at the Special and Annual Meeting of shareholders held on June 9, 2020 and attended all Board and Committee Meeting prior to that date.

4. Orientation and Continuing Education

The Corporation has developed an orientation program for new directors as set out in the Corporation's director's manual ("**Director's Manual**") which contains information regarding the roles and responsibilities of the Board, each Board committee, the Board chair, the chair of each Board committee and the CEO of the Corporation. The Director's Manual contains information regarding the nature and operation of the Corporation's business, its organizational structure, governance policies including the Board Mandate and each Board committee mandate, and the Corporation's code of business conduct and ethics. The Director's Manual is to be updated as the Corporation's business, governance documents and policies change. The Corporation arranges for presentations to be made to the Board to inform directors regarding corporate developments and

changes in legal, regulatory and industry requirements affecting the Corporation. As well, directors are encouraged to visit the Corporation's facilities, to interact with management and employees and to stay abreast of industry developments and the evolving business of the Corporation.

5. Ethical Business Conduct

The Corporation has adopted a Code of Conduct Policy (the “**Code**”) in written form containing the conduct expectations and ethical obligations of the Corporation's directors, officers, management, employees, consultants and agents. The Board takes reasonable steps to monitor compliance with the Code and all of the Corporation's employees were required to sign an acknowledgement that they have read, understood and will comply with the Code and the Respectful Workplace Policy. The Code encourages all parties who engage in business with the Corporation to contact the Corporation regarding any perceived and all actual breaches by the Corporation's directors, officers and employees of the Code. The Board is responsible for investigating complaints and developing a plan for promptly and fairly resolving complaints. The Code prohibits retaliation by the Corporation, its directors, executive officers and management, against complainants who raise concerns in good faith and requires the Corporation to maintain the confidentiality of complainants to the greatest extent practicable. Complainants may also submit their concerns anonymously in writing.

In addition to the Code, the Corporation has an Audit Committee Charter regarding the collection and dissemination of accounting information, a Whistleblower Protection Policy with respect to reporting accounting and auditing irregularities, and a Respectful Workplace Policy, copies of which are available on the Corporation's website at www.questerre.com.

Since the beginning of the Corporation's most recently completed financial year, no material change reports have been filed that pertain to any conduct of a director or executive officer that constitutes a departure from the Code.

Exercise of Independent Judgment

The Board encourages and promotes a culture of ethical business conduct by appointing directors who demonstrate integrity and high ethical standards in their business dealings and personal affairs. Directors are required to abide by the Code and are expected to make responsible and ethical decisions in discharging their duties, thereby setting an example of the standard to which management and employees should adhere. The Board is required to satisfy itself that the CEO and other executive officers are acting with integrity and fostering a culture of integrity throughout the Corporation.

The Board is responsible for reviewing departures from the Code by executive officers, management, employees and consultants, reviewing and either providing or denying waivers from the Code, and disclosing any waivers that are granted in accordance with applicable law. The Board is also responsible for responding to conflict of interest situations involving directors, particularly with respect to existing or proposed transactions and agreements in respect of which directors advise they have a material interest.

Conflicts of Interest

The Corporation's directors and officers abide by the disclosure of conflict of interest provisions contained in the *Business Corporations Act (Alberta)* and in the Code. By taking these steps the

Board strives to ensure that directors at Board meetings exercise independent judgment, unclouded by the relationships of the directors and officers to each other and the Corporation, in considering transactions and agreements in respect of which directors and executive officers have an interest.

6. Nomination of Directors and Corporate Governance

The ESG, Compensation, Corporate Governance & Nominating Committee is comprised of a majority of independent directors and is required to monitor the succession of Board members, identify suitable candidates for nomination to the Board, and recommend nominees to the Board for election at Annual Meetings of the Corporation. The ESG, Compensation, Corporate Governance & Nominating Committee passively searches for suitable nominees to join the Board. The mandate of the ESG, Compensation, Corporate Governance & Nominating Committee is available on the Corporation's website at www.questerre.com.

In addition to the duties relating to the succession and nomination of Board members set forth above, the function of the ESG, Compensation, Corporate Governance & Nominating Committee is to recommend governance policies for adoption by the Corporation, including the Code, Respectful Workplace Policy and other policies, and to amend, administer and monitor compliance with the Corporation's governance policies and Code. All of the Corporation's employees are required to sign an acknowledgment that they have read, understood and will comply with the Code and the Respectful Workplace Policy.

7. ESG, Compensation, Corporate Governance and Nominating Committee

The ESG, Compensation, Corporate Governance & Nominating Committee annually recommends the compensation to be received by the Corporation's executive officers and directors. This Committee is comprised entirely of independent directors. Compensation is determined in the context of the Corporation's goals, shareholder returns and other achievements, and considered in the context of position descriptions, goals and the performance of each individual director and officer. The Committee also makes recommendations with respect to directors' compensation, reviewing the level and form of compensation received by directors, members of each Committee, and the Chairman of the Board and each Committee, considering the duties and responsibilities of each member, his or her past service and continuing duties in service to the Corporation. The compensation of directors, the CEO, executive officers and management of competitors are considered, to the extent publicly available, in determining compensation and the Committee has the power to engage a compensation consultant or advisor to assist in determining appropriate compensation. See also "**Compensation Governance**".

8. Reserves Committee

Other than the Audit Committee and the ESG, Compensation, Corporate Governance & Nominating Committee, the only other standing committee of the Board is the Reserves Committee.

The function of the Reserves Committee is to recommend the engagement of a reserves evaluator, ensure the reserve evaluator's independence, review the procedures for disclosure of reserves evaluation, meet independently with the reserves evaluator to review the scope of the annual review of reserves, discuss findings and disagreements with management, annually assess the work of the reserves evaluator and approve the Corporation's annual reserve report and consent forms of management and the reserves evaluator thereto. The mandate of the Reserves Committee is

available on the Corporation's website at www.questerre.com.

9. Assessments

The Board is responsible for conducting an annual evaluation and assessment of the performance, contribution and effectiveness of individual directors and the Board as a whole. The evaluation and review includes a Board questionnaire which asks directors to identify their own skills, their contributions to the Board and to Committees of the Board. The results of the annual review are submitted to the Chairman and the results are discussed with the Board in order to make improvements in Board effectiveness.

10. Director Term Limits and other Mechanisms of Board Renewal

The Board has not adopted term limits for the directors on the Board or other mechanisms of Board renewal. Instead, the ESG, Compensation, Corporate Governance & Nominating Committee have the mandate and responsibility to ensure that a process is in place for the annual assessment of the composition, skills, size and tenure of the Board in advance of Annual Meetings and whenever individual directors indicate that their status may change. This committee also considers new members for nomination to the Board while taking into account potential nominees' independence, financial acumen, skills and available time to devote to the duties of the Board. Through this annual assessment process, such committee determines whether an individual director is able to continue to make an effective contribution. The Board is of the view that such annual review process is more effective than terms limits or other mechanisms of Board renewal such as a mandatory retirement age.

11. Policies Regarding the Representation of Women on the Board

The Board has not adopted a written policy relating to the identification and nomination of women directors. The Board annually assesses the composition, skill, size and tenure of the Board members and considers nominees to the Board by assessing their independence, financial acumen, skills and available time to devote to the duties of the Board.

12. Consideration of the Representation of Women in the Director Identification and Selection Process

The ESG, Compensation, Corporate Governance & Nominating Committee does not consider the level of representation of women on the Board in identifying and nominating candidates for election or re-election to the Board. The Board annually assesses the composition, skill, size and tenure of the Board members and considers nominees to the Board by assessing their independence, financial acumen, skills and available time to devote to the duties of the Board.

Consideration Given to the Representation of Women in Executive Officer Appointments

The Board does not consider the level of representation of women in executive officer positions when making executive officer appointments. However, Questerre is committed to the fundamental principles of equal employment opportunities which are prescribed in its policies which further provide for Questerre's commitment to treating people with respect and dignity. Questerre offers equal employment opportunities based upon an individual's qualifications and performance and selects candidates based on the primary considerations of experience, skill and ability.

Issuer's Targets Regarding the Representation of Women on the Board and in Executive Officer Positions

Questerre has not adopted a target regarding women on its Board. In its annual assessment of the Board and potential nominees to the Board, the ESG, Compensation, Corporate Governance & Nominating Committee focuses on the current Board composition, skills, size and tenure of the Board members.

Questerre has not adopted a target regarding women in executive officer positions as it is an equal employment opportunity employer whereby candidates are selected based on the primary considerations of experience, skill and ability.

Number of Women on the Board and in Executive Officer Positions

As at the date hereof, Questerre has one woman on its Board (20%) and one member of the executive management of Questerre is a woman (16%).

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

No person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of any one of them, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting except as described in this Management Information Circular.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Management of the Corporation is not aware of any material interest, direct or indirect, of any informed person of the Corporation, any proposed director of the Corporation, or any associate or affiliate of any informed person or proposed director, in any transaction since the commencement of the Corporation's most recently completed financial year, or in any proposed transaction which has materially affected or would materially affect the Corporation.

AUDIT COMMITTEE

Under National Instrument 52-110 *Audit Committees*, the Corporation is required to include in its Annual Information Form ("AIF") the disclosure required under Form 52-110F1 with respect to its Audit Committee, including the text of its Audit Committee charter, the composition of the Audit Committee and the fees paid to the external auditor and to include in its management information circular a cross-reference to the sections in the AIF that contain the required information. Questerre's disclosure with respect to the foregoing is contained in the section of the AIF dated March 24, 2021 entitled "Audit Committee". The AIF is available under the Corporation's profile on SEDAR at www.sedar.com.

MATTERS TO BE ACTED UPON AT MEETING

1. Financial Statements and Auditors' Report

At the Meeting, shareholders will receive the financial statements of the Corporation for the year ended December 31, 2020 and the auditors' report thereon, but no vote by the shareholders with respect thereto is required or proposed to be taken.

2. Fixing Number of Directors to be Elected at the Meeting

The Corporation is required to have a minimum of three and a maximum of eleven directors. The Board presently consists of five directors, each of whose term expires at the Meeting. At the Meeting, shareholders will be asked to fix the number of directors to be elected at the Meeting at five.

Unless otherwise directed, it is the intention of the persons designated in the accompanying form of proxy to vote in favour of the ordinary resolution fixing the number of directors to be elected at the Meeting at five. In order to be effective, the ordinary resolution in respect of fixing the number of directors to be elected at the Meeting at six must be passed by a majority of the votes cast by shareholders who vote in respect of this ordinary resolution.

3. Election of Directors

At the Meeting it is proposed that five directors be elected to hold office until the next Annual Meeting or until their successors are elected or appointed. There are presently five directors of the Corporation, the term of each of which expires at the Meeting.

Unless otherwise directed, it is the intention of the persons designated in the accompanying form of proxy to vote in favour of the election as directors of the five nominees hereinafter set forth. Management has no reason to believe that any of the nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the persons designated in the accompanying form of proxy reserve the right to vote for other nominees in their discretion unless the shareholder has specified in the accompanying form of proxy that such shareholder's Common Shares are to be withheld from voting on the election of directors. Subject to the Corporation's majority voting policy (described below under the heading "*Majority Voting For Directors*"), each director elected will hold office until the next annual general meeting of the Corporation or until his successor is elected or appointed, unless his office is earlier vacated in accordance with the Articles of the Corporation or with the provisions of the Alberta *Business Corporations Act*.

The following table sets forth the name of each of the persons proposed to be nominated for election as a director, their province and country of residence, their principal occupation, the period served as a director and the number of voting Common Shares that each proposed nominee beneficially owns, or exercises control or direction over, directly or indirectly, as of the Record Date. The information as to Common Shares owned beneficially, not being within the knowledge of the Corporation, has been provided by each nominee.

Name and Province and Country of Residence	Number of Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly ⁽¹⁾	Director Since	Principal Occupation
Michael Binnion ⁽²⁾ Alberta, Canada	18,230,091	November 2000	President, Chief Executive Officer and director of the Corporation since 2000.
Mireille Fontaine ⁽⁵⁾ Quebec, Canada	Nil	June 2020	Partner, BCF Business Law, a Quebec based business law firm since 2016.
Hans Jacob Holden ⁽³⁾⁽⁴⁾ Oslo, Norway	25,000	April 2017	Business Development at AF Gruppen, a Norwegian contracting and industrial group since January 2018. Prior thereto, Director, Seatankers Group, a private investment company from January to November 2017. From 2004 to 2016, corporate finance at Pareto Securities AS, a Norwegian based brokerage firm.
Dennis Sykora ⁽³⁾⁽⁴⁾ Alberta, Canada	443,750	March 2013	Independent businessman. From 2007 to 2014, served as an Executive of High Arctic Energy Services Inc. including Executive Vice President, General Counsel and Chief Executive Officer.
Bjorn Tonnessen ⁽³⁾⁽⁴⁾⁽⁵⁾ Oslo, Norway	45,482	November 2007	Independent businessman. Former President and CEO of Edge Petroleum, a private Norwegian exploration and production company from June 2017 to March 2021. President and Chief Executive Officer of Spike Exploration, a private Norwegian exploration and production company from June 2012 to May 2017.

Notes:

- (1) In addition to the Common Shares beneficially owned, controlled or directed, directly or indirectly, the nominees for directors hold stock options to acquire an aggregate of up to 12,473,000 Common Shares.
- (2) 4,786,464 Common Shares are held by Rupert's Crossing, an investment corporation controlled by Mr. Binnion, 1,964,980 Common Shares are held by Rupert's Crossing Ltd., a private investment corporation controlled by Mr. Binnion and 906,420 Common Shares are held by Rupert's Developments Ltd., a private investment corporation controlled by Mr. Binnion.
- (3) Member of the Audit Committee.
- (4) Member of the Reserves Committee.
- (5) Member of the ESG, Compensation, Corporate Governance & Nominating Committee.
- (6) The directors as a group, own, control or exercise direction over 18,744,323 Common Shares representing 4.38% of the issued and outstanding Common Shares.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of management of the Corporation, no proposed director of the Corporation is, or within the 10 years before the date of this Management Information Circular has been, a director, chief executive officer or chief financial officer of any company (including the Corporation) that:

- (a) was the subject of a cease trade or similar order or an order that denied the other issuer access to any exemptions under securities legislation that lasted for a period of more than 30 consecutive days that was issued while the proposed director was acting in the capacity as a director, chief executive officer or chief financial officer; or

- (b) was subject to a cease trade order or an order that denied the relevant issuer access to any exemption under securities legislation that lasted for a period of more than 30 consecutive days 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 the proposed director was acting in the capacity as director, chief executive officer or chief financial officer.

To the knowledge of management of the Corporation, no proposed director of the Corporation:

- (a) is, at the date of this Management Information Circular or has been within the 10 years before the date of this Management Information Circular, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within the 10 years before the date of this Management Information Circular, become 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 the assets of the proposed director.

To the knowledge of management of the Corporation, no proposed director of the Corporation has:

- (a) been subject to 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 the securities regulatory authority; or
- (b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Majority Voting for Directors

The Board has adopted a majority voting policy for the election of directors. Under such policy, in the event that any nominee for election receives more “withheld” votes than “for” votes at any meeting at which shareholders vote on the uncontested election of directors, the nominee shall forthwith submit his or her resignation to take effect immediately upon acceptance by the Board.

Upon receipt of such a conditional resignation, the ESG, Compensation, Corporate Governance & Nominating Committee shall consider the matter and, as soon as possible, make a recommendation to the full Board regarding whether or not such resignation should be accepted. In the absence of exceptional circumstances, the Board expects the ESG, Compensation, Corporate Governance & Nominating Committee will recommend accepting such resignation. After considering the recommendation of the ESG, Compensation, Corporate Governance & Nominating Committee, the Board shall decide whether or not to accept the tendered resignation and shall, not later than 90 days after the relevant shareholders’ meeting, promptly issue a press release regarding such decision which either confirms that they have accepted the resignation or provides an explanation for why they have refused to accept such resignation. The director tendering his or

her resignation will not participate in any meeting of the ESG, Compensation, Corporate Governance & Nominating Committee or any meeting of the Board which considers the resignation.

Subject to any restrictions or requirements contained in applicable corporate law or Questerre's constating documents, the Board may: (a) leave a resulting vacancy unfilled until the next annual meeting of shareholders; (b) appoint a replacement director whom the Board considers merits the confidence of the shareholders; or (c) call a special meeting of shareholders to elect a replacement director nominated by management.

Advance Notice Policy

The Corporation's Advance Notice Policy provides shareholders, directors and management of the Corporation with a clear framework for nominating Directors. The Advance Notice Policy fixes a deadline by which holders of record of Common Shares must submit director nominations to the Corporation prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Corporation for the notice to be in proper written form in order for any director nominee to be eligible for election at any annual or special meeting of shareholders. In the case of an annual general meeting of shareholders, notice to the Corporation must be made not less than 40 nor more than 75 days prior to the date of the annual general meeting; provided, however, that in the event that the annual general meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual general meeting was made, notice may be made not later than the close of business on the 10th day following such public announcement. The Board may, in its sole discretion, waive any requirement of the Advance Notice Policy. The full text of the Advance Notice Policy is available upon request to the Corporation.

4. Appointment of Auditors

PricewaterhouseCoopers LLP, Chartered Professional Accountants, of Calgary, Alberta are the auditors of the Corporation and have been the auditors of the Corporation since 2000.

At the Meeting, shareholders will be asked to pass an ordinary resolution appointing PricewaterhouseCoopers LLP, Chartered Professional Accountants, to serve as auditors of the Corporation to hold office until the close of the next Annual Meeting of shareholders or until such firm is removed from office or resigns as provided by law, at a remuneration to be fixed by the Board.

Unless otherwise directed, it is the intention of the persons designated in the accompanying form of proxy to vote in favour of an ordinary resolution to appoint the firm of PricewaterhouseCoopers LLP, Chartered Professional Accountants, to serve as auditors of the Corporation to hold office until the close of the next Annual Meeting of shareholders or until such firm is removed from office or resigns as provided by law, at a remuneration to be fixed by the Board.

MANAGEMENT CONTRACTS

At no time since the start of the Corporation's most recently completed financial year were management functions of the Corporation or its subsidiaries performed to any substantial degree by a person other than the directors or executive officers of the Corporation or its subsidiaries.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available under the Corporation's profile on the SEDAR website at www.sedar.com. Financial information relating to Questerre is provided in the Corporation's financial statements and management's discussion and analysis ("**MD&A**") for the financial year ended December 31, 2020. Shareholders may contact the Corporation to request copies of the financial statements and MD&A by: (i) mail to Suite 1650 - 801 Sixth Avenue S.W., Calgary, Alberta, Canada T2P 3W2; or (ii) fax to (403) 777-1578.

SCHEDULE "A"

QUESTERRE ENERGY CORPORATION

(THE "CORPORATION")

BOARD MANDATE

(National Policy 58-201 *Corporate Governance Guidelines*)

1. The Board of Directors of the Corporation ("**Board**") is responsible for:
 - (a) stewardship of the Corporation;
 - (b) supervising the management of the business and affairs of the Corporation; and
 - (c) providing leadership to the Corporation by practicing responsible, sustainable and ethical decision making.
2. The Board has the responsibility to:
 - (a) act honestly and in good faith with a view to the best interests of the Corporation;
 - (b) exercise the care, diligence and skill that a reasonably prudent Board would exercise in comparable circumstances; and
 - (c) direct management to ensure legal, regulatory and exchange requirements applicable to the Corporation have been met.
3. A majority of the Board will, at all times, be independent directors as defined in then current laws applicable to the Corporation.
4. To be considered for nomination and election to the Board, directors must demonstrate integrity and high ethical standards in their business dealings, their personal affairs and in the discharge of their duties to and on behalf of the Corporation.
5. The Board is responsible to:
 - (a) meet in person, or by telephone conference call, at least once each quarter and as often thereafter as required to discharge the duties of the Board;
 - (b) review all board materials provided in advance of each Board meeting;
 - (c) hold meetings of the independent directors without management and non-independent directors present; and
 - (d) comply with the position description applicable to individual directors.
6. The Board is responsible to annually select a member of the Board, who is independent as defined in then current laws applicable to the Corporation, to serve as Board chair.
7. The Board chair shall:
 - (a) provide leadership to the directors;
 - (b) manage the affairs of the Board; and
 - (c) ensure that the Board functions effectively in fulfillment of its duties to the Corporation.
8. The Board is responsible to:
 - (a) establish such committees of the Board as are required by applicable law and as are necessary to effectively discharge the duties of the Board;
 - (b) appoint directors to serve as members of each committee;
 - (c) appoint a chair of each committee to:

- (i) provide leadership to the committee;
 - (ii) manage the affairs of the committee; and
 - (iii) ensure that the committee functions effectively in fulfilling its duties to the Board and the Corporation; and
 - (d) regularly receive and consider reports and recommendations of each committee, in particular:
 - (i) Audit Committee reports and recommendations, particularly with respect to the Corporation's annual audit; and
 - (ii) ESG, Compensation, Corporate Governance and Nominating Committee recommendations regarding corporate goals and objectives, Board assessments and compensation.
9. The Board is responsible to:
- (a) select and appoint the Chief Executive Officer (the “**CEO**”) and with the assistance of the Compensation, Corporate Governance and Nominating Committee, establish CEO goals and objectives and evaluate CEO performance;
 - (b) assist the CEO to select and appoint executive officers, establish executive officers' goals and objectives and monitor their performance;
 - (c) maintain a succession plan for the replacement of the CEO and other executive officers; and
 - (d) to the extent feasible, to satisfy itself as to the integrity of the CEO and other executive officers and that the CEO and other executive officers create a culture of integrity throughout the Corporation.
10. The Board is responsible to:
- (a) annually review and either approve or require revisions to the mandates of the Board and each Board committee, position descriptions, the code of business conduct and ethics (the “**Code**”) and all other policies of the Corporation (collectively the “**Governance Documents**”);
 - (b) take reasonable steps to satisfy itself that each director, the CEO and the executive officers are:
 - (i) performing their duties ethically;
 - (ii) conducting business on behalf of the Corporation in accordance with the requirements and the spirit of the Governance Documents;
 - (iii) fostering a culture of integrity throughout the Corporation; and
 - (c) arrange, on the advice of the ESG, Compensation, Corporate Governance & Nominating Committee, for the Governance Documents to be publicly disclosed.
11. The Board is responsible, with the assistance of the Audit Committee, to:
- (a) approve and implement a disclosure policy which provides for disclosure and communications practices governing the Corporation; and
 - (b) approve and maintain a process for the Corporation's stakeholders to contact the independent directors directly with concerns and questions regarding the Corporation.
12. The Board is responsible for:
- (a) reviewing departures from the Code;
 - (b) providing or denying waivers from the Code; and
 - (c) disclosing departures from the Code including by filing required material change reports for material departures from the Code containing:

- (i) the date of the departure;
 - (ii) the parties involved;
 - (iii) the reason why the Board has or has not sanctioned the departure; and
 - (iv) any measures taken to address or remedy the departure.
- 13. The Board has the duty to:
 - (a) adopt a strategic planning process for increasing shareholder value, annually approve a strategic plan, and regularly monitor the Corporation's performance against its strategic plan;
 - (b) approve capital and operating budgets to implement the strategic plan;
 - (c) conduct periodic reviews of the Corporation's resources, risks, and regulatory constraints and opportunities to facilitate the strategic plan; and
 - (d) evaluate management's analysis of the strategies of existing and potential competitors and their impact, if any, on the Corporation's strategic plan.
- 14. The Board has the duty to:
 - (a) adopt a process to identify business risks and ensure appropriate systems to manage risks; and
 - (b) together with the Audit Committee, ensure policies and procedures are in place and are effective to maintain the integrity of the Corporation's:
 - (i) disclosure controls and procedures;
 - (ii) internal controls over financial reporting; and
 - (iii) management information systems.
- 15. The Board has the duty to:
 - (a) review and on the advice of the Audit Committee, approve, prior to their public dissemination:
 - (i) interim and annual financial statements and notes thereto;
 - (ii) managements' discussion and analysis of financial condition and results of operations;
 - (iii) relevant sections of the annual report, annual information form and management information circular containing financial information;
 - (iv) forecasted financial information and forward looking statements; and
 - (v) all press releases and other documents in which financial statements, earnings forecasts, results of operations or other financial information is disclosed; and
 - (b) approve dividends and distributions, material financings, transactions affecting authorized capital or the issue and repurchase of shares and debt securities, and all material divestitures and acquisitions.
- 16. The Board has access to all books, records, facilities and personnel of the Corporation necessary for the discharge of its duties.
- 17. The Board has the power, at the expense of the Corporation, to retain, instruct, compensate and terminate independent advisors to assist the Board in the discharge of its duties.