



ANNUAL INFORMATION FORM
FINANCIAL YEAR ENDED MARCH 31, 2018

MAY 24, 2018

Statements in this Annual Information Form may be viewed as forward-looking statements. Such statements involve risks and uncertainties that could cause actual results to differ materially from those projected. There are no assurances the Corporation can fulfill such forward-looking statements and the Corporation undertakes no obligation to update such statements. Such forward-looking statements are only predictions; actual events or results may differ materially as a result of risks facing the Corporation, some of which are beyond the Corporation's control. The forward-looking statements or information contained in this Annual Information Form are made as of the date hereof and the Corporation undertakes no obligation to update or revise any forward looking statements, whether as a result of new information, future events or otherwise, unless required by applicable securities laws.

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INTRODUCTION

This is the Annual Information Form for New Stratus Energy Inc. ("**New Stratus**" or the "**Corporation**"). Unless otherwise indicated, all information in this Annual Information Form is provided as of May 24, 2018.

GLOSSARY OF TERMS

"**ABCA**" means the *Business Corporations Act* (Alberta);

"**AIF**" means this annual information form;

"**Board**" means the board of directors of the Corporation;

"**Common Shares**" means the common shares in the capital of the Corporation;

"**Corporation**" or "**New Status**" means New Stratus Energy Inc.;

"**NI 43-101**" means National Instrument 43-101, Standards of Disclosure for Mineral Projects, promulgated by the Canadian Securities Administrators;

"**Preferred Shares**" means the preferred shares in the capital of the Corporation, issuable in series;

"**TSX-V**" means the TSX Venture Exchange Inc.;

"**Uranium Zone Project**" means the property described in the Uranium Zone Technical Report, which consists of consists of 14 claims encompassing 9,668 hectares; and

"**Uranium Zone Technical Report**" means the report entitled "Updated Technical Report on the Fusion Uranium Zone Project, RB2, Claim Group, Uranium City Area, Northwestern, Saskatchewan, Canada" dated September 29, 2017.

Words importing the singular number only include the plural and vice versa and words importing any gender include all genders. All dollar amounts set forth in this AIF are in Canadian dollars, except where otherwise indicated.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING INFORMATION

Certain statements contained in this AIF may constitute forward-looking statements. These statements relate to future events or the Corporation's future performance. All statements, other than statements of historical fact, may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "propose", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Corporation believes that the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this AIF should not be unduly relied upon by investors as actual results may vary. These statements speak only as of the date of this AIF and are expressly qualified, in their entirety, by this cautionary statement.

In particular, this AIF, including the Uranium Zone Technical Report which is incorporated by reference herein, contains forward-looking statements, pertaining to the following:

- the timing and progress of mining exploration;
- future acquisitions;
- the expected success of mining operations;
- the government regulation of mining operations;
- the success of securing or maintaining licenses, permits and authorizations;
- expectations regarding the Corporation's ability to raise capital;
- expenditures to be made by the Corporation to meet certain work commitments;
- environmental risks;
- potential title disputes or claims and limitations on insurance coverage; and
- the development of the Uranium Zone Project.

With respect to forward-looking statements listed above and contained in this AIF, the Corporation has made assumptions regarding, among other things:

- the legislative and regulatory environment;
- the impact of increasing competition;
- the success and timely completion of planned exploration and development projects;
- that general business and economic conditions will not change in a materially adverse manner;
- costs related to development of mine properties remain consistent with historical experiences;
- anticipated results of exploration, development and production activities; and
- the Corporation's ability to obtain additional financing on satisfactory terms.

The Corporation's actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this AIF:

- risks related to actual results of current and planned exploration activities;
- risks related to future acquisitions and the management of growth;
- future prices of resources;
- possible variations in ore reserves, grade or recovery rates and other risks in the mining industry;
- delays in obtaining governmental approvals or financing or in the completion of development or construction activities;
- risks related to general business, economic, competitive, political and social uncertainties including the current global recessionary economic conditions in the credit markets;
- risks related to foreign currency fluctuations;
- risks related to the Corporation's share price; changes in environmental regulation;

- changes in project parameters as plans continue to be refined; future prices of iron ore; access to skilled labour;
- dependence upon key management personnel and executives;
- timing and availability of external financing on acceptable terms;
- liabilities and risks, including environmental liabilities and risks, inherent in the mining and mineral exploration business;
- reliance on joint venture partners; and
- other factors discussed in the section entitled "*Risk Factors*" in this AIF.

Although management of the Corporation has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. **Forward-looking statements contained herein are made as of the date of the AIF and the Corporation disclaims any obligation to update any forward-looking statements if circumstances or management's beliefs, expectations or opinions should change, whether as a result of new information, future events or otherwise, unless required by applicable securities laws.**

Technical Information

Where appropriate, certain information contained in this AIF or in a document incorporated or deemed to be incorporated by reference herein updates information from the Uranium Zone Technical Report. Any updates to the scientific or technical information derived from the Uranium Zone Technical Report and any other scientific or technical information contained in this AIF or in a document incorporated or deemed to be incorporated by reference herein was approved by William E. Roscoe, Ph.D., P.Eng., an independent "qualified person" for the purposes of NI 43-101.

CORPORATE STRUCTURE

Name, Address and Incorporation

The Corporation was incorporated as "Alex Lee Syndicate Inc." under the ABCA on April 12, 2005. On November 18, 2005, the Corporation changed its name to "Red Rock Energy Inc." On August 15, 2017, the Corporation changed its name to "New Stratus Energy Inc."

The Corporation's head office is located at Suite 3300, 205 - 5th Avenue S.W., Calgary, Alberta T2P 2V7 and its registered and records office is located at Suite 1000 – 250 2nd Street S.W., Calgary, Alberta T2P 0C1.

The Corporation is a reporting issuer in Alberta, British Columbia, Ontario and Saskatchewan. The Common Shares are listed on the TSX-V under the trading symbol "NSE".

Intercorporate Relationships

The Corporation has one wholly-owned subsidiary, Petrolia SARL, a company incorporated under laws of Luxembourg.

DESCRIPTION OF BUSINESS

About New Stratus

The Corporation is currently evaluating surface exploration and drilling programs to identify and assess the uranium potential of selected targets on the Uranium Zone Project. New Stratus is also actively pursuing opportunities to diversify its asset holdings.

Principal Property

The Corporation's principal property is the Uranium Zone Project, situated near Uranium City in northern Saskatchewan, Canada. The Uranium Zone Project consists of 14 claims encompassing 9,668 hectares. For additional details on the Uranium Zone Project, please refer to Schedule "B" attached hereto and the Uranium Zone Technical Report, a copy of which is available on SEDAR under the Corporation's profile at www.sedar.com.

Competitive Conditions

The precious metal mineral exploration and mining business is competitive. The Corporation competes over sourcing raw materials and supplies used in connection with its mining operations, as well as for skilled experienced workers.

In addition, the Corporation also competes with numerous other companies and individuals in the search for and the acquisition of attractive precious metal mineral properties. The Corporation's ability to acquire precious metal mineral properties in the future will depend on, among other things, its ability to select and acquire suitable producing properties or prospects for precious metal development or mineral exploration. There is no assurance that any such investigations or negotiations will result in the completion of an acquisition. See "*Risk Factors*".

Specialized Skills and Knowledge

All aspects of the Corporation's business require specialized skills and knowledge. Such skills and knowledge include the areas of geology, mining, accounting, transaction identification and negotiation and accessing capital. Insofar as the mining industry is competitive with respect to attracting experienced employees, management intends to use its relationships and its prospects as a growth company to employ individuals with the required skills to advance the business.

There remains demand for highly skilled and experienced workers in the Corporation's industry and employment markets can vary with volatility in the mining industry. See "*Risk Factors*".

Employees

As at March 31, 2018, the Corporation had no employees and eight consultants.

Environmental Protection

The current and future operations of the Corporation, including development and mining activities, are subject to extensive federal, provincial and local laws and regulations governing environmental protection, including protection and remediation of the environment and other matters. Compliance with such laws and regulations increases the costs of and delays planning, designing, drilling and developing the Corporation's properties.

New Stratus has policies and procedures in place relating to corporate governance, business conduct and general guidelines. As the Corporation develops, the Corporation expects to develop additional appropriate guidelines and procedures.

Economic Dependence

The Corporation is not a party to any contract for the purchase or sale of services or products or any other agreement upon which its business is substantially dependent. In addition, the Corporation is not a party to any contracts or subcontracts which terminate, or which are subject to renegotiation this current financial year, and which would reasonably be expected to materially affect the Corporation's business.

Reorganizations

During the financial year ended March 31, 2018, the Corporation completed the Reorganization (as defined herein). Please refer to "GENERAL DEVELOPMENT OF THE BUSINESS – Three Year History – Year Ended March 31, 2018" for further information.

STATEMENT OF RESERVES DATA AND OTHER OIL AND GAS INFORMATION

Introduction

The statement of reserves data and other oil and gas information set forth below (the "**Statement**") is dated May 24, 2018. The effective date of the Statement is March 31, 2018. The preparation date of the Statement is May 24, 2018.

Disclosure of Reserves Data

The Corporation does not have any reserves (as such term is defined in National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities*).

Other Oil and Natural Gas Information

Oil and Gas Properties and Wells

The Corporation held a 100% working interest in one non-producing gas well and one non-producing oil well and related well and processing equipment located onshore in North East British Columbia during the year ended March 31, 2018. The Corporation disposed of its working interest in these assets effective May 1, 2017. These assets were not material assets of the Corporation.

Properties with no Attributed Reserves

The following table is a summary of the Corporation's total land area for its properties, without reserves as during the year ended March 31, 2018. The Corporation disposed of its working interest in these properties effective May 1, 2017.

	Gross Acres	Net Acres	Lands to Expire in 2019
British Columbia	1,415	1,415	0 (Gross) / 0 (Net)

Significant Factors or Uncertainties Relevant to Properties with no Attributed Reserves

The Corporation would have been required to make substantial capital expenditures in order to prove, exploit, develop and produce from its oil and gas properties that would have required additional debt or equity financing. The inability of the Corporation to access sufficient capital for the exploration and development of these properties had an adverse effect on the Corporation's ability to execute its business strategy to develop these properties. The Corporation disposed of its working interest in its oil and gas properties effective May 1, 2017.

Forward Contracts

The Corporation does not have any forward contracts.

Costs Incurred

The following table summarizes the costs incurred related to the activities of the Corporation for the year ended March 31, 2018:

<u>Property Acquisition Costs</u>		<u>Exploration Costs</u>	<u>Development Costs</u>
<u>Proved Properties</u>	<u>Unproved Properties</u>		
-	-	-	-

Exploration and Development Activities

The Corporation did not undertake any exploration and development activities during the year ended March 31, 2018. The Corporation disposed of its working interest in its oil and gas properties effective May 1, 2017.

Production Estimates

The Corporation does not have any production estimates.

Production History

The Corporation does not have any production history.

GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History

The following is a summary of the general development of the Corporation's business over the three most recently completed financial years.

Year Ended March 31, 2016

On March 14, 2016, the listing of the Common Shares was transferred to the NEX board of the TSX-V.

Year Ended March 31, 2017

On January 25, 2017, the Corporation announced a reorganization plan (the "**Reorganization**") comprised of a number of steps including the issuance of shares for debt, two non-brokered private placements and the reactivation of the Corporation onto the TSX-V.

Year Ended March 31, 2018

On May 4, 2017, the Corporation announced that it had completed the following steps of the Reorganization:

- *Shares for Debt Transaction* – The Corporation issued 9,037,322 pre-Consolidation (as defined herein) Common Shares at \$0.08 per Common Share to satisfy \$722,986 of existing indebtedness with certain directors, officers and related parties of the Corporation;
- *Share Consolidation* – The Corporation completed a consolidation (the "**Consolidation**") of its Common Shares on the basis of one new post-Consolidation Common Share for every 13.35 pre-Consolidation Common Shares;
- *Unit Private Placement* – The Corporation completed a non-brokered private placement of 10,000,000 units ("**Units**") at a price of \$0.05 per Unit for gross proceeds of \$500,000 to a new investor group. Each Unit was comprised of one post-Consolidation Common Share and one warrant (a "**Warrant**"), with each Warrant entitling the holder thereof to purchase one additional post-Consolidation Common Share at a price of \$0.10 per Common Share until May 3, 2018; and

- *New Directors and Officers* – Jose Francisco Arata, Marino Ostos and Krishna Vathyam were appointed directors of the Corporation and Krishna Vathyam was appointed interim Chief Executive Officer and Bruce Cameron was appointed interim Chief Financial Officer.

On June 7, 2017, Mr. Sandy Loutitt and Mr. David Pinkman resigned from the Board.

On June 8, 2017, the Corporation announced that the TSX-V granted final approval regarding the NEX reactivation (the "**Reactivation**") and concurrent application for graduation to Tier 2 of the TSX-V and, effective Monday, June 12, 2017, trading in the Common Shares commenced on the TSX-V under the trading symbol "RRK".

On June 8, 2017, the Corporation also completed a non-brokered private placement of 20,770,332 Common Shares at a price of \$0.10 per Common Share for gross proceeds of \$2,077,032.

On August 15, 2017, the Corporation changed its name to "New Stratus Energy Inc." and on August 16, 2017 the Common Shares began trading on the TSX-V under the symbol "NSE".

Subsequent to Year Ended March 31, 2018

On May 10, 2018, Bruce Cameron and Wuilian Mauco were elected as directors of the Corporation at the Corporation's annual general and special meeting of shareholders.

Significant Acquisitions

The Corporation did not complete any significant acquisitions in the financial year ended March 31, 2018.

RISK FACTORS

The Corporation's business consists of the exploration, evaluation and development of mineral properties and is subject to certain risks. The risks described below are not the only risks facing the Corporation and other risks now unknown to the Corporation may arise or risks now thought to be immaterial may become material. No guarantee is provided that other factors will not affect the Corporation in the future. Many of these risks are beyond the control of the Corporation.

An investment in the Common Shares involves a number of risks. In addition to the other information contained in this AIF, investors should give careful consideration to the following, factors, which are qualified in their entirety by reference to, and must be read in conjunction with, the detailed information appearing elsewhere in this AIF. If any of the following events described as risks or uncertainties actually occurs, the business, prospects, financial condition and operating results of the Corporation would likely suffer, possibly materially. In that event, the market price of the Common Shares could decline and investors could lose all or part of their investment. Additional risks and uncertainties presently unknown, or that are not believed to be material at this time, may also impair or have a material adverse effect on the Corporation's operations. In addition to the risks described elsewhere and the other information contained in this AIF, prospective investors should carefully consider each of and the cumulative effect of all of the following risk factors. References in the below Risk Factors to "we", "our" or "us" refer to the management of the Corporation.

Limited History of Operations

The Corporation has had a limited operating history upon which an evaluation of the Corporation, its current business and its prospects can be based. An investor should consider any purchase of the Corporation's securities in light of the risks, expenses and problems frequently encountered by all companies in the early stages of their corporate development.

Risks Inherent in Acquisitions

It is part of the Corporation's corporate strategy to actively pursue the acquisition of exploration, development and production assets consistent with its acquisition and growth strategy. From time to time, the Corporation may also acquire securities of or other interests in companies with respect to which it may enter into acquisitions or other transactions. Acquisition transactions involve inherent risks, including but not limited to:

- accurately assessing the value, strengths, weaknesses, contingent and other liabilities and potential profitability of acquisition candidates;
- ability to achieve identified and anticipated operating and financial synergies;
- unanticipated costs;
- diversion of management attention from existing business;
- potential loss of the Corporation's key employees or key employees of any business acquired;
- unanticipated changes in business, industry or general economic conditions that affect the assumptions underlying the acquisition; and
- decline in the value of acquired properties, companies or securities.

Any one or more of these factors or other risks could cause the Corporation not to realize the anticipated benefits of an acquisition of properties or companies, and could have a material adverse effect on its financial condition.

Management of Growth

Any expansion of the Corporation's business may place a significant strain on its financial, operational and managerial resources. There can be no assurance that the Corporation will be able to implement and subsequently improve its operations and financial systems successfully and in a timely manner in order to manage any growth it experiences. There can be no assurance that the Corporation will be able to manage growth successfully. An inability of the Corporation to manage growth successfully could have a material adverse effect on the Corporation's business, financial condition and results of operations.

The Corporation may expand its operations through the acquisition of additional assets, businesses, products or technologies that it believes will complement its current or future business. There can be no assurance that the Corporation will be able to identify, acquire or profitably manage additional assets or businesses or successfully integrate any acquired assets, businesses, products or technologies into the Corporation without substantial expenses, delays or other operational or financial problems. If a strategy of growth through acquisition is pursued, the failure of the Corporation to manage this strategy successfully could have a material adverse effect on the Corporation's business, results of operations and financial condition.

Dilution and Future Sales of Common Shares

The Corporation is in the exploration stage of its corporate development; it owns no producing properties and, consequently has no current operating income or cash flow from the properties it holds, nor has it had any income from operations in the past three financial years. As a consequence, operations of the Corporation are primarily funded by equity subscriptions. The Corporation may issue additional shares in the future, which may dilute a shareholder's holdings in the Corporation. The Corporation's articles permit the issuance of an unlimited number of Common Shares and an unlimited number of Preferred Shares issuable in series and shareholders will have no pre-emptive rights in connection with further issuances. The directors of the Corporation have the discretion to determine the provisions attaching to any series of

Preferred Shares and the price and terms of further issuances of Common Shares, subject to compliance with applicable corporate and securities laws and stock exchange regulations.

Nature of Mining, Mineral Exploration and Development Projects

Mining operations generally involve a high degree of risk. The Corporation's operations are subject to the hazards and risks normally encountered in the exploration, development and production of minerals, including environmental hazards, explosions, unusual or unexpected geological formations or pressures and periodic interruptions in both production and transportation due to inclement or hazardous weather conditions. Such risks could result in damage to, or destruction of, mineral properties or producing facilities, personal injury, environmental damage, delays in mining, monetary losses and possible legal liability.

Development projects have no operating history upon which to base estimates of future cash operating costs. For development projects, resource estimates and estimates of cash operating costs are, to a large extent, based upon the interpretation of geologic data obtained from drill holes and other sampling techniques, and feasibility studies, which derive estimates of cash operating costs based upon anticipated tonnage and grades of ore to be mined and processed, ground conditions, the configuration of the ore body, expected recovery rates of minerals from the ore, estimated operating costs, anticipated climatic conditions and other factors. As a result, actual production, cash operating costs and economic returns could differ significantly from those estimated. It is not unusual for new mining operations to experience problems during the start-up phase, and delays in the commencement of production often can occur.

Mineral exploration is highly speculative in nature. There is no assurance that exploration efforts will be successful. Even when mineralization is discovered, it may take several years until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable mineral reserves through drilling. Because of these uncertainties, no assurance can be given that exploration programs will result in the establishment or expansion of mineral resources or mineral reserves. There is no certainty that the expenditures made towards the search and evaluation of mineral deposits will result in discoveries or development of commercial quantities of ore.

Uncertainty of Exploration and Development Projects

The future development of Uranium Zone Project or any of the Corporation's future projects will require extensive drilling, testing, the construction and operation of a mine, processing plants and related infrastructure. As a result, the Corporation is subject to all of the risks associated with establishing mining operations including:

- the timing and cost, which will be considerable, of the construction of mining and processing facilities;
- the availability and costs of skilled labour, power, water, transportation and mining equipment;
- costs of operating a mine in a specific environment;
- the need to obtain necessary environmental and other governmental approvals and permits, and the timing of those approvals and permits;
- adequate access to the site; and
- unforeseen events.

It is not unusual in a new mining operation to experience unexpected problems and delays during the construction and development of the mine. In addition, delays in the commencement or expansion of mineral production often occur and, once commenced or expanded, the production of a mine may not

meet expectations or estimates set forth in a feasibility study. Accordingly, there are no assurances that the Corporation will successfully develop mining activities at its properties.

Uninsured Risks Exist and May Affect Certain Values

The Corporation maintains insurance to cover normal business risks. In the course of exploration and development of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including explosions, rock bursts, cave-ins, fire and earthquakes may occur. It is not always possible to fully insure against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the Common Shares.

Key-Man and Liability Insurance Factors Should be Considered

The success of the Corporation will be largely dependent upon the performance of its key officers. The Corporation has not, as yet, purchased any "key-man" insurance with respect to any of its directors, officers, key employees and has no current plans to do so.

Although the Corporation may obtain liability insurance in an amount which management considers adequate, the nature of the risks for mining companies is such that liabilities might exceed policy limits, the liabilities and hazards might not be insurable, or the Corporation might not elect to insure itself against such liabilities due to high premium costs or other reasons, in which event the Corporation could incur significant costs that could have a material adverse effect upon its financial condition.

Dependence on Outside Parties

The Corporation has relied upon consultants, engineers and others and intends to rely on these parties for development, construction and operating expertise. Substantial expenditures are required to construct mines, to establish mineral reserves through drilling, to carry out environmental and social impact assessments, to develop metallurgical processes and, in the case of new properties, to develop the exploration and plant infrastructure at any particular site. If such parties' work is deficient or negligent or is not completed in a timely manner, it could have a material adverse effect on the Corporation.

Ability to Attract and Retain Qualified Personnel

Recruiting and retaining qualified personnel is critical to the Corporation's success. The number of persons skilled in the acquisition, exploration and development of mining properties is limited and competition for such persons is intense. As the Corporation's business activity grows, they will require additional key financial, administrative and operations personnel. If the Corporation is not successful in attracting and training qualified personnel, the efficiency of its operations could be affected, which could have a material adverse impact on the Corporation's future cash flows, earnings, results of operations and financial condition.

Factors Beyond Corporation's Control

The exploration and development of mineral properties and the marketability of any minerals contained in such properties will be affected by numerous factors beyond the control of the Corporation. These factors include government regulation, high levels of volatility in market prices, availability of markets, availability of adequate transportation and processing facilities and the imposition of new or amendments to existing taxes and royalties. The effect of these factors cannot be accurately predicted.

Government Regulation and Permitting

The future operations of the Corporation, including development activities, require permits from various federal, provincial or territorial and local governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports,

taxes, labour standards, occupational health, waste disposal, toxic substances, land use, water use, environmental protection, land claims of local people, mine safety and other matters.

Such exploration activities are also subject to substantial regulation under applicable laws by governmental agencies that will require the Corporation to obtain permits, licences and approvals from various governmental agencies. There can be no assurance, however, that all permits, licences and approvals that the Corporation may require for its operations and exploration activities will be obtainable on reasonable terms or on a timely basis or that such laws and regulations will not have an adverse effect on any project which the Corporation might undertake.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Corporation and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

To the best of the Corporation's knowledge, it is operating in compliance with all applicable rules and regulations.

Environmental Risks and Hazards

The Corporation's activities are subject to extensive national, provincial, and local laws and regulations governing environmental protection and employee health and safety. The Corporation is required to obtain governmental permits and provide bonding requirements under environmental laws. All phases of the Corporation's operations are subject to environmental regulation. These regulations mandate, among other things, the maintenance of water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner, which will require stricter standards and enforcement, increased fines and penalties for non-compliance, and more stringent environmental assessments of proposed projects. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Corporation's operations.

Environmental laws and regulations are complex and have tended to become more stringent over time. These laws are continuously evolving. The Corporation is not able to predict the impact of any future changes in environmental laws and regulations on its future financial position due to the uncertainty surrounding the ultimate form such changes may take.

Existing and possible future environmental legislation, regulations and actions could cause additional expense, capital expenditures, restrictions and delays in the activities of the Corporation, the extent of which cannot be predicted.

Other Tax Considerations

The Canadian federal and provincial tax treatment of natural resource activities has a material effect on the advisability of investing in mining companies. The ability of the Corporation to claim and collect tax credits relating to its natural resource activities and the return on an investment in Common Shares will be subject to applicable tax laws. There can be no assurance that applicable tax laws will not be amended so as to fundamentally alter the tax consequences of claiming and collecting tax credits and holding or disposing of the Common Shares.

Aboriginal Land Claims and Consultation Issues

The properties that form part of the Uranium Zone Project may be the subject of land claims by aboriginal groups. Management of the Corporation is not aware of any such claims. However, there is no assurance that such claims will not arise in the future.

Debt Matters

There are no assurances that the Corporation will be able to repay or refinance any or all of its borrowings at their maturity. In addition, there are no assurances that the Corporation will be able to comply at all times with the covenants applicable under its current borrowings; nor are there assurances that the Corporation will be able to secure new financing that may be necessary to finance its operations and capital growth program. Any failure of the Corporation to secure refinancing, to obtain new financing or to comply with applicable covenants under its borrowings could have a material adverse effect on the Corporation's financial results. Further, any inability of the Corporation to obtain new financing may limit its ability to support future growth.

Share Price Fluctuations

The market price of securities of many companies, particularly development stage companies, experience wide fluctuations in price that are not necessarily related to the operating performance or the underlying asset values of prospects of such companies. There can be no assurance that fluctuations in the Corporation's share price will not occur.

Price Volatility of Publicly Traded Securities

Securities of exploration and mining companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in North America and globally, and market perceptions of the relative attractiveness of particular industries. The Corporation's share price is also likely to be significantly affected by short-term changes in metal prices or in the Corporation's financial condition or results of operations as reflected in quarterly earnings reports. Other factors unrelated to the Corporation's performance that may have an effect on the price of the Corporation's shares include the following:

- the extent of analyst coverage available to investors concerning the Corporation's business may be limited if investment banks with research capabilities do not follow its securities;
- limited trading volumes and general market interest in the Corporation's securities may affect an investor's ability to trade the Corporation's shares; and
- the relatively small number of publicly held shares may limit the ability of some institutions to invest in the Corporation's securities.

As a result of any of these factors, the market price of the Corporation's shares at any given point in time may not accurately reflect the Corporation's long-term value.

Conflicts of Interest

There are potential conflicts of interest which the directors and officers of the Corporation may be subject in connection with the operations of the Corporation. Some of the directors and officers of the Corporation may be, or may become, engaged in the mineral exploration or mining industry, and situations may arise where directors, officers and promoters will be in direct conflict with the Corporation. Such conflicts must be disclosed in accordance with, and are subject to such other procedures and remedies as apply under, the ABCA and the applicable statutes of the jurisdictions of incorporation of the Corporation's subsidiaries.

DIVIDENDS AND DISTRIBUTIONS

No dividends or distributions have been declared in the three most recently completed financial years of the Corporation. Any decision to pay dividends or distributions on the Common Shares will be made by the Board on the basis of the Corporation's earnings, financial requirements and other conditions existing at the relevant time.

CAPITAL STRUCTURE

General Description of Capital Structure

The Corporation is authorized to issue an unlimited number of Common Shares and an unlimited number of Preferred Shares. As at May 24, 2018, 35,770,332 Common Shares were issued and outstanding as fully paid and non-assessable shares and no Preferred Shares were issued and outstanding.

The holders of the Common Shares are entitled to receive notice of and attend any meeting of the Corporation's shareholders and are entitled to one vote for each Common Share held (except at meetings where only the holders of another class of shares are entitled to vote). Subject to the rights attaching to any other class of shares, the holders of the Common Shares are entitled to receive dividends, if, as and when declared by the Board and are entitled to receive the remaining property upon liquidation of the Corporation.

MARKET FOR SECURITIES

Trading Price and Volume

The Common Shares trade under the symbol "NSE" on the TSX-V. The following table sets out the price range (monthly high and low closing prices) of the Common Shares and consolidated volumes traded on the TSX-V for the periods indicated (as reported by the TSX-V).

Period	High (\$)	Low (\$)	Volume
2017			
May ⁽¹⁾	N/A	N/A	N/A
June ⁽¹⁾	0.350	0.200	329,525
July	0.370	0.250	85,809
August	0.480	0.280	11,286
September	0.460	0.270	159,856
October	0.450	0.245	68,375
November	0.250	0.210	68,642
December	0.180	0.075	149,735
2018			
January	0.205	0.105	53,543
February	0.200	0.135	3,570
March	0.185	0.100	263,830
April	0.190	0.110	502,381
May 1-23	0.400	0.175	630,301

Note:

- (1) The outstanding Common Shares were halted on January 25, 2017 at the request of the Corporation pending the announcement of the Reorganization and remained halted until the completion of the Reorganization and the Reactivation and the commencement of trading of the Common Shares on the TSX-V on June 12, 2017.

Prior Sales

Other than 3,500,000 stock options of the Corporation with an exercise price of \$0.10 per Common Share granted to certain directors, officers and consultants of the Corporation on June 7, 2017, the Corporation did not issue any securities that are not listed or quoted on a marketplace in the financial year ended March 31, 2018.

DIRECTORS AND OFFICERS

Name, Occupation and Security Holdings

The following table sets forth the names and municipalities of residence of the current directors and executive officers of the Corporation, their respective positions and offices with the Corporation and date first appointed or elected as a director and/or executive officer and their principal occupation(s) within the past five years.

Name and Municipality of Residence	Position(s) Held with the Corporation and Period Service as a Director	Principal Occupation
Jose Francisco Arata ⁽¹⁾ Punta Cana, Dominican Republic	Director since May 4, 2017	Mr. Arata was the President of Pacific Exploration & Production Corp. (TSX) (" Pacific Exploration ") from January 23, 2008 until July 2015. He was also Chief Executive Officer and director of Pacific Stratus International Energy Ltd. (TSX) (" Pacific Stratus ") from August 21, 2006 to January 23, 2008. Mr. Arata was also a director of Pacific Coal Resources Ltd. and CGX Energy Inc. (TSX-V) (" CGX "). Mr. Arata is a geologist with vast experience in Latin America markets. He presently serves on boards of various private companies.
Marino Ostos ⁽¹⁾ Bogotá, Colombia	Director since May 4, 2017	Mr. Ostos was Senior Vice President, New Business Areas for Pacific Exploration from January 23, 2008 until July 2016. He was also Chief Operating Officer of Pacific Stratus from August 2006 to October 2007, President of Colombian Operations of Pacific Stratus from May 2006 to May 2007 and President and Chief Executive Officer of Pacific Stratus from October 2004 to August 2006. Mr. Ostos was Principal of Estudios de Ingenieria Geologica LITOS C.A. from December 1999 to October 2004. Mr. Ostos was also a director of CGX until December 2016.
Wuilian Mauco Panama City, Panama	Director since May 10, 2018	Mr. Mauco is an engineer with a Masters degree in International trading. Mr Mauco is vastly experienced in refining and marketing of petroleum products. He started his professional career with PDVSA, the national oil company of Venezuela. He last served as Vice President Marketing at Pacific Exploration.
Krishna Vathyam ⁽¹⁾ Calgary, Alberta, Canada	Interim Chief Executive Officer and Director since May 4, 2017	Mr. Vathyam is currently an independent businessman and serves in various private oil and gas companies and oilfield services companies as President and/or director, and was previously the Chairman and CEO of Petrodorado Energy Ltd. (TSX-V), a Colombia focused junior E&P which Mr. Vathyam founded in early 2009. He has extensive experience in international markets, having spent 23 years with Schlumberger, a leading global oilfield services company.
Bruce Cameron Calgary, Alberta, Canada	Interim Chief Financial Officer since May 4, 2017 and Director since May 10, 2018	Mr. Cameron is a CPA (CMA) and President of Frontera Services Inc. a private consulting company. He provides CFO/Controller services to early stage and recap private and public clients to establish financial reporting and internal control procedures.

Note:

(1) Member of the Audit Committee.

To the knowledge of the Corporation, as of the date hereof, the directors and executive officers of the Corporation, as a group, beneficially owned, directly or indirectly or exercised control or direction over,

14,350,000 Common Shares or approximately 40.1% of the issued and outstanding Common Shares of the Corporation. The Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at the date of this AIF is based upon information furnished to the Corporation by the above individuals and/or management.

The directors listed above will hold office until the next annual meeting of the Corporation or until their successors are elected or appointed.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

No director or executive officer of the Corporation is, or within ten years prior to the date of this AIF, has been a director, a chief executive officer or a chief financial officer of any company (including the Corporation), that:

(a) was subject to: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (collectively, an "**Order**"), that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or

(b) was subject to an Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Other than as set forth below, no director or executive officer of the Corporation, or a shareholder holding a sufficient number of securities of the Corporation to affect materially control of the Corporation, is, or within ten years prior to the date of this AIF, has been 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.

Bruce Cameron was the Chief Financial Officer of Expand Energy Corporation ("**Expand Energy**") from August, 2011 to September, 2013. Expand Energy was placed in receivership by a secured creditor and Grant Thornton LLP of Calgary was appointed by the Court of Queen's Bench of Alberta to act as receiver in September, 2013.

No director or executive officer or a shareholder holding a sufficient number of securities of the Corporation to affect materially control of the Corporation, has, within the past ten years prior to the date of this AIF, 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 such person.

No director or executive officer of the Corporation, or a shareholder holding a sufficient number of securities of the Corporation to affect materially control of the Corporation, has been subject to (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

Certain directors and officers of the Corporation and its subsidiaries are associated with other reporting issuers or other corporations which may give rise to conflicts of interest. In accordance with corporate laws, directors who have a material interest or any person who is a party to a material contract or a proposed material contract with the Corporation are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract. In addition, the directors are required to act honestly and in good faith with a view to the best interests of the Corporation.

Some of the directors of the Corporation have either other employment or other business or time restrictions placed on them and accordingly, these directors of the Corporation will only be able to devote part of their time to the affairs of the Corporation. Conflicts, if any, will be subject to the procedures and remedies available under the ABCA. The ABCA provides that in the event that a director has an interest in a contract or proposed contract or agreement, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided by the ABCA.

AUDIT COMMITTEE

Audit Committee Terms of Reference

The Corporation's Audit Committee Terms of Reference is attached hereto as Schedule "A".

Audit Committee Composition

As at the date hereof, the Audit Committee is comprised of the following members:

Jose Francisco Arata ⁽²⁾	Independent ⁽¹⁾	Financially literate ⁽¹⁾
Marino Ostos	Independent ⁽¹⁾	Financially literate ⁽¹⁾
Krishna Vathyam	Not Independent ⁽¹⁾	Financially literate ⁽¹⁾

Notes:

- (1) As defined by National Instrument 52-110 ("**NI 52-110**").
- (2) Chairman of the Audit Committee.

Relevant Education and Experience

All members of the Audit Committee have the ability to read, analyze and understand the complexities surrounding the issuance of financial statements.

Jose Francisco Arata

Mr. Arata was the President of Pacific Exploration from January 23, 2008 until July 2015. He was also Chief Executive Officer and director of Pacific Stratus from August 21, 2006 to January 23, 2008. Mr. Arata was also a director of Pacific Coal Resources Ltd. and CGX. Mr. Arata is a geologist with vast experience in Latin America markets. He presently serves on boards of various private companies.

Marino Ostos

Mr. Ostos was Senior Vice President, New Business Areas for Pacific Exploration from January 23, 2008 until July 2016. He was also Chief Operating Officer of Pacific Stratus from August 2006 to October 2007, President of Colombian Operations of Pacific Stratus from May 2006 to May 2007 and President and Chief Executive Officer of Pacific Stratus from October 2004 to August 2006. Mr. Ostos was Principal of Estudios de Ingenieria Geologica LITOS C.A. from December 1999 to October 2004. Mr. Ostos was also a director of CGX until December 2016.

Krishna Vathyam

Mr. Vathyam is currently an independent businessman and serves in various private oil and gas companies and oilfield services companies as President and/or director, and was previously the Chairman and CEO of Petrodorado Energy Ltd. (TSX-V), a Colombia focused junior E&P which Mr. Vathyam founded in early 2009. He has extensive experience in international markets, having spent 23 years with Schlumberger, a leading global oilfield services company.

Audit Committee Oversight

At no time since the commencement of the Corporation's financial year ended March 31, 2018, was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

Other than as disclosed herein, at no time since the commencement of the Corporation's financial year ended March 31, 2018, has the Corporation relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110 (securities regulatory authority exemption).

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services other than the general requirements under the heading "External Auditors" of the Audit Committee Terms of Reference which states that the Audit Committee must pre-approve any non-audit services to the Corporation and the fees for those services.

External Auditor Service Fees

The aggregate fees billed by the Corporation's external auditors in each of the two fiscal years noted below for audit and other fees are as follows:

<u>Financial Year Ending</u>	<u>Audit Fees⁽¹⁾</u>	<u>Audit Related Fees⁽²⁾</u>	<u>Tax Fees⁽³⁾</u>	<u>All Other Fees⁽⁴⁾</u>
2018	\$35,000	\$47,080	\$Nil	\$Nil
2017	\$22,000	\$Nil	\$Nil	\$Nil

Notes:

- (1) These fees include professional services provided by the external auditors for audits of the annual financial statements and related regulatory filings.
- (2) These fees relate to the review of interim financial statements and related regulatory filings.
- (3) These fees include professional services for tax compliance and tax advice.
- (4) These fees include any other permitted services not included in any of the above-stated categories.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

To the best of the Corporation's knowledge, there were no legal proceedings during the year ended March 31, 2018, to which the Corporation is a party, or of which any of its property is the subject matter, and there are no such proceedings known to the Corporation to be contemplated.

There are no penalties or sanctions imposed against the Corporation by a court relating to securities legislation or by a securities regulatory authority during legal proceedings material to the Corporation to which the Corporation is a party or of which any of its property is the subject matter, and there are no such proceedings known to the Corporation to be contemplated during the financial year ended March 31, 2018.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as set forth herein, or as disclosed on SEDAR, the Corporation is not aware of any material interests, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or executive officer or any shareholder holding more than 10% of the Common Shares or any associate or affiliate of any of the foregoing in any transaction within the three most recently completed financial years or during the current financial year or any proposed or ongoing transaction of the Corporation which has or will materially affect the Corporation.

TRANSFER AGENTS AND REGISTRARS

The transfer agent and registrar for the Common Shares is Computershare Trust Company of Canada at its principal offices in Calgary, Alberta and Toronto, Ontario.

MATERIAL CONTRACTS

There are no material contracts entered into by the Corporation within the most recently completed financial year, or before the most recently completed financial year but which are still in effect, other than contracts entered into in the ordinary course of business.

NAMES AND INTERESTS OF EXPERTS

William E. Roscoe, Ph.D., P.Eng. is an independent "qualified person", as defined in NI 43-101, is the author responsible for the preparation of the Uranium Zone Technical Report. To the best knowledge of the Corporation, Mr. Roscoe beneficially owns, directly or indirectly, less than 1% of any class of the Corporation's outstanding Common Shares.

Deloitte LLP, is the external auditor of the Corporation and is independent in accordance with the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of Alberta, Canada

ADDITIONAL INFORMATION

Additional information, including directors' and executive officers' remuneration and indebtedness, principal holders of the Corporation's securities and securities authorized for issuance under equity compensation plans is contained in the Corporation's Management Information Circulars and Proxy Statements prepared in connection with past meetings of shareholders. Additional financial information is provided in the Corporation's consolidated financial statements and management's discussion and analysis for the financial year ended March 31, 2018. Copies of the foregoing documents and any document, incorporated by reference in this AIF may be obtained by accessing SEDAR, the electronic system recording Canadian public securities filings, at www.sedar.com.

SCHEDULE "A"
AUDIT COMMITTEE TERMS OF REFERENCE

1. Role and Objective

The Audit Committee (the "**Committee**") is a committee of the board of directors (the "**Board**") of New Stratus Energy Inc. (the "**Corporation**") to which the Board has delegated its responsibility for oversight of the nature and scope of the annual audit, management's reporting on internal accounting standards and practices, financial information and accounting systems and procedures, financial reporting and statements and recommending, for Board of Director approval, the audited financial reports and other mandatory disclosure releases containing financial information. The objectives of the Committee, with respect to the Corporation and its subsidiary, are as follows:

- (a) To assist directors to meet their responsibilities in respect of the preparation and disclosure of the financial reports of the Corporation and related matters.
- (b) Provide an open avenue of communication among the Corporation's auditors, financial and senior management and the Board.
- (c) To ensure the external auditors' independence and review and appraise their performance.
- (d) To increase the credibility and objectivity of financial reports.
- (e) To strengthen the role of the outside directors by facilitating in depth discussions between directors on the Committee, management and external auditors.

2. Composition

The Committee shall be comprised of at least three directors as determined by the Board, the majority of whom shall be independent directors as defined in National Instrument 52-110 *Audit Committees* ("**NI 52-110**") and pursuant to the policies of the Exchange. "Independent" generally means free from any business or other direct or indirect material relationship with the Corporation that could, in the view of the Board, reasonably interfere with the exercise of the member's independent judgment.

All of the members must be financially literate within the meaning of NI 52-110 unless the Board has determined to rely on an exemption in NI 52-110. Being "financially literate" means members have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements. For the purposes of these audit committee terms of reference ("**Terms of Reference**"), the definition of "financially literate" is the ability to read and understand a set of financial reports that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Corporation's financial reports.

The members of the Committee shall be elected by the Board at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

3. Meetings

The Committee shall meet at least four times per year and/or as deemed appropriate by the Committee Chair. As part of its job to foster open communication, the Committee will meet at least annually with management and the external auditors in separate sessions.

Agendas, with input from management, shall be circulated to Committee members and relevant management personnel along with background information on a timely basis prior to the Committee meetings.

The minutes of the Committee meetings shall accurately record the decisions reached and shall be distributed to the Committee members with copies to the Board, the Chief Financial Officer or such other officer acting in that capacity, and the external auditor.

The Chief Executive Officer and the Chief Financial Officer or their designates shall be available to attend at all meetings of the Committee upon the invitation of the Committee.

The Controller, Treasurer and/or such other staff as appropriate to provide information to the Committee shall attend meetings upon invitation by the Committee.

4. Mandate and Responsibilities

To fulfill its responsibilities and duties, the Committee shall:

- (a) undertake annually a review of this mandate and make recommendations to the Corporate Governance Committee as to proposed changes;
- (b) satisfy itself on behalf of the Board with respect to the Corporation's internal control systems, including, where applicable, relating to derivative instruments:
 - (i) identifying, monitoring and mitigating business risks; and
 - (ii) ensuring compliance with legal and regulatory requirements;
- (c) review the Corporation's financial reports, management discussion and analysis ("MD&A"), any annual earnings, interim earnings and press releases before the Corporation publicly discloses this information and any reports or other financial information (including quarterly financial reports), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors; the process should include but not be limited to:
 - (i) reviewing changes in accounting principles, or in their application, which may have a material impact on the current or future years' financial reports;
 - (ii) reviewing significant accruals, reserves or other estimates such as the ceiling test calculation;
 - (iii) reviewing accounting treatment of unusual or non-recurring transactions;
 - (iv) ascertaining compliance with covenants under loan agreements;
 - (v) reviewing financial reporting relating to asset retirement obligations;
 - (vi) reviewing disclosure requirements for commitments and contingencies;
 - (vii) reviewing adjustments raised by the external auditors, whether or not included in the financial reports;
 - (viii) reviewing unresolved differences between management and the external auditors;

- (ix) obtain explanations of significant variances with comparative reporting periods; and
 - (x) determine through inquiry if there are any related party transactions and ensure the nature and extent of such transactions are properly disclosed;
- (d) review the financial reports and related information included in prospectuses, MD&A, information circular-proxy statements and annual information forms, prior to Board approval;
- (e) with respect to the appointment of external auditors by the Board:
- (i) require the external auditors to report directly to the Committee;
 - (ii) review annually the performance of the external auditors who shall be ultimately accountable to the Board and the Committee as representatives of the shareholders of the Corporation;
 - (iii) obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Corporation and confirming their independence from the Corporation;
 - (iv) review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors;
 - (v) be directly responsible for overseeing the work of the external auditors engaged for the purpose of issuing an auditors' report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting;
 - (vi) review management's recommendation for the appointment of external auditors and recommend to the Board appointment of external auditors and the compensation of the external auditors;
 - (vii) review the terms of engagement of the external auditors, including the appropriateness and reasonableness of the auditors' fees;
 - (viii) when there is to be a change in auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change;
 - (ix) take, or recommend that the full Board take, appropriate action to oversee the independence of the external auditors; and
 - (x) at each meeting, consult with the external auditors, without the presence of management, about the quality of the Corporation's accounting principles, internal controls and the completeness and accuracy of the Corporation's financial reports;
- (f) review all public disclosure containing audited or unaudited financial information before release;
- (g) review financial reporting relating to risk exposure;

- (h) satisfy itself that adequate procedures are in place for the review of the Corporation's public disclosure of financial information from the Corporation's financial reports and periodically assess the adequacy of those procedures;
 - (i) review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation;
 - (j) review annually with the external auditors their plan for their audit and, upon completion of the audit, their reports upon the financial reports of the Corporation and its subsidiaries;
 - (k) review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Corporation's external auditors and consider the impact on the independence of the auditors; The pre-approval requirement is waived with respect to the provision of non-audit services if:
 - (i) the aggregate amount of all such non-audit services provided to the Corporation constitutes not more than five percent (5%) of the total amount of revenues paid by the Corporation to its external auditors during the fiscal year in which the non-audit services are provided;
 - (ii) such services were not recognized by the Corporation at the time of the engagement to be non-audit services; and
 - (iii) such services are promptly brought to the attention of the Committee by the Corporation and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Committee;
- provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval, such authority may be delegated by the Committee to one or more independent members of the Committee;
- (l) review any other matters that the Audit Committee feels are important to its mandate or that the Board chooses to delegate to it;
 - (m) with respect to the financial reporting process:
 - (i) in consultation with the external auditors, review with management the integrity of the Corporation's financial reporting process, both internal and external;
 - (ii) consider the external auditors' judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting;
 - (iii) consider and approve, if appropriate, changes to the Corporation's auditing and accounting principles and practices as suggested by the external auditors and management;
 - (iv) review significant judgments made by management in the preparation of the financial reports and the view of the external auditors as to appropriateness of such judgments;

- (v) following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;
- (vi) review any significant disagreement among management and the external auditors regarding financial reporting;
- (vii) review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented;
- (viii) review the certification process;
- (ix) establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and
- (x) establish procedures for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

5. Authority

Following each meeting, in addition to a verbal report, the Committee will report to the Board by way of providing copies of the minutes of such Committee meeting at the next Board meeting after a meeting is held (these may still be in draft form).

Supporting schedules and information reviewed by the Committee shall be available for examination by any director.

The Committee shall have the authority to investigate any financial activity of the Corporation and to communicate directly with the internal and external auditors. All employees are to cooperate as requested by the Committee.

The Committee may retain, and set and pay the compensation for, persons having special expertise and/or obtain independent professional advice to assist in fulfilling its duties and responsibilities at the expense of the Corporation.

SCHEDULE "B"

URANIUM ZONE PROJECT

The summary of the Uranium Zone Project below has been extracted from the Uranium Zone Technical Report, which was filed on SEDAR at www.sedar.com on October 31, 2017, and is incorporated by reference herein. The Uranium Zone Report was prepared for the Corporation in accordance with NI 43-101 by "qualified persons", as defined in NI 43-101. The technical and scientific information contained in this section has been reviewed and approved by William E. Roscoe, Ph.D., P.Eng., who is an independent "qualified person" for the purpose of NI 43-101. Defined terms used in this summary shall have the meanings ascribed to such terms in the Uranium Zone Technical Report.

The information included or incorporated by reference herein is based on assumptions, qualifications and procedures which are set out in the Uranium Zone Technical Report. For a complete description of the assumptions, qualifications and procedures associated with the following information, reference should be made to the full text of the Uranium Zone Technical Report.

URANIUM ZONE PROJECT

Property Description, Location and Access

The Uranium Zone Project is located in the RB2 claim block in the northwestern corner of northern Saskatchewan, approximately three kilometres by road southwest of Uranium City. It is 525 km by air northwest of La Ronge. The property is located on 1:50,000 NTS sheet 74/N 10SE and is centred approximately on 59° 32' N latitude, 108° 41' W longitude.

The RB2 claim block (1,815 hectares) is comprised of four staked claims wholly owned by the Corporation. The property is not subject to any royalties, back-in rights, payments, other agreements, or encumbrances. All four claims are in good standing and, subject to the completion of the necessary expenditure requirements, can be renewed indefinitely. Beginning in the second year, and continuing to the 10th anniversary, annual expenditure requirements to maintain claim ownership are \$12/ha. There are no known environmental liabilities associated with the property.

Except for exploration purposes, a mineral claim does not grant the holder the right to mine minerals. A Saskatchewan mineral claim in good standing can be converted to a lease upon application and with the completion of a boundary survey. Leases are for a term of 10 years and are renewable. Acquisition of a lease grants to the holder the exclusive right to explore for, mine, recover, and dispose of any minerals within the lease lands which are nonetheless owned by the Province of Saskatchewan. Surface facilities and mine workings are therefore located on Provincial lands and the right to use and occupy lands is acquired under a surface lease from the Province of Saskatchewan. A surface lease is for a maximum of 33 years.

The RB2 claim block is ideally close to the local SaskPower electrical grid and adjacent to the Hamlet of Uranium City (population approximately 100).

History

The RB2 claim block area has a complicated history of claim ownership and exploration from the late 1940s and extending to 1980.

Lake Cinch Mine Area: The area just west of where the Crackingstone River drains out of Lake Cinch was first staked in 1948 as the "Jam group" and sold in 1950 to Cinch Lake Uranium Mines Ltd. From 1951 to 1953, the Jam group property was explored, including drilling, by Mining Corporation of Canada Ltd., acting for Cinch Lake Uranium Mines Ltd. In 1954, control of the Jam group was acquired by Violamac Mines Limited. The company changed its name to Lake Cinch Mines Limited and conducted exploration, including drilling, from then until fall 1955. Shaft sinking at the Lake Cinch Mine was initiated in

September 1955 and ore production started in May 1957. All ore mined was shipped for custom milling to the Laredo custom mill, which was three kilometres to the south. The Lake Cinch Mine closed in May 1960. It is unclear who owned the Lake Cinch Mine Jam group from about 1960 to 1968.

Cenex Mine area: In 1949, Amax Athabasca Uranium Mines Limited (Amax Athabasca) acquired the ground to the west of the Jam group as concession CC-1, which included the present location of the Cenex Mine. Between 1951 and 1953, Amax Athabasca explored its concession by diamond drilling. Pardee Amalgamated Mines Limited followed up the work by Amax Athabasca with further drilling. This exploration resulted in the discovery of the River uraniumiferous zone (also known as the 03 zone). The ground west of the Jam group lapsed in 1958 and was restaked by A.J.B. Nicholson. In 1965, the area was restaked and then acquired by Enex Mines in 1966 as ML5416.

Lake Cinch – Cenex Property Amalgamation: In 1969, the Enex Group merged with New Cinch Mines Limited under the name Gardex Mines Limited (Gardex) with the intention of developing the two properties (i.e., the Jam group and ML5416) jointly, using the Lake Cinch Mine shaft. However, this intended reopening of the Lake Cinch workings did not happen. Until 1969, the Lake Cinch and Cenex Mine areas were held by different owners and explored independently, even though the two properties are only a few hundred metres apart. Although Gardex consolidated the ground position in 1969, there apparently was no further exploration at the Lake Cinch – Cenex area until 1974.

Eldorado Nuclear Ltd. work at Lake Cinch – Cenex: In 1974, Eldorado Nuclear Limited (ENL) purchased the property from Gardex and conducted drilling "to confirm the Enex mineralized zones and estimated ore reserves", however, no mining was carried out at either Cenex or Lake Cinch. In 1976, ENL optioned the property to New Joburke Exploration Limited, which in August 1977 changed its name to Cenex Ltd. (Cenex).

Development of the Cenex Mine: In 1978, Cenex sank a decline on the Cenex 03 (River) Zone to a vertical depth of about 114 m, and commenced production, with the ore being shipped to the ENL mill at Eldorado. Production continued until early fall 1979 when a fire destroyed the powerhouse and Cenex was subsequently placed in receivership. Production was entirely from the Cenex Mine workings.

Frame Contracting work at Lake Cinch – Cenex: In 1980, A. Frame Contracting Ltd. (Frame Contracting) purchased the Cenex–Lake Cinch Mine site and shipped some stockpiled ore to the ENL mill. Frame Contracting did not carry out any underground mining at either Lake Cinch or Cenex. The publicly available records in the Saskatchewan Assessment Work Catalogue indicate that no further work was done at the Lake Cinch – Cenex locale until the RB2 claim block was staked by the Corporation during 2004 and 2005.

Geological Setting, Mineralization and Deposit Types

The Uranium City area of northwestern Saskatchewan is located in the south-central Rae Subprovince of the Western Churchill Province. The general area is one of multiple basement domains recording a protracted and complex geological evolution that includes multiple phases of granitoid emplacement, deposition of volcanoclastic successions, metamorphism, and tectonism that spans 1.6 billion years from Mesoproterozoic to Mesoproterozoic. Uranium City proper is on the western edge of the Beaverlodge Domain, adjacent to the Black Bay Fault, which defines the boundary with the Zemplin Domain to the west.

The Beaverlodge District has recently been subdivided into the Zemplin Domain to the west of the Black Bay Fault, and the Beaverlodge and Nevins Lake domains to the east. The Nevins Lake Block consists of the ca. 3.0 Ga and possibly much older Archean granitic basement that is uncomfortably overlain by the Paleoproterozoic Murmac Bay Group (formerly called Tazin Group). These rocks are cut by a suite of ca. 2.3 Ga mafic to felsic meta-plutonic rocks of the Arrowsmith Orogeny as well as a younger suite of ca. 1.9 Ga syntectonic plutons. All of these rocks are uncomfortably overlain by the Thluicho Lake Group and the Martin Group, although only the latter is exposed in the RB2 mineral claim block. All the above strata are cut by Proterozoic mafic dykes, at least some of which may be feeders to the mafic volcanic rocks within

the Martin Group. These rocks are, in turn, unconformably overlain by early Mesoproterozoic, unmetamorphosed, fluvial sandstones of the Athabasca Group; however, basal Athabasca Group is only known to crop out on islands just south of the Crackingstone Peninsula.

The bedrock geology of the RB2 claim block portrays a convoluted history encompassed in highly strained and metasomatized rocks. The bulk of the property (including two historic uranium mines) is underlain by what has been termed the "Black Bay straight belt", an over 10 km wide, northeast-trending corridor of intensely deformed and attenuated Murmac Bay Group rocks and intrusive rocks. The evident geological relationships are complex due to intense folding, widespread partial melting, locally intense hematization, and repeated and extensive cataclastic deformation. Because of deformation and hematitic alteration, the probably originally diverse sequence of rocks has lost much of its identity and now resembles fairly homogeneous leucocratic granitoids or undifferentiated quartzofeldspathic rocks. The original protoliths have been reduced to crushed cataclasite or mylonitic rock. The general structure is monoclinical, with a steep dip either to the southeast or northwest.

Superimposed on the "Black Bay straight belt" are numerous brittle-ductile to brittle faults, including the first-order northeasterly trending Black Bay and Boom Lake faults and second-order, northeasterly trending faults such as the Lake Cinch MOF, Lake Cinch MOF Extension, which is south of the Crackingstone River, Leadridge, and Leadridge Extension faults. These older faults are offset in places by subsequent major east trending faults, such as the Crackingstone River Fault (CRF), and finally, there are numerous fourth-order faults that trend west-northwesterly, westerly, and west-southwesterly.

The various reports and documents that describe the distribution of uranium zones at the Lake Cinch – Cenex region indicate that many or most of the important uranium zones occur along the later secondary to fourth-order structures. As currently understood, the Cenex, Lake Cinch, and Fusion Zones are located a few hundreds of metres west of the Black Bay Fault, proximal to the intersection of the CRF with the Black Bay Fault.

Drilling to date on the RB2 claim block has targeted the northeast extension of the MOF of the former Cinch Lake Mine, just beyond the northeast limit of the mine workings. Two roughly parallel mineralized fault structures, referred to as the Fusion Uranium Zone, have been intersected, each striking approximately 45° and dipping on average 50° to the southeast. It appears that the MOF has split into two fault structures, the most northerly of which is termed MOF-1 and the southerly, MOF-2. These features both average 1.9 m in thickness and are separated by 1.0 m to 8.0 m, or approximately 6.0 m on average. There are 30 drill intercepts through MOF-1 and 37 through MOF-2, and pierce point spacings range from 25 m to 100 m. The apparent sheet-like mineralization indicated by these 67 pierce points extends approximately 300 m along a northeast strike and for 460 m down a southeast dip.

There are at least three distinct types of uranium deposits within the Beaverlodge Uranium District: syngenetic, supergene, and epigenetic deposits. Of the three deposit types, only epigenetic (e.g., Ace-Fay-Verna deposits) and perhaps supergene (e.g., Bolger) maintain relevance for their economic significance. In contrast, the syngenetic uranium deposits tend to have erratic and low radioactive mineral content.

Exploration

The Corporation has explored the RB2 claim block from 2005 to 2008 as outlined below. 2005 and 2006: Airborne magnetic and electromagnetic surveys were flown over the RB2 claim block. The geophysical survey was completed in August 2005 by Geotech Limited (2005), and a brief interpretive geophysical report was done in early 2006 (Lyatsky, 2006). In addition to this work, in early fall 2005, selected ground work was done on the RB2 block to establish more precise locations for the claim corner posts and selected drill hole collars, and to evaluate whether any of the historic physical grids could be re-established. Preliminary acquisition of historic data was begun.

2007: In early 2007, an ongoing GIS compilation of selected data was initiated and a total of 40.1 line km of physical gridding was done within the central part of the RB2 claim block. 2008: From February 4 to

November 26, 2008, a total of 11,611.3 m was drilled in 42 holes near the former Lake Cinch and Cenex mines. Geological examinations and semi-detailed mapping was conducted within the central part of the RB2 claim block.

The Uranium Zone Technical Report estimated a range of potential tonnes and grade of an exploration target for the Fusion Zone based on results of drilling to 2008 and other information such as past production from the Lake Cinch and Cenex mines. The Fusion Zone exploration target has a potential tonnage range of 100,000 tonnes to 200,000 tonnes and a potential grade range of 0.20% U_3O_8 to 0.25% U_3O_8 , for a potential range in contained U_3O_8 of 440,000 pounds to 1,100,000 pounds. This potential tonnage, grade, and contained U_3O_8 is conceptual in nature, there has been insufficient exploration to define a Mineral Resource, and it is uncertain if further exploration will result in the target being delineated as a Mineral Resource.

Drilling

On the RB2 claim block, the Corporation drilled a total of 11,611.3 m in 42 holes from February 4 to November 26, 2008. This total includes 9,490.1 m in 33 holes drilled to explore the Lake Cinch Main Ore Fault east of the former underground Lake Cinch Mine workings (specifically holes 08RB2-01 to 08RB-27 and 08RB2-37 to 08RB2-42, including hole 08RB2-06A which had to be abandoned at 19 m due to poor ground conditions). As well, 2,121.2 m in nine holes were drilled to test the River Zone at and near the former Cenex Mine (specifically holes 08RB2-28 to 08RB2-36). All casings were pulled and a wooden marker inscribed with the hole number was inserted in the hole.

The Corporation probed its drill holes with a BGR-01 Gamma Ray Probe, essentially a scintillometer employing a thallium-activated sodium iodide crystal. Of the various data collected, the Corporation relied on the total counts collected as the probe is lowered down hole at 8 m to 10 m per minute and then raised at an approximate average up-speed of 5 m per minute. Only the up-hole readings are used and are plotted in profile on the Corporation's drill sections. Reliable gamma ray probe data are available for 40 of the 42 holes drilled to date. The Corporation used the gamma ray probe primarily as an exploration and confirmatory tool for radioactivity measured separately on the core and to guide core sampling. The Corporation did not use the gamma ray probe data to estimate equivalent U_3O_8 (e U_3O_8) grades across an interval in drill holes because core recovery has averaged 99+% for most holes and core was available for assay.

From the above noted drilling, a total of 2,285 core samples were submitted to Loring Laboratories Ltd. (Loring) in Calgary, Alberta for U_3O_8 analyses. Following logging, radioactive intercepts were identified using a handheld scintillometer (SRAT SPP2N). Sample intervals ranged from 0.1 m to 1.0 m but were generally 0.40 m to 0.50 m.

The below table lists the best intersections from holes drilled into MOF-1 and MOF-2 of the Fusion Zone to 2008. No drilling has been carried out since that time. This table is a drill section through the Fusion Uranium Zone showing some of the 2008 and earlier drill holes and the interpreted MOF-1 and MOF-2 zones.

SIGNIFICANT DRILL HOLE INTERSECTIONS New Stratus Energy Inc. – Fusion Zone Project

Drill Hole	From (m)	To (m)	Length (m)	Zone	True Thickness (m)	U_3O_8% Uncut	U_3O_8% Cut to 1%
DDH-43 ¹	90.67	93.72	3.05	MOF-1	2.76	1.132	0.492
08RB2-24	162.50	164.50	2.00	MOF-1	1.44	0.490	0.285
08RB2-13	313.00	318.50	5.50	MOF-1	5.40	0.543	0.248
DDH-42 ¹	74.06	76.20	2.14	MOF-1	2.02	0.210	0.210

25 Jim Claim	94.79	96.62	1.83	MOF-1	1.73	0.184	0.184
08RB2-21	94.00	96.50	2.50	MOF-1	2.47	0.122	0.122
08RB2-03	314.20	320.20	6.00	MOF-2	4.37	0.130	0.130
08RB2-14	316.00	319.00	3.00	MOF-2	2.72	0.127	0.127
Cinch EB-83 ¹	161.84	164.29	2.45	MOF-2	1.57	0.115	0.115
08RB2-22	136.00	140.50	4.50	MOF-2	3.22	0.079	0.079
08RB2-07	290.00	292.50	2.50	MOF-2	2.48	0.078	0.078
08RB2-42	239.00	241.00	2.00	MOF-2	1.69	0.072	0.072

¹ Identifies holes drilled by prior operators, and not by the Corporation during 2008.

Sampling, Analysis, and Data Verification

Drill core from the Corporation drilling project is logged, marked for sampling, split, bagged, and sealed for shipment by the Corporation personnel at their logging facility at Uranium City, Saskatchewan. The pails were sealed and locked using chain-of-custody locking tags provided to the Corporation by Loring. On receipt, Loring verified that each pail had the chain-of-custody locking tags in place and that none of the pails had been opened in transit to their laboratory.

The Corporation submitted 2,285 core samples for U₃O₈ analyses, with results ranging from less than the standard detection limit (i.e., <0.001% U₃O₈) up to 3.209% U₃O₈. The Corporation did not insert any blank, standard or duplicate samples in any of the sample shipments sent to Loring. The Corporation relied instead on Loring's internal quality assurance/quality control (QA/QC) procedures.

In the absence of a formal QA/QC program, the Corporation devised a graphical method to monitor the results received from the assay laboratory.

The independent sampling by the author clearly confirms that there is uranium mineralization in the drill holes sampled.

Mineral Processing and Metallurgical Testing

No mineral processing or metallurgical testing has been done by the Corporation on the mineralization being drilled by the Corporation on its RB2 claim block.

Mineral Resource and Mineral Reserve Estimates

There are no current Mineral Resources or Mineral Reserves on the Corporation RB2 property at this time.

SCHEDULE "C"

FORM 51-101F3

REPORT OF MANAGEMENT AND DIRECTORS ON OIL AND GAS DISCLOSURE

This is the form referred to in item 3 of section 2.1 of National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* ("**NI 51-101**").

1. Terms to which a meaning is ascribed in NI 51-101 have the same meaning in this form.
2. The report referred to in item 3 of section 2.1 of NI 51-101 must in all material respects be in the following form:

**Report of Management and Directors
on Reserves Data and Other Information**

Management of New Stratus Energy Inc. (the "**Corporation**") are responsible for the preparation and disclosure of information with respect to the Corporation's oil and gas activities in accordance with securities regulatory requirements. This information includes reserves data.

The board of directors of the Corporation has reviewed the oil and gas activities of the Corporation and has determined that the Corporation had no reserves as of March 31, 2018.

An independent qualified reserves evaluator or qualified reserves auditor has not been retained to evaluate the Corporation's reserves data. No report of an independent qualified reserves evaluator or qualified reserves auditor will be filed with securities regulatory authorities with respect to the financial year ended on March 31, 2018.

The board of directors has reviewed the Corporation's procedures for assembling and reporting other information associated with oil and gas activities and has reviewed that information with management. The board of directors has approved:

- (a) the content and filing with securities regulatory authorities of Form 51-101F1 containing information detailing the Corporation's oil and gas activities; and
- (b) the content and filing of this report.

(signed) *Krishna Vathyam*

(signed) *Bruce Cameron*

Krishna Vathyam
Interim Chief Executive Officer

Bruce Cameron
Interim Chief Financial Officer

(signed) *Jose Francisco Arata*

(signed) *Marino Ostos Rosales*

Jose Francisco Arata
Director

Marino Ostos Rosales
Director

May 24, 2018