



Notice of Annual General and Special Meeting of Shareholders & Management Information Circular

The Annual General and Special Meeting of Shareholders

of Jericho Energy Ventures Inc. will be held at Suite 700, 321 South Boston Street, Tulsa, Oklahoma Tuesday, June 27, 2023 at 10:00 a.m. (Central Time)

Dated: May 26, 2023

THIS NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF JERICHO ENERGY VENTURES INC. OF PROXIES TO BE VOTED AT THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS OF JERICHO ENERGY VENTURES INC. TO BE HELD ON JUNE 27, 2023.

JERICHO ENERGY VENTURES INC.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE is hereby given that the Annual General and Special Meeting (the “**Meeting**”) of the shareholders of **JERICHO ENERGY VENTURES INC.** (the “**Corporation**”) will be held at Suite 700, 321 South Boston Street, Tulsa, Oklahoma on **Tuesday, June 27, 2023** at 10:00 a.m. (Central Time) for the following purposes:

1. to receive and consider the audited financial statements of the Corporation for the financial year ended December 31, 2022, together with the auditor’s report thereon;
2. to appoint Manning Elliott LLP as auditors for the Corporation for the ensuing financial year and to authorize the directors to fix the remuneration to be paid to the auditors;
3. to elect directors to hold office until the next annual general meeting of the Corporation’s shareholders as described in the accompanying management information circular (the “**Circular**”);
4. to consider, and if thought advisable, pass an ordinary resolution, as more particularly set forth in the Circular, to re-approve the Corporation’s 10% rolling stock option plan; and
5. to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

The specific details of the matters proposed to be put before the Meeting are set forth in the accompanying Circular which forms a part of this Notice.

If you are unable to be present personally at the Meeting, you are requested to complete, date, sign and deposit the enclosed form of proxy with the Corporation’s registrar and transfer agent, Computershare Investor Services Inc., 100 University Ave., 8th Floor, Toronto, ON M5J 2Y1, not later than 10:00 a.m. (Central Time) on June 23, 2023, or 48 hours before the time of the holding of any adjourned or postponed Meeting, excluding Saturdays, Sundays and holidays, so that as large a representation may be had at the Meeting.

If you are a non-registered shareholder and have received this notice and the Circular from your broker or another intermediary, please complete and return the proxy, voting instruction form or other authorization form provided to you by your broker or intermediary in accordance with the instructions provided to you.

The board of directors of the Corporation has fixed the close of business on May 16, 2023, as the record date for the determination of holders of common shares and variable voting shares of the Corporation entitled to notice of the Meeting and any adjournment or postponement thereof.

DATED at Vancouver, British Columbia, this 26th day of May 2023.

**ON BEHALF OF THE BOARD OF DIRECTORS
OF JERICHO ENERGY VENTURES INC.**

(signed) Brian Williamson

Brian Williamson, CEO and Director

JERICHO ENERGY VENTURES INC.
1055 West Georgia Street, Suite 2100
PO BOX 11110 STN Royal Centre
Vancouver, BC V6E 3P3

MANAGEMENT INFORMATION CIRCULAR

Unless otherwise stated, the information contained in this management information circular (the “**Circular**”) is as of May 26, 2023 (the “**Effective Date**”). The contents and the sending of this Circular have been approved by the board of directors of the Corporation.

Unless otherwise indicated, all references “\$” or “US\$” in this Circular refer to United States dollars and all references to “C\$” in this Circular refer to Canadian dollars.

MANAGEMENT SOLICITATION OF PROXIES

This Circular is furnished to you in connection with the solicitation of proxies by the management of Jericho Energy Ventures Inc. (“**we**”, “**us**” or the “**Corporation**”) for use at the annual general and special meeting of shareholders of the Corporation (and any adjournment or postponement thereof) (the “**Meeting**”) to be held on Tuesday, June 27, 2023 at 10:00 a.m. (Central Time) at Suite 700, 321 South Boston Street, Tulsa, Oklahoma and for the purposes set out in the accompanying notice of meeting. While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone by the regular employees of the Corporation at nominal cost or otherwise by proxy solicitation services. In accordance with National Instrument 54-101 – *Communication with Beneficial Owner of Securities of a Reporting Issuer* (“**NI 54-101**”), arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the common shares without par value (the “**Common Shares**”) and variable voting shares without par value (the “**Variable Voting Shares**”, and together with the Common Shares, the “**Equity Shares**”) in the capital of the Corporation held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. All costs of solicitation will be borne by the Corporation.

APPOINTMENT AND REVOCATION OF PROXIES

Accompanying this Circular is a form of proxy for holders of Equity Shares. The individuals named in the accompanying form of proxy are directors and/or officers of the Corporation. **A SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) TO REPRESENT SUCH SHAREHOLDER AT THE MEETING HAS THE RIGHT TO DO SO, EITHER BY STRIKING OUT THE NAMES OF THOSE PERSONS NAMED IN THE ACCOMPANYING FORM OF PROXY AND INSERTING THE DESIRED PERSON’S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER FORM OF PROXY.** Such Shareholder should notify the nominee of the appointment, obtain the nominee’s consent to act as proxy and should provide instructions on how the shareholder’s Equity Shares are to be voted. The nominee should bring personal identification with him or her to the Meeting.

A proxy will not be valid unless the completed form of proxy is received by Computershare Investor Services Inc. (the “**Transfer Agent**”), Attention: Proxy Department: (i) by mail to 100 University Ave., 8th Floor, Toronto, ON M5J 2Y1, or (ii) online at www.investorvote.com, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting or any adjournment or postponement thereof, or delivered to the Chairman of the Meeting prior to the commencement of the Meeting. Shareholders are cautioned that the transmission of proxies by mail is at each shareholder’s risk. Late proxies may be accepted or rejected by the Chairman of the Meeting, in his or her discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

A shareholder who has given a proxy may revoke it by an instrument in writing executed by the shareholder or by his or her attorney authorized in writing or, where the shareholder is a corporation, by a duly authorized officer

or attorney of the corporation, and delivered to Computershare Investor Services Inc., Proxy Department, 100 University Ave., 8th Floor, Toronto, ON M5J 2Y1, at any time up to and including the last business day preceding the day of the Meeting or any adjournment or postponement thereof, or to the Chairman of the Meeting on the day of the Meeting or any adjournment or postponement thereof, or in any other manner provided by law. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation. In addition, a proxy may be revoked by a shareholder personally attending at the Meeting and voting his or her Equity Shares.

VOTING OF PROXIES

SHARES REPRESENTED BY PROPERLY EXECUTED PROXIES IN FAVOUR OF PERSONS DESIGNATED IN THE ENCLOSED FORM OF PROXY WILL BE VOTED FOR ALL MATTERS TO BE VOTED ON AT THE MEETING AS SET OUT IN THIS INFORMATION CIRCULAR OR WITHHELD FROM VOTING IF SO INDICATED ON THE FORM OF PROXY.

The shares represented by proxies will, on any poll or ballot where a choice with respect to any matter to be acted upon has been specified in the form of proxy, be voted in accordance with the specification made.

SUCH SHARES WILL, ON A POLL OR BALLOT, BE VOTED IN FAVOUR OF EACH MATTER FOR WHICH NO CHOICE HAS BEEN SPECIFIED BY THE SHAREHOLDER.

The enclosed form of proxy, when properly completed and delivered and not revoked, confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting, and with respect to other matters which may properly come before the Meeting. In the event that amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting or any further or other business is properly brought before the Meeting, it is the intention of the persons designated in the enclosed form of proxy to vote in accordance with their best judgement on such matters or business. At the time of the printing of this Circular, the management of the Corporation knows of no such amendment, variation or other matter which may be presented to the Meeting.

REGISTERED SHAREHOLDERS

Registered shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered shareholders may choose one of the following options to submit their proxy:

- (a) Completing, dating and signing the enclosed form of proxy and returning it to the Corporation's Transfer Agent, Computershare Investor Services Inc., by mail or hand delivery to the Proxy Department, 100 University Ave., 8th Floor, Toronto, ON M5J 2Y1; or
- (b) Use the internet through the website of the Corporation's transfer agent at www.investorvote.com.

In all cases, the registered shareholder must ensure the proxy is received at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting or the adjournment or postponement thereof at which the proxy is to be used.

NON-REGISTERED HOLDERS

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Corporation are "non-registered" shareholders because the shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the shares. More particularly, a person is not a registered shareholder in respect of shares which are held on behalf of that person (the "**Non-Registered Holder**") but which are registered either: (a) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Holder deals with in respect of the shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSP's, RRIF's, RESPs and similar plans); or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited ("**CDS**")) of which the Intermediary is a participant.

These securityholder materials are being sent to both registered shareholders and Non-Registered Holders. If you are a Non-Registered Holder, and the Corporation or its agent has sent these materials to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf.

Non-Registered Holders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Corporation are referred to as “NOBOs”. Those Non-Registered Holders who have objected to their Intermediary disclosing ownership information about themselves to the Corporation are referred to as “OBOs”.

In accordance with NI 54-101, the Corporation has elected to send the Notice of Meeting and this Circular (collectively, the “**Meeting Materials**”) indirectly to the NOBOs, and indirectly through Intermediaries to the OBOs. The Intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to each OBO, unless the OBO has waived the right to receive them. By choosing to send these materials to the NOBOs indirectly, the Intermediaries have assumed responsibility for (i) delivering these materials to the NOBOs, and (ii) executing their proper voting instructions. The Corporation will not pay for the costs associated with Intermediaries’ delivery to OBOs.

The Meeting Materials sent to Non-Registered Holders who have not waived the right to receive meeting materials are accompanied by a request for voting instructions (a “**VIF**”). This form is instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a Non-Registered Holder is able to instruct the registered shareholder how to vote on behalf of the Non-Registered Holder. VIFs, whether provided by the Corporation or by an Intermediary, should be completed and returned in accordance with the specific instructions noted on the VIF.

In either case, the purpose of this procedure is to permit Non-Registered Holders to direct the voting of the shares which they beneficially own. Should a Non-Registered Holder who receives a VIF wish to attend the Meeting or have someone else attend on his or her behalf, the Non-Registered Holder may request a legal proxy as set forth in the VIF, which will grant the Non-Registered Holder, or his or her nominee, the right to attend and vote at the Meeting.

Please return your voting instructions as specified in the VIF. Non-Registered Holders should carefully follow the instructions set out in the VIF, including those regarding when and where the VIF is to be delivered.

VOTING IN PERSON

Any shareholder attending the Meeting to vote personally or as proxyholder for another shareholder shall be required to produce identification satisfactory to the Chairman of the Meeting establishing his or her identity. If a shareholder is a corporation or an entity other than an individual, then the duly authorized officer or representative of the corporation or other entity must deliver to the Chairman of the Meeting the original or a notarial copy of the instrument empowering such person to attend the Meeting and vote on behalf of the shareholder. Such documentation shall be in a form acceptable to the Chairman of the Meeting, in his or her discretion.

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

Other than as disclosed elsewhere herein, management of the Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of directors, of any person or company:

- (a) who has been a director or executive officer of the Corporation since the commencement of the Corporation’s last completed financial year;
- (b) any proposed nominee for election as a director of the Corporation; and
- (c) any associate or affiliate of any of the foregoing persons.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized share capital of the Corporation consists of an unlimited number of Common Shares and an unlimited number of Variable Voting Shares. The Common Shares may only be held by any person or entity that is not a U.S. Resident (as defined below) and the Variable Voting Shares may only be held, beneficially owned or controlled by U.S. Residents.

For the purposes of this Circular, “**U.S. Resident**” means a resident of the United States, determined as set forth in Rule 405 under the *Securities Act of 1933*, as amended. Without limiting the foregoing but for greater clarity, a security holder is a U.S. Resident if such person’s address appears on the records of the Corporation (i.e., a registered holder) as in the United States; provided that (i) the Corporation is required to “look through” the record ownership of brokers, dealers, banks or nominees located in (A) the United States, (B) Canada, and (C) the Corporation’s primary trading market (if different from Canada) who hold securities for the accounts of their customers, to determine the residency of those customers, and the Corporation is also required to take into account information regarding U.S. ownership derived from beneficial ownership reports that are provided to the Corporation or filed publicly, as well as information that otherwise is provided to the Corporation.

Holders of Common Shares and Variable Voting Shares are entitled to receive notice of or to attend and vote at any meetings of the shareholders of the Corporation. As of the Effective Date, there were 234,914,914 issued and outstanding, which, as at March 31, 2023, consisted of 54,982,129 Common Shares and 179,932,785 Variable Voting Shares.

Holders of Common Shares shall be entitled to notice of and to attend and participate in any general meeting of the Corporation. Holders of Common Shares shall be entitled to vote at any general meeting (including electronic meetings) of the Corporation, and at each such meeting, shall be entitled to one (1) vote in respect of each Common Share held, except that holders shall not have an entitlement to vote at a class meeting or series meeting of which only holders of another particular class or series of shares of the Corporation shall have the right to vote.

Holders of Variable Voting Shares shall be entitled to notice of and to attend and participate in any general meeting of the Corporation. Holders of Variable Voting Shares shall be entitled to vote at any general meeting (including electronic meetings) of the Corporation, and at each such meeting, shall be entitled to one (1) vote in respect of each Variable Voting Share held, except that (i) holders shall not have an entitlement to vote at a class meeting or series meeting of which only holders of another particular class or series of shares of the Corporation shall have the right to vote and (ii) if the number of votes that may be exercised, in connection with the election or removal of directors, in respect of all issued and outstanding Variable Voting Shares exceeds 49.9% of the total number of votes that may be exercised, in connection with the election or removal of directors, in respect of all issued and outstanding Equity Shares, the vote attached to each Variable Voting Share will decrease automatically and pro rata and without further act or formality to equal the maximum permitted vote per Variable Voting Share. The Variable Voting Shares as a class cannot carry more than 49.9% of the Aggregate Votes, in connection with the election or removal of directors, attached to all issued and outstanding Equity Shares of the Corporation.

Except as otherwise provided in these Articles (including without limitation the restrictions on voting rights for the election or removal of directors in the case of the Variable Voting Shares) or except as provided in the *Business Corporations Act* (British Columbia) (the “**BCBCA**”), Common Shares and Variable Voting Shares are equal in all respects and shall vote together as if they were shares of a single class.

Persons who are registered shareholders at the close of business on May 16, 2023 (the “**Record Date**”), will be entitled to receive notice of, attend, and vote at the Meeting. Holders of Equity Shares are entitled to one vote for each Equity Share held, provided, and subject to the limitation, that the Variable Voting Shares as a class cannot carry more than 49.9% of the Aggregate Votes, in connection with the election or removal of directors, attached to all issued and outstanding Equity Shares of the Corporation. In order to approve an ordinary resolution at the Meeting, a simple majority of more than 50% of the votes cast at the Meeting will be required. In order to approve a special resolution at the Meeting, more than 66 $\frac{2}{3}$ % of the votes cast at the Meeting will be required.

The quorum for the transaction of business at the Meeting is two (2) shareholders present in person at the Meeting

or represented by proxy holding, in the aggregate, at least five percent (5%) of the issued shares entitled to be voted at the meeting.

To the knowledge of the directors and executive officers of the Corporation, as of the Effective Date, other than as disclosed below, no person or company beneficially owns, controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to the Equity Shares (as a whole).

<u>Name of Shareholder</u>	<u>No. of Equity Shares Owned⁽¹⁾</u>	<u>Percentage of Outstanding Equity Shares⁽²⁾</u>
Michael Graves ⁽³⁾	38,683,174	16.47%
Andrew James McKenna ⁽⁴⁾	24,877,177	10.59%

Notes:

- (1) As of the close of business prior to the Effective Date and based on the most recent public filings of such entity filed on the System for Electronic Disclosure by Insiders (SEDI) at www.sedi.ca.
- (2) Percentage is based on 234,914,914 Equity Shares issued and outstanding as at the Effective Date.
- (3) Michael Graves owns or controls Equity Shares indirectly through Catlett Sands-II, LLC and Michael L. Graves Inter Vivos Trust.
- (4) Andrew James McKenna owns or controls Equity Shares directly and indirectly through AJM Holdings, Inc. and McKenna & Associates, LLC.

PARTICULARS OF MATTERS TO BE ACTED UPON

A. PRESENTATION OF FINANCIAL STATEMENTS

Management will present to the meeting the audited financial statements of the Corporation for the fiscal year ended December 31, 2022, together with the Auditor's Report thereon, copies of which will be available at the meeting and have also been filed and can be accessed on the internet on the System for Electronic Data Analysis and Retrieval (SEDAR) at www.sedar.com. No vote by the shareholders is required to be taken on the financial statements.

B. APPOINTMENT OF AUDITOR

Management of the Corporation proposes that Manning Elliott LLP, Chartered Accountants be re-appointed as auditor of the Corporation to hold office until the next annual general meeting of the Corporation, at a remuneration to be fixed by the board of directors of the Corporation (the "**Board**"). Manning Elliott LLP was first appointed as the Corporation's auditor in October 2014. **Unless otherwise directed, it is the intention of the management designees in the form of proxy, if named as proxy, to vote the proxies in favour of an ordinary resolution appointing Manning Elliott LLP as auditor of the Corporation and to authorize the Board to fix the remuneration of Manning Elliott LLP.**

C. ELECTION OF DIRECTORS

Directors of the Corporation are elected at each annual general meeting and hold office until the next annual general meeting or until that person sooner ceases to be a director.

The Board presently consists of five (5) directors. All of the current directors have been directors since the dates indicated below and all will be standing for re-election

The shareholders will be asked to pass an ordinary resolution electing the directors of the Corporation to hold office until the next annual general meeting of shareholders. The persons nominated are, in the opinion of management, qualified to direct the activities of the Corporation until the next annual meeting of shareholders. All nominees have indicated their willingness to stand for election. The Board unanimously recommends that the shareholders vote FOR each of the director nominees listed below at the Meeting. **Unless otherwise directed, it is the intention of the management designees listed in the form of proxy, if named as proxy, to vote for the election of the persons named in the following table to the Board.** The Corporation does not contemplate that

any of such nominees will be unable to serve as directors; however, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, proxies held by management designees will be voted for another nominee in their discretion unless the shareholder has specified in his or her form of proxy that his or her shares are to be withheld from voting in the election of directors. Each director elected will hold office until the next annual meeting of shareholders or until his or her successor is duly elected or appointed, all as the case may be, unless his or her office is earlier vacated in accordance with the Corporation's articles or the provisions of the BCBCA to which the Corporation is subject.

Management proposes to nominate the persons named in the table below for election as directors. The information concerning the proposed nominees has been furnished by each of them:

Name, Province and Country of Residence and Position with the Corporation	Director Since	Number of Shares Beneficially Owned, Directly or Indirectly or over which Control or Direction is Exercised ⁽¹⁾	Principal Occupation and, if Not Previously Elected, Principal Occupation during the Past Five Years
<i>Brian Williamson</i> ⁽⁴⁾ Pennsylvania, USA CEO and Director	May 24, 2017	2,849,523 Equity Shares	CEO and President of Jericho Energy Ventures Inc.
<i>Allen Wilson</i> ⁽²⁾⁽³⁾⁽⁴⁾ B.C., Canada Director	September 15, 2011	1,965,000 Equity Shares	Marketing and Business Development Consultant
<i>Nicholas W. Baxter</i> ⁽²⁾⁽³⁾⁽⁴⁾ Scotland, U.K. Director	September 15, 2011	1,135,000 Equity Shares	Self Employed Oil & Gas Project Consultant
<i>Markus Seywerd</i> ⁽²⁾⁽³⁾ London, United Kingdom Director	January 17, 2017	Nil	Chief Investment Officer and Co-Founder of Park Lane Capital SIOVAC plc, a London based investment management firm.
<i>Carolyn Hauger</i> ⁽²⁾ Ohio, USA Director	May 2, 2022	Nil	Chief Financial Officer of Ten-Nine Technologies, LLC Chief Financial Officer of Lion, Inc. from 2017 to 2021

Notes:

- (1) Equity Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at the Effective Date, based upon information furnished to the Corporation by the above individuals. As of the Effective Date, there were 234,914,914 Equity Shares issued and outstanding.
- (2) Member of Audit Committee.
- (3) Member of Compensation Committee.
- (4) Member of Reserves Committee.

Corporate Cease Trade Orders or Bankruptcies

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

- (a) while that person was acting in that capacity, was the subject of a cease trade order, order similar to a cease trade or 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 (an “order”); or
- (b) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No proposed director is, or has been within 10 years before the Effective Date, a director or executive officer of

any company (including the Corporation) that, while the proposed director was acting in that capacity, or within a year of the proposed director 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.

Individual Bankruptcies

No proposed director has, within the 10 years before the Effective Date, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold their assets.

Penalties and Sanctions

To the best of the Corporation's knowledge, no proposed director has, as at the Effective Date, been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

D. APPROVAL OF 2023 STOCK OPTION PLAN

The Corporation has a 10% "rolling" stock option plan (the "**Option Plan**") which was approved by the shareholders of the Corporation on June 23, 2022, a copy of which is attached hereto as Schedule "B". Under the Option Plan, the Corporation may grant stock options pursuant to which shares may be purchased by directors, officers, employees and consultants of the Corporation up to a maximum of 10% of the issued and outstanding Equity Shares of the Corporation from time to time. As at the Effective Date, the total number of options that are issued and outstanding is 21,366,000 (9.1% of the Corporation's issued and outstanding Equity Shares) and the total number of options that are available for grant is 2,125,491 (0.9% of the Corporation's issued and outstanding Equity Shares).

The Option Plan was established to provide incentive to qualified parties to increase their proprietary interest in the Corporation and thereby encourage their continuing association with the Corporation. The Option Plan is administered by the board of directors of the Corporation and, subject to regulatory requirements or as otherwise provided under the Option Plan, it may be amended by the board of directors of the Corporation without further shareholder approval. Copies of the Option Plan can be obtained from the Corporation.

The Option Plan provides the following limitations:

- The total number of options awarded to any one individual (and companies wholly owned by that individual) in any twelve month period shall not exceed 5% of the issued and outstanding Equity Shares of the Corporation at the award date (unless the Corporation has obtained disinterested shareholder approval).
- The total number of options awarded to any one consultant for the Corporation shall not exceed 2% of the issued and outstanding Equity Shares at the award date without consent being obtained from the TSX Venture Exchange (the "**TSXV**").
- The total number of options awarded to all Investor Relations Service Providers (as such term is defined in the Option Plan) by the Corporation shall not exceed 2% of the issued and outstanding Equity Shares of the Corporation in any twelve month period, calculated at the award date, without consent first being obtained from the TSXV. Investor Relations Service Providers may not receive any security based compensation other than options.
- The total number of options, together with any other security based compensation of the Corporation, awarded to insiders (as a group) shall not exceed 10% of the issued and outstanding Equity Shares of the Corporation at any point in time (unless the Corporation has obtained disinterested shareholder approval).

- The total number of options, together with any other security based compensation of the Corporation, awarded to insiders (as a group) in any twelve month period shall not exceed 10% of the issued and outstanding Equity Shares of the Corporation at the award date (unless the Corporation has obtained disinterested shareholder approval).

The number of Equity Shares subject to an option which may be granted to a participant shall be determined by the Board, but no participant shall be granted an option which exceeds the maximum number of Equity Shares permitted by any stock exchange on which the Equity Shares are then listed, or other regulatory body having jurisdiction. The exercise price of the Equity Shares covered by each option shall be determined by the Board, provided however, that the exercise price shall not be less than the closing price of the Equity Shares on any stock exchange on which the Equity Shares are then listed, on the day preceding the date of the award.

The maximum length any option shall be ten (10) years from the date the option is granted, provided that participant's options expire thirty (30) days after a participant ceases to act for the Corporation, subject to extension at the discretion of the Board, except upon the death of a participant, in which case the participant's estate shall have twelve (12) months in which to exercise the outstanding options. Options are not transferrable or assignable. The Board may, in its sole discretion, determine the time during which options shall vest and the method of vesting, or that no vesting restriction shall exist, provided that options granted to consultants performing investor relations activities will contain vesting provisions such that vesting occurs over at least 12 months with no more than one-quarter of the options vesting in any 3 month period. The Option Plan includes a provision that should an option expiration date fall within a blackout period, the expiration date will automatically be extended for ten (10) business days following the end of the blackout period. The Board of Directors may amend the Option Plan, without shareholder approval for, among others: administrative amendments, compliance with the requirements of an exchange, amendments for favourable tax treatments, amendments to vesting provisions, amendments to modify cashless exercise features, amendments for the early termination of the Option Plan, amendments to the adjustments provisions of the Option Plan, and amendments to suspend or terminate the Option Plan. The Board of Directors will not be entitled, in the absence of shareholder and exchange approval, if required, to: reduce the exercise price of an option held by an insider of the Corporation; extend the term of an option held by an insider of the Corporation; amend the limitations on the maximum number of Equity Shares reserved or issued to insiders; increase the maximum number of Equity Shares issuable pursuant to this Option Plan; and amend the amendment provisions of this Option Plan.

At the Meeting, shareholders will be asked to consider and, if thought advisable, to pass, with or without modification, the following ordinary resolution:

“BE IT RESOLVED AS AN ORDINARY RESOLUTION OF THE CORPORATION THAT:

1. the Corporation's Option Plan, in the form attached as Schedule “B” to the Management Information Circular dated May 26, 2023, be ratified, confirmed and re-approved as the stock option plan of the Corporation;
2. the form of the Option Plan may be amended in order to satisfy the requirements or requests of any regulatory authority or stock exchanges without requiring further approval of the shareholders of the Corporation; and
3. any one (or more) director or officer of the Corporation is authorized and directed, on behalf of the Corporation, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal of the Corporation or otherwise) that may be necessary or desirable to give effect to this ordinary resolution.”

STATEMENT OF EXECUTIVE COMPENSATION

Set out below are particulars of compensation paid to the following persons (the “**Named Executive Officers**” or “**NEOs**”):

- (a) the Corporation’s CEO, including an individual performing functions similar to a CEO;
- (b) the Corporation’s CFO, including an individual performing functions similar to a CFO;
- (c) the most highly compensated executive officer of the Corporation and its subsidiaries, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was more than \$150,000; and
- (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact the individual was not an executive officer of the Corporation or its subsidiaries, and was not acting in a similar capacity at December 31, 2022.

As at December 31, 2022, the end of the most recently completed financial year of the Corporation, the Corporation had two Named Executive Officers, Brian Williamson, Chief Executive Officer and President, and Ben Holman, Chief Financial Officer.

Compensation Discussion and Analysis

The compensation awarded to, earned by, paid to or payable to each of the Named Executive Officers for the most recently completed financial year is set out under the heading “*Summary Compensation Table*”.

Executive Compensation Philosophy

The Corporation does not have a formal compensation program with set benchmarks. The Corporation does have an informal program which seeks to reward an executive officer’s current and future expected performance, the achievement of corporate milestones and to align the interests of executive officers with the interests of the Corporation’s shareholders. The Corporation’s compensation package must be capable of attracting and motivating experienced executive officers in the oil and gas, renewables, and energy industry.

Compensation Review Process

The Corporation has a compensation committee. The compensation committee is comprised of three members, being Nicholas Baxter, Allen Wilson and Markus Seywerd, each of whom are independent (as defined under National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”). Each of the current compensation committee members has experience in the area of compensation and executive compensation, having held senior executive positions in large organizations and, through those positions, have substantial experience in matters of executive compensation.

The Corporation’s compensation committee reviews the cash compensation, performance and overall compensation package of each executive officer, including the Named Executive Officers, on an as needed basis and makes decisions on, and makes recommendations to the Board regarding, the Corporation’s compensation policies and practices by reference to published industry data, trends and norms for companies which are comparable to the Corporation.

The compensation committee and the Board try to ensure that the Corporation has an executive compensation plan that is fair, motivational and competitive. In establishing levels of remuneration, stock option and bonus grants, the compensation committee is guided by the following principles:

- (a) compensation is determined on an individual basis by the need to attract and retain talented, and effective executives;
- (b) total compensation is set with reference to the market for similar positions in comparable companies and with reference to the location of employment;

- (c) an appropriate portion of total compensation is variable and linked to performance, achievements, level of expertise, responsibilities and length of service;
- (d) internal equity is maintained such that individuals in similar jobs and locations are treated fairly; and
- (e) the Corporation is committed to supporting reasonable expenses in order that employees continuously maintain and enhance their skills.

The compensation committee has unrestricted access to the Corporation's personnel and documents and is provided with the resources necessary, including, as required, the engagement and compensation of outside advisors, to carry out its responsibilities.

The compensation committee and the Board have considered the implications of the risks associated with the Corporation's compensation policies and practices and have determined that there are no significant areas of risk given the nature of the compensation provided. The reasons for this determination include, without limitation, the following: components of the compensation are awarded on a discretionary basis; the compensation package for Named Executive Officers is reviewed and assessed annually by the compensation committee and the Board; the compensation program consists of fixed (base salary) and variable (bonus and equity participation) compensation, which is designed to balance the level of risk-taking while also focusing on generating long-term and sustainable value for shareholders; stock options typically vest over a period of time, which acts to further mitigate against the potential for inappropriate short-term risk-taking; and there are no compensation policies and practices that are significantly different for any Named Executive Officer. The compensation committee and the Board will continue to monitor compensation risk assessment practices on an ongoing basis to ensure that the Corporation's compensation program is appropriately structured. The Corporation does not have a formal policy prohibiting directors and executive officers from purchasing financial instruments designed to hedge or offset a decrease in the market value of equity securities granted as compensation to such person.

Assessment of Individual Performance

Individual performance in connection with the achievement of corporate milestones and objectives is also reviewed for all executive officers. While awards are generally tied to performance against quantitative objectives, consideration is also given to an individual's contribution to the Corporation through leadership, demonstrated commitment to the Corporation's shareholders, innovation and teamwork.

Elements of Executive Compensation

There are three main elements of direct compensation, namely base salary, bonus payments and equity participation through the Corporation's existing Option Plan.

Base Salary

In determining the base salary of an executive officer, the Board, in consultation with the Compensation Committee, places equal weight on the following factors:

- (a) the particular responsibilities related to the position;
- (b) salaries paid by comparable businesses;
- (c) the experience level of the executive officer; and
- (d) his or her overall performance.

Bonus Payments

Executive officers are eligible for annual bonuses, payable in cash or through stock-based compensation, after taking into account and giving equal weight to, financial performance, attainment of certain corporate milestones and individual performance.

Equity Participation

Encouraging its executive officers and employees to become shareholders of the Corporation is the best way to align their interests with those of the Corporation's shareholders. Equity participation will be offered through the Option Plan.

Stock options granted to Named Executive Officers during the most recently completed financial year, are disclosed herein under the heading, "*Executive Compensation - Summary Compensation Table*".

Overall Compensation Objectives

The compensation elements of base salary, bonus payments and equity participation are fairly standard for reporting companies in the oil and gas, renewables, and energy industry. On an annual basis, the compensation committee will review which compensation element the Corporation is best able to offer for the ensuing year and which element will provide the recipients with the best incremental return. In years in which the Corporation has been successful in raising cash proceeds and has significant funds allocated for general and administrative expenses, it may be more appropriate to offer executive officers increased salaries or bonus payments. In years in which the Corporation has less available cash for general and administrative expenses or the Corporation's stock price may have suffered due to general market downturn, it may be more appropriate to offer directors and officers increased stock option positions as additional incentive to manage the Corporation's affairs to maximize increased share price gains. The Corporation's overall compensation objectives are therefore flexible, and to some degree dependent on various aspects of the Corporation's fiscal health.

Option Based Awards

The Corporation's compensation committee reviews the remuneration of executive officers, the granting of stock options to directors, executive officers, key employees and consultants of the Corporation and the Corporation's remuneration and compensation policies.

The Option Plan is similar to option based plans adopted by small and mid-size reporting companies in the oil and gas development and production industry. Typically, all non-executive directors are awarded a similar number of options with some variations in the case of longer serving non-executive directors. Executive officers typically receive a similar number of stock options, but the number of options allocated to them may be increased if they also serve on the Corporation's board of directors. Option based awards are an integral and necessary element of the compensation plan for most venture companies as they are unable to offer their executive officers large salaries and cash-based compensation that may be available from more senior oil and gas industry issuers with established revenues and producing properties.

Individual grants are determined by an assessment of the individual's current and expected future performance, level of responsibilities, the importance of his or her position and contribution to the Corporation, and previous option grants and exercise prices.

Under the Option Plan, the maximum number of Equity Shares which may be made subject to stock options at any time and from time to time shall not exceed 10% of the total number of Equity Shares outstanding from time to time on a non-diluted basis.

There was no re-pricing of stock options for executive officers under the Option Plan or otherwise during the most recently completed financial year.

Summary Compensation Table

For each Named Executive Officer in the most recently completed financial year, the following table sets forth information regarding compensation earned in the fiscal years ended December 31, 2022, December 31, 2021, and December 31, 2020. Amounts are in U.S. dollars.

Name and Principal Position	Year	Salary/ Consulting Fees (\$)	Share- based Awards (\$)	Option- Based Awards (\$) ⁽³⁾	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compen- sation (\$)	Total Compen- sation (\$)
					Annual Incentive Plans ⁽⁴⁾	Long- Term Incentive Plans			
Brian Williamson CEO and President ⁽¹⁾	2022	\$250,000	\$0	\$413,597	\$0	\$0	\$0	\$0	\$663,597
	2021	\$225,000	\$0	\$74,157	\$100,000	\$0	\$0	\$0	\$399,157
	2020	\$204,750	\$0	\$123,944	\$30,000	\$0	\$0	\$0	\$358,694
Ben Holman, CFO and Secretary ⁽²⁾	2022	\$199,992	\$0	\$115,807	\$0	\$0	\$0	\$0	\$315,799
	2021	\$186,041	\$0	\$29,664	\$0	\$0	\$0	\$0	\$215,705
	2020	\$127,604	\$0	\$43,381	\$0	\$0	\$0	\$0	\$170,985

Notes:

- (1) Brian Williamson was appointed CEO on August 21, 2017 and President on March 1, 2019. These amounts are paid by the Corporation to a company controlled by Brian Williamson for the services of Brian Williamson as the CEO of the Corporation. The Corporation paid no salary directly to Mr. Williamson. All payments are made in United States dollars.
- (2) Ben Holman was appointed CFO on April 23, 2018. These amounts are paid to Ben Holman through a subsidiary of Jericho Energy Ventures Inc. All payments are made in United States dollars.
- (3) Based on the grant date fair value of the applicable awards. The fair value of options granted is estimated at the date of grant using a Black-Scholes Option Pricing Model. This method was selected due to its acceptance as an appropriate valuation used by similar sized oil and gas companies. The options fair values are calculated based on an average expected life of five years and represent a long-term approximation of potential value. The awards are issued in Canadian dollars, and translated to U.S. dollars at the average USD-CAD exchange rate for each period, or \$1.30, \$1.25 and \$1.34 for 2022, 2021 and 2020, respectively.
- (4) Represents cash bonus awards for the applicable year end, notwithstanding that such amount may have been paid to the Named Executive Officer during the subsequent financial year.

Incentive Plan Awards – outstanding share-based awards and option-based awards

For each Named Executive Officer, the following table sets forth information regarding all outstanding share-based awards and option-based awards as of December 31, 2022.

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$CAD)	Option Expiration Date	Value of unexercised in-the-money options ⁽¹⁾⁽²⁾ (\$CAD)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Brian Williamson CEO and President	1,250,000	\$0.50	January 9, 2027	Nil	Nil	Nil
	250,000	\$0.45	January 21, 2026	Nil		
	1,500,000	\$0.15	June 30, 2025	\$315,000		
Ben Holman, CFO and Secretary	350,000	\$0.50	January 9, 2027	Nil	Nil	Nil
	100,000	\$0.45	January 21, 2026	Nil		
	525,000	\$0.15	June 30, 2025	\$110,250		

Notes:

- (1) The value of unexercised “in-the-money options” at the financial year-end is the difference between the option exercise price and the market value of the underlying stock on the TSXV on December 31, 2022.
- (2) The market value is the closing price of the Corporation’s Equity Shares on the TSXV on December 31, 2022 was C\$0.36.

Incentive Plan Awards – value vested or earned during the year ended December 31, 2022

There were no value vested option-based awards, share-based awards or non-equity incentive plan compensation which had a value vested during the year ended December 31, 2022 earned by the Named Executive Officers of the Corporation.

Pension Plan Benefits and Deferred Compensation Plans

The Corporation currently does not have any pension plan benefits or deferred compensation plans in place for its Named Executive Officers.

Termination and Change of Control Benefits

The Corporation is not a party to any contract, agreement, plan or arrangement that provides for payments to a Named Executive Officer at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Corporation, its subsidiaries or affiliates or a change in a Named Executive Officer’s responsibilities.

Compensation of Directors

The Corporation has no arrangements, standard or otherwise, pursuant to which directors are compensated by the Corporation or any of its subsidiaries, other than through the grant of stock options, for their services in their capacity as directors or for committee participation, involvement in special assignments or for services as consultants or experts during the most recently completed financial year or subsequently, up to and including the date of this Circular.

The following table sets forth information regarding compensation awarded to directors who were not Named Executive Officers of the Corporation in fiscal year ended December 31, 2022. Amounts are in U.S. dollars.

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards ⁽¹⁾ (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Nicholas W. Baxter	\$20,000	Nil	\$165,439	Nil	Nil	Nil	\$185,439
Allen Wilson	\$20,000	Nil	\$413,597	Nil	Nil	Nil	\$433,597
Markus Seywerd	\$20,000	Nil	\$49,632	Nil	Nil	Nil	\$69,632
Carolyn Hauger	\$15,000	Nil	\$54,719	Nil	Nil	Nil	\$69,719

Note:

- (1) Based on the grant date fair value of the applicable awards. The fair value of options granted is estimated at the date of grant using a Black-Scholes Option Pricing Model. This method was selected due to its acceptance as an appropriate valuation used by similar sized oil and gas companies. The options fair values are calculated based on an average expected life of five years and represent a long-term approximation of potential value. The awards are issued in Canadian dollars, and translated to U.S. dollars at the average USD-CAD exchange rate for each period, or \$1.30, \$1.25 and \$1.34 for 2022, 2021 and 2020, respectively.

Incentive Plans for Directors - outstanding share-based awards and option-based awards

The following table sets out for each director, other than a director who is also a Named Executive Officer, the incentive stock options (option-based awards) and share based awards, outstanding as at the financial year ended December 31, 2022:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$CAD)	Option Expiration Date	Value of unexercised in-the-money options ⁽¹⁾⁽²⁾ (\$CAD)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Nicholas W. Baxter	500,000	\$0.50	January 9, 2027	Nil	Nil	Nil
	100,000	\$0.45	January 21, 2026	Nil		
	600,000	\$0.15	June 30, 2025	\$126,000		
Markus Seywerd	150,000	\$0.50	January 9, 2027	Nil	Nil	Nil
	600,000	\$0.15	June 30, 2025	\$126,000		
Allen Wilson	1,250,000	\$0.50	January 9, 2027	Nil	Nil	Nil
	250,000	\$0.45	January 21, 2026	Nil		
	1,500,000	\$0.15	June 30, 2025	\$315,000		
Carolyn Hauger	300,000	\$0.35	November 29, 2027	\$3,000	Nil	Nil

Notes:

- (1) The value of unexercised “in-the-money options” at the financial year-end is the difference between the option exercise price and the market value of the underlying stock on the TSXV on December 31, 2022.
- (2) The closing price of the Corporation’s Equity Shares on the TSXV on December 31, 2022, was C\$0.36 per share.

Incentive Plan Awards – value vested or earned during the year ended December 31, 2022

There were no option-based awards, share-based awards or non-equity incentive plan compensation which had a value vested during the year ended December 31, 2022 earned by the directors who were not Named Executive Officers of the Corporation.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Equity Compensation Plan Information

The only equity compensation plan which the Corporation currently has in place is its 10% “rolling” stock option plan, the Option Plan, which was approved on June 23, 2022. The Option Plan was established to provide incentive to qualified parties to increase their proprietary interest in the Corporation and thereby encourage their continuing association with the Corporation. The Option Plan is administered by the Board. See “*Particulars of Matters to be Acted Upon – Approval of 2023 Stock Option Plan*” above for more information relating to the Corporation’s Option Plan.

The following table sets forth information with respect to all compensation plans under which equity securities are authorized for issuance as of the financial year ended December 31, 2022:

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options (#)	Weighted – Average Exercise Price of Outstanding Options (C\$/Share)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding securities reflected in the second column) (#)⁽¹⁾
Equity compensation plans approved by securityholders	20,541,000	\$0.35	2,084,217
Equity compensation plans not approved by securityholders	-	-	-
Total:	20,541,000	\$0.35	2,084,217

Note:

- (1) As at December 31, 2022, the maximum number of Equity Shares that may be issued under the Option Plan was 22,625,217 representing 10% of the number of issued and outstanding Equity Shares on that date.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the current or former directors, officers or employees of the Corporation or any of its subsidiaries, nor any associate of such persons is as at the date hereof, or has been, during the financial year ended December 31, 2022, indebted to the Corporation or any of its subsidiaries in connection with a purchase of securities or otherwise. In addition, no indebtedness of these individuals to another entity has been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding of the Corporation or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person of the Corporation, nor any proposed nominee for election as a director, or any associate or affiliate of such informed person or proposed nominee of the Corporation, has or has had any material interest, direct or indirect, in any transaction of the Corporation 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 or any of its subsidiaries.

MANAGEMENT CONTRACTS

No management functions of the Corporation or any subsidiary of the Corporation are to any substantial degree performed by a person or company other than the directors or executive officers of the Corporation.

CORPORATE GOVERNANCE DISCLOSURE

The Board of Directors of the Corporation believes that good corporate governance improves corporate performance and benefits all shareholders. National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“NI 58-101”) requires issuers to disclose the corporate governance practices that they have adopted. Set out below is the Corporation’s approach to corporate governance and addresses the Corporation’s compliance with NI 58-101.

Board of Directors

As of the Effective Date, the following persons are the directors of the Corporation and each person is nominated for re-election at the Meeting.

Brian Williamson	Allen Wilson
Nicholas W. Baxter	Markus Seywerd
Carolyn Hauger	

The Corporation considers a member of the Board as “not independent” if he or she has a direct or indirect “material relationship” with the Corporation, as set out in NI 52-110. A material relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a director’s independent judgement. All of the directors are independent with the exception of Mr. Brian Williamson, who is not independent because he is the Corporation’s Chief Executive Officer and President.

Other than having a majority of independent directors sit on the Board, the Board does not have a formalized process for the exercise of independent supervision over management. The Board informally facilitates independent supervision of management through meetings of the Board and through frequent informal discussions among independent members of the Board and management. In addition, the Board has free access to the Corporation’s external auditors, legal counsel and to any of the Corporation’s officers.

Directorships

The following table is a list of directorships in other reporting issuers held by the directors of the Corporation:

Name	Name of Reporting Issuer
Nicholas W. Baxter	Lexaria Bioscience Corp.

Orientation and Continuing Education

The Corporation does not currently have a formal orientation program for new Board members nor does it provide formal continuing education for its directors. The Board is currently composed of five directors, one of whom is an officer of the Corporation with extensive knowledge of its business and affairs, and the other four of whom are experienced business persons. All directors have previous experience with public companies. The Corporation has historically provided orientation and education on an informal and as needed basis, and at this time does not anticipate the need for a formal orientation or continuing education program.

As new directors have joined the Board, management has provided these individuals with corporate policies, historical information about the Corporation, as well as information on the Corporation’s performance and its strategic plan with an outline of the general duties and responsibilities entailed in carrying out their duties. The Corporation encourages directors to attend, enroll or participate in courses and/or seminars dealing with financial literacy, corporate governance and related matters. The Board believes that these procedures have proved to be a practical and effective approach in light of the Corporation’s particular circumstances, including the size of the Corporation, limited turnover of the directors and the experience and expertise of the members of the Board.

Ethical Business Conduct

To date, the Board has not adopted a formal written Code of Business Conduct and Ethics. However, the current limited size of the Corporation's operations and the small number of employees and consultants allows the Board to monitor on an ongoing basis the activities of management and to ensure that the highest standard of ethical conduct is maintained. As the Corporation grows in size and scope, the Board anticipates that it will formulate and implement a formal Code of Business Conduct and Ethics.

Nomination of Directors

The Corporation does not currently have any formalized processes for identifying new candidates for nomination to the Board. The Board periodically considers its size and skill matrix, and new candidates are proposed by the Board as a whole. Board nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and the CEO. The Board does not have a nominating committee.

Compensation

The Board has established a compensation committee to assist the Board in fulfilling its responsibilities for compensation philosophy and guidelines, and fixing compensation levels for the Corporation's executive officers (including the CEO and the CFO) and directors, as applicable. See "*Statement of Executive Compensation*" above.

Other Board Committees

In addition to the audit committee and the compensation committee, the Corporation currently has a reserves committee. The reserves committee is comprised of Nicholas W. Baxter, Brian Williamson and Allen Wilson. The reserves committee of the Corporation reviews the procedures for providing information to the independent qualified reserves evaluator, meets with the independent qualified reserves evaluator to determine whether any restrictions affected the ability of the independent qualified reserves evaluator to report without reservation and reviews the Corporation's reserves data with management and the independent qualified reserves evaluator.

Assessments

While the Corporation has no formalized assessment procedures to satisfy itself that its directors, Board committee members and the Board as a whole are performing effectively, the members of the Board periodically informally and collectively assess the performance of individual directors, the Board as a whole and the committees of the Board. The Board and Board committees are assessed with reference to their respective mandates, charters or terms of reference, while individuals are assessed with reference to the competencies and skills that each director is expected to bring to the Board.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

NI 52-110 requires the Corporation, as a venture issuer, to disclose annually in its information circular certain information concerning the constitution of its audit committee (the "**Audit Committee**") and its relationship with its independent auditors, as set forth in the following:

The Audit Committee's Charter

Attached as Schedule "A" to this Circular is the Corporation's Audit Committee Charter which was adopted by the Board.

Composition of the Audit Committee

The following are the members of the Audit Committee:

	Independent ⁽¹⁾	Financially Literate ⁽¹⁾
Nicholas W. Baxter	Yes	Yes
Carolyn Hauger	Yes	Yes
Markus Seywerd	Yes	Yes
Allen Wilson	Yes	Yes

Notes:

⁽¹⁾ As defined by NI 52-110.

Relevant Education and Experience

Each of the Audit Committee members has an understanding of the accounting principles used to prepare financial statements and varied experience as to the general application of such accounting principles, as well as an understanding of the internal controls and procedures necessary for financial reporting.

Nicholas Baxter was appointed as a member on the Board in 2011. Nick received a Bachelor of Science (Hons) from the University of Liverpool in 1975 and has worked on oil & gas projects in many areas of the world. Since the 1980's, he has worked with companies in the public markets both in the U.K. and in Canada. Nick brings extensive real-world experience as a board member and in addition to the Corporation he currently sits on the Lexaria Bioscience Corp. board of directors.

Carolyn Hauger was appointed as a member on the Board in 2022. She is currently the Chief Financial Officer of WeSolar, Inc., a provider of community solar power, a role she has held since July of 2022. She also serves as Chief Financial Officer of HHELI, LLC, DBA Ten-Nine Technologies, a battery research, development and manufacturing company, a role she has held since June of 2021. Ms. Hauger previously served as the Chief Financial Officer of LION Group, Inc., a protective clothing supplier, from 2017 to 2021. In June 2022, she joined the advisory board of Metal Resource Solutions, Inc. Carolyn has over 40 years of global finance and operational experience, spanning large privately held firms and Fortune 500 companies, including EY, Procter and Gamble and Clopay Plastics. Carolyn holds an undergraduate degree in Chemical Engineering from Penn State University and an MBA from Xavier University.

Markus Seywerd was appointed as a member on the Board in 2017. He was Chief Investment Officer and Co-Founder of Park Lane Capital SIVAC plc., a London based investment management firm, where he was responsible for all aspects of portfolio construction, risk management and trading. Prior to Park Lane, he was a portfolio manager at SISU Capital, a London based investment management firm, and was a founding partner of Arbitrage Capital Management, a systematic commodity trading advisor in Vancouver, Canada. He started his investment career as a quantitative analyst in the U.S. with Brandywine Asset Management. Before moving into finance, Mr. Seywerd was an exploration geophysicist, holding various management positions and focusing on resource projects in North and South America and Africa. He holds a BSc in Mathematics & Geophysics as well as an MBA in Finance from the University of British Columbia and his professional designations include Financial Management Certificate (CFAUK), Canadian Investment Management (CIM) and Derivative Markets Specialist (DMS).

Allen Wilson is a director and also the founder of the Corporation. He brings extensive capital markets and corporate development experience to the Corporation and possesses a far-reaching network of relationships across North America and Europe. Allen has been a successful investor, fundraiser and business development strategist for the past 30 years, working with emerging micro-cap companies across multiple industries. Based in the United

Kingdom, Allen is also a Director of London Based Regents Park Securities. He is a passionate golfer and is the Past-President and Trustee of Marine Drive Golf Club in Vancouver, BC.

Audit Committee Oversight

At no time since the commencement of the Corporation's most recently completed financial year was a recommendation of the Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

The Corporation is a "venture issuer" as defined in NI 52-110 and is relying on the exemption contained in Section 6.1 of NI 52-110, which exempts the Corporation from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

At no time since the commencement of the Corporation's most recently completed financial year 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.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as set out in the Audit Committee Charter which is reproduced as Schedule "A" to this Circular.

External Auditor Service Fees (By Category)

The aggregate fees billed by Manning Elliott LLP, external auditor of the Corporation, for audit and non-audit services in the last two fiscal years for audit services are outlined in the following table.

Nature of Services	Financial Year Ended December 31, 2022 (US\$)	Financial Year Ended December 31, 2021 (US\$)
Audit fees ⁽¹⁾	\$220,000	\$123,600
Audit-related fees ⁽²⁾	Nil	Nil
Tax fees ⁽³⁾	\$7,700	\$4,400
All other fees ⁽⁴⁾	Nil	Nil
Total	\$227,700	\$128,000

Notes:

- (1) "**Audit Fees**" (billed or accrued) include fees necessary to perform the annual audit of Jericho's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits. Audit fees in 2022 included quarterly reviews for the first, second and third quarters of the year.
- (2) "**Audit-Related Fees**" (billed or accrued) include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "**Tax Fees**" (billed or accrued) include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "**All Other Fees**" include all other non-audit services.

ADDITIONAL INFORMATION

Additional information respecting the Corporation is available on the SEDAR website at www.sedar.com. Security holders may contact the Corporation to request copies of the Corporation's financial statements and MD&A at the following address:

JERICO ENERGY VENTURES INC.
1055 West Georgia Street, Suite 2100
PO BOX 11110 STN Royal Centre
Vancouver, BC V6E 3P3

Financial information is provided in the Corporation's comparative audited financial statements and MD&A for the financial year ended December 31, 2022.

BOARD APPROVAL

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

SCHEDULE "A"

Audit Committee Charter

Charter of the Audit Committee

1. Mandate

The Audit Committee will be responsible for managing, on behalf of shareholders of the Corporation, the relationship between the Corporation and the external auditors. In particular, the Audit Committee will have responsibility for the matters set out in this Charter, which include:

- (a) overseeing the work of external auditors engaged for the purpose of preparing or issuing an auditing report or related work;
- (b) recommending to the board of directors the nomination and compensation of the external auditors;
- (c) reviewing significant accounting and reporting issues;
- (d) reviewing the Corporation's financial statements, MD&A and earnings press releases before the Corporation publicly discloses this information;
- (e) focusing on judgmental areas such as those involving valuations of assets and liabilities;
- (f) considering management's handling of proposed audit adjustments identified by external auditors;
- (g) being satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements of the Corporation;
- (h) establishing procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and
- (i) evaluating whether management is setting the appropriate tone by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities.

2. Membership of the Audit Committee

Composition

The audit committee will be comprised of at least such number of directors as required to satisfy the audit committee composition requirements of National Instrument 52-110, as amended from time to time. Each member will be a director of the Corporation.

Independence

The Audit Committee will be comprised of a number of independent directors required to enable the Corporation to satisfy:

- (a) the independent director requirements for audit committee composition required by National Instrument 52-110, as amended from time to time, and
- (b) the independent director requirements of the TSX Venture Exchange, or such other stock exchange on which the Corporation's shares are traded from time to time.

Chair

The Audit Committee shall select from its membership a chair. The job description of the chair is attached as Exhibit 1 hereto.

Expertise of Audit Committee Members

Each member of the Audit Committee must be financially literate. Financially literate means the ability to read and understand a set of financial statements that represent a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

Financial Expert

The Corporation will strive to include a financial expert on the Audit Committee. An Audit Committee financial expert means a person having: (i) an understanding of financial statements and accounting principles; (ii) the ability to assess the general

application of such accounting principles in connection with the accounting for estimates, accruals and reserves; (iii) experience in preparing, auditing, analyzing or evaluating financial statements that present a similar breadth and level of complexity as the Corporation's statements; (iv) an understanding of internal controls; and (v) an understanding of an Audit Committee's functions.

3. Meetings of the Audit Committee

The Audit Committee must meet in accordance with a schedule established each year by the board of directors, and at other times as the Audit Committee may determine. A quorum for transaction of business in any meeting of the Audit Committee is a majority of members. At least twice a year, the Audit Committee must meet with the Corporation's chief financial officer and external auditors separately.

4. Responsibilities of the Audit Committee

The Audit Committee will be responsible for managing, on behalf of the shareholders of the Corporation, the relationship between the Corporation and the external auditors. In particular, the Audit Committee has the following responsibilities:

External Auditors

- (a) the Audit Committee must recommend to the board of directors:
 - (i) the external auditors to be nominated for the purpose of preparing or issuing an audit report or performing other audit or review services for the Corporation; and
 - (ii) the compensation of the external auditors;
- (b) the Audit Committee must be directly responsible for overseeing the work of the external auditors engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditors regarding financial reporting;
- (c) with respect to non-audit services:
 - (i) the Audit Committee must pre-approve all non-audit services provided to the Corporation or its subsidiaries by its external auditors or the external auditors of the Corporation's subsidiaries, except for tax planning and transaction support services in an amount not to exceed \$15,000 for each service in a fiscal year; and
 - (ii) the Audit Committee must pre-approve all non-audit services provided to the Corporation or its subsidiaries by its external auditors or the external auditors of the Corporation's subsidiaries, except *de minimis* non-audit services as defined in applicable law.
- (d) the Audit Committee must also:
 - (i) review the auditors' proposed audit scope and approach;
 - (ii) review the performance of the auditors; and
 - (iii) review and confirm the independence of the auditors by obtaining statements from the auditors on relationships between the auditors and the Corporation, including non-audit services, and discussing the relationships with the auditors;

Accounting Issues

- (e) the Audit Committee must:
 - (i) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements; and,
 - (ii) ask management and the external auditors about significant risks and exposures and plans to minimize such risks.

Financial Statements, MD&A and Press Releases

- (f) the Audit Committee must:
 - (i) review the Corporation's financial statements, MD&A and earnings press releases before the Corporation publicly discloses this information;
 - (ii) in reviewing the annual financial statements, determine whether they are complete and consistent with the

- information known to committee members, and assess whether the financial statements reflect appropriate accounting principles;
- (iii) pay particular attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures;
 - (iv) focus on judgmental areas such as those involving valuation of assets and liabilities, including, for example, the accounting for and disclosure of loan losses, warranty, professional liability, litigation reserves and other commitments and contingencies;
 - (v) consider management's handling of proposed audit adjustments identified by the external auditors;
 - (vi) ensure that the external auditors communicate certain required matters to the committee;
 - (vii) be satisfied that adequate procedures are in place for the review of the Corporation's disclosure of financial information extracted or derived from the Corporation's financial statements, other than the disclosure referred to in paragraph (f)(i) (above), and must periodically assess the adequacy of those procedures;
 - (viii) be briefed on how management develops and summarizes quarterly financial information, the extent to which the external auditors review quarterly financial information and whether that review is performed on a pre- or post-issuance basis;
 - (ix) meet with management, either telephonically or in person to review the interim financial statements;
 - (x) to gain insight into the fairness of the interim statements and disclosures, the Audit Committee must obtain explanations from management on whether:
 - a. actual financial results for the quarter or interim period varied significantly from budgeted or projected results;
 - b. changes in financial ratios and relationships in the interim financial statements are consistent with changes in the Corporation's operations and financing practices;
 - c. generally accepted accounting principles have been consistently applied;
 - d. there are any actual or proposed changes in accounting or financial reporting practices;
 - e. there are any significant or unusual events or transactions;
 - f. the Corporation's financial and operating controls are functioning effectively;
 - g. the Corporation has complied with the terms of loan agreements or security indentures; and
 - h. the interim financial statements contain adequate and appropriate disclosures;

Compliance with Laws and Regulations

- (g) the Audit Committee must:
 - (i) periodically obtain updates from management regarding compliance;
 - (ii) be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements;
 - (iii) review the findings of any examinations by regulatory agencies such as the Ontario Securities Commission; and
 - (iv) review, with the Corporation's counsel, any legal matters that could have a significant impact on the Corporation's financial statements;

Employee Complaints

- (h) the Audit Committee must establish procedures for:
 - (i) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and
 - (ii) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters;

Other Responsibilities

- (i) the Audit Committee must:
 - (i) review and approve the Corporation's hiring policies of employees and former employees of the present and former external auditors of the Corporation;
 - (ii) evaluate whether management is setting the appropriate tone by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities;
 - (iii) focus on the extent to which internal and external auditors review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of a systems breakdown;
 - (iv) gain an understanding of whether internal control recommendations made by external auditors have been implemented by management;
 - (v) periodically review and reassess the adequacy of this Charter and recommend any proposed changes to the Corporate Governance and the board for approval;
 - (vi) review, and if deemed appropriate, approve expense reimbursement requests that are submitted by the chief executive officer or the chief financial officer to the Corporation for payment;
 - (vii) assist the board to identify the principal risks of the Corporation's business and, with management, establish systems and procedures to ensure that these risks are monitored; and
 - (viii) carry out other duties or responsibilities expressly delegated to the Audit Committee by the board.

5. Authority of the Audit Committee

The Audit Committee shall have the authority to:

- (a) engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for any advisors employed by the Audit Committee; and
- (c) communicate directly with the internal and external auditors.

Exhibit 1 to Audit Committee Charter

**JERICHO ENERGY VENTURES INC.
(the "Corporation")**

Job Description – Audit Committee Chair

The responsibilities of the Audit Committee chair include, among other things:

- (a) managing the affairs of the Committee and monitoring its effectiveness;
- (b) managing the meetings of the Committee by ensuring meaningful agendas are prepared and guiding deliberations of the Committee so that appropriate decisions and recommendations are made; and
- (c) setting up agendas for meetings of the Committee and ensuring that all matters delegated to the Committee by the board are being dealt with at the Committee level during the course of the year.

SCHEDULE "B"
STOCK OPTION PLAN

See attached.

**JERICO ENERGY
VENTURES INC.**

2022

Stock Option Plan

ARTICLE I DEFINITIONS AND INTERPRETATION

1.1 DEFINITIONS

As used herein, unless anything in the subject matter or context is inconsistent therewith, the following terms shall have the meanings set forth below:

"Administrator" means such director or other senior officer or employee of the Company as may be designated as Administrator by the Board from time to time;

"Award Date" means the date on which the Board grants and announces a particular Option; **"Board"** means the Board of Directors of the Company;

"Blackout Period" means a formally imposed trading restriction imposed pursuant to the Company's internal trading policies as a result of the bona fide existence of undisclosed Material Information (as such term is defined by the Exchange);

"Company" means Jericho Energy Ventures Inc. and any subsidiary thereof (within the meaning of the Securities Act), as the context may apply;

"Consultant" means an individual (or a company wholly owned by the individual) who (i) provides ongoing consulting, technical, management or other services to the Company (excluding services provided in relation to a distribution of the Company's securities); (ii) possesses technical, business or management expertise of value to the Company; (iii) provides the services under a written contract with the Company; (iv) spends a significant amount of time and attention to the business and affairs of the Company; and (v) has a relationship with the Company that enables the individual to be knowledgeable about the business and affairs of the Company;

"Director" means a director, senior officer and Management Company Employee of the Company;

"Employee" means (i) an individual considered an employee under the *Income Tax Act* (Canada) (i.e. for whom income tax and other deductions are made by the Company); (ii) an individual who works full-time for the Company providing services normally provided by an employee of the Company but for whom income tax and other deductions are not made by the Company; and (iii) an individual who works for the Company on a continuing and regular basis for a minimum amount of time per week, but for whom income tax and other deductions are not made by the Company;

"Exchange" means the TSX Venture Exchange;

"Exercise Notice" means the notice respecting the exercise of an Option, in the form set out as Schedule "B" hereto, duly executed by the Option Holder;

"Exercise Period" means the period during which a particular Option may be exercised, being the period from and including the Award Date through to and including the Expiry Date;

"Exercise Price" means the price at which an Option may be exercised as determined in accordance with section 3.6;

"Expiry Date" means the date determined in accordance with section 3.3 and after which a particular Option cannot be exercised;

"Insider" means a Director, a director or senior officer of a company that is an Insider or subsidiary of the Company, or a person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the Company;

"Investor Relations Service Provider" means any Consultant that performs Investor Relations Activities and any Director, officer, Employee or Management Company Employee whose role and duties primarily consist of Investor Relations Activities;

"**Investor Relations Activities**" has the meaning ascribed thereto in the Exchange's corporate finance manual;

"**Management Company Employee**" means an individual employed by a company providing management services to the Company, which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a person engaged in Investor Relations Activities;

"**Option**" means an option to acquire Shares, awarded to a Director, Employee or Consultant pursuant to the Plan;

"**Option Certificate**" means the certificate, substantially in the form set out as Schedule "A" hereto, evidencing an Option;

"**Option Holder**" means a current or former Director, Employee or Consultant who holds an unexercised and unexpired Option or, where applicable, the Personal Representative of such person;

"**Personal Representative**" means (i) in the case of a deceased Option Holder, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so; and (ii) in the case of an Option Holder who for any reason is unable to manage his or her affairs, the person entitled by law to act on behalf of such Option Holder;

"**Plan**" means the Company's stock option plan as embodied herein and as from time to time amended;

"**Securities Act**" means the *Securities Act* (British Columbia); and

"**Share**" or "**Shares**" means, as the case may be, one or more common shares and/or variable voting shares, as applicable, without par value in the capital of the Company.

1.2 CHOICE OF LAW

The Plan is established under, and the provisions of the Plan shall be interpreted and construed solely in accordance with, the laws of the Province of British Columbia.

1.3 HEADINGS

The headings used herein are for convenience only and are not to affect the interpretation of the Plan.

ARTICLE II PURPOSE AND PARTICIPATION

2.1 PURPOSE

The purpose of the Plan is to provide the Company with a Share-related mechanism to attract, retain and motivate Directors, Employees and Consultants, to reward such of those persons by the grant of options under the Plan by the Board from time to time for their contributions toward the long term goals of the Company and to enable and encourage such persons to acquire Shares as long term investments.

2.2 PARTICIPATION

The Board shall, from time to time, in its sole discretion determine those Directors, Employees and Consultants, if any, to whom Options are to be awarded. If the Board elects to award an Option to a Director, the Board shall, in its sole discretion but subject to section 3.2, determine the number of Shares to be acquired on the exercise of such Option. If the Board elects to award an Option to an Employee or Consultant, the number of Shares to be acquired on the exercise of such Option shall be determined by the Board in its sole discretion, and in so doing the Board may take into account the following criteria:

- (a) the person's remuneration as at the Award Date in relation to the total remuneration payable by the Company to all of its Employees and Consultants as at the Award Date;

- (b) the length of time that the person has provided services to the Company; and
- (c) the nature and quality of work performed by the person.

2.3 *NOTIFICATION OF AWARD*

Following the approval by the Board of the awarding of an Option, the Administrator shall notify the Option Holder in writing of the award and shall enclose with such notice the Option Certificate representing the Option so awarded.

2.4 *COPY OF PLAN*

Each Option Holder, concurrently with the notice of the award of the Option, shall be provided with a copy of this Plan. A copy of any amendment to the Plan shall be promptly provided by the Administrator to each Option Holder.

2.5 *LIMITATION*

This Plan does not give any Option Holder who is a Director the right to serve or continue to serve as a Director, nor does it give any Option Holder who is an Employee or Consultant the right to be or to continue to be employed or engaged by the Company.

ARTICLE III TERMS AND CONDITIONS OF OPTIONS

3.1 *BOARD TO ALLOT SHARES*

The Shares to be issued to Option Holders upon the exercise of Options shall be allotted and authorized for issuance by the Board prior to the exercise thereof.

3.2 *NUMBER OF SHARES*

The maximum number of Shares issuable under the Plan shall not exceed 10% of the number of Shares of the Company issued and outstanding as of each Award Date, inclusive of all Shares presently reserved for issuance pursuant to previously granted stock options, unless shareholder approval is obtained in advance in accordance with section 6.5 hereof.

Options that have been cancelled or that have expired without being exercised in full shall continue to be issuable under the Plan. Subject to the provisions of section 6.5, Options that have been exercised will reduce the total number of Options available to be granted hereunder.

3.3 *TERM OF OPTION*

Subject to section 3.5, the Expiry Date of an Option shall be the date so fixed by the Board at the time the particular Option is awarded, provided that such date shall not be later than the tenth anniversary of the Award Date of the Option, or such other maximum amount of time as may be allowable under the policies of the Exchange.

If applicable, the Expiry Date of an Option shall automatically be extended to the date that is 10 business days following the end of a stipulated Blackout Period, if such Expiry Date falls within a Blackout Period during which the Company prohibits participants from exercising Options. This automatic extension shall not apply where the Option Holder or the Company is subject to a cease trade order (or similar order) in respect of the Company's securities.

3.4 *LIMITATIONS AND REQUIREMENTS*

The total number of Options awarded to any one individual (and companies wholly owned by that individual) in any twelve month period shall not exceed 5% of the issued and outstanding Shares of the Company at the Award Date (unless the Company has obtained disinterested shareholder approval).

The total number of Options awarded to any one Consultant for the Company shall not exceed 2% of the issued and outstanding Shares of the Company at the Award Date without consent being obtained from the Exchange.

The total number of Options awarded to all Investor Relations Service Providers by the Company shall not exceed 2% of the issued and outstanding Shares of the Company in any twelve month period, calculated at the Award Date, without consent first being obtained from the Exchange. Investor Relations Service Providers may not receive any security based compensation other than Options.

The total number of Options, together with any other security based compensation of the Company, awarded to Insiders (as a group) shall not exceed 10% of the issued and outstanding Shares of the Company at any point in time (unless the Company has obtained disinterested shareholder approval).

The total number of Options, together with any other security based compensation of the Company, awarded to Insiders (as a group) in any twelve month period shall not exceed 10% of the issued and outstanding Shares of the Company at the Award Date (unless the Company has obtained disinterested shareholder approval).

The Company shall issue a press release at the time of grant for all Options issued to Insiders of the Company and investor relations service providers.

If required by the Exchange or the Company, all Options granted to Insiders of the Company or granted at any discount to the market price of the Company's shares will be subject to a four month hold period which commences on the date that the Options are granted.

3.5 *TERMINATION OF OPTION*

An Option Holder may exercise an Option in whole or in part at any time or from time to time during the Exercise Period provided that, with respect to the exercise of part of an Option, the Board may at any time and from time to time fix limits, vesting requirements or restrictions in respect of which an Option Holder may exercise part of any Option held by him. Any Option or part thereof not exercised within the Exercise Period shall terminate and become null, void and of no effect as of 5:00 p.m. (Vancouver time) on the Expiry Date. The Expiry Date of an Option shall be the earlier of the date so fixed by the Board on the Award Date referred to in section 3.3 above, and the date established, if applicable, in subsections (a) to (c) below.

(a) Death

In the event that the Option Holder should die while he or she is still (i) a Director or Employee, (other than an Employee performing Investor Relations Activities) the Expiry Date shall be 12 months from the date of death of the Option Holder; or (ii) a Consultant, or an Employee performing Investor Relations Activities, the Expiry Date shall be one month from the date of death of the Option Holder.

(b) Ceasing to Hold Office

Unless otherwise determined by the Board of Directors in writing, in the event that the Option Holder holds his or her Option as Director and such Option Holder ceases to be a Director of the Company other than by reason of death, the Expiry Date of the Option shall be the 90th day following the date the Option Holder ceases to be a Director of the Company unless the Option Holder continues to be engaged by the Company as an Employee or Consultant, in which case the Expiry Date shall remain unchanged. However, if the Option Holder ceases to be a Director of the Company as a result of:

- (i) ceasing to meet the qualifications set forth in s.114 of the *Business Corporations Act* (British Columbia); or
- (ii) a special resolution having been passed by the members of the Company pursuant to subsection 128(3) of the *Business Corporation Act* (British Columbia),

then the Expiry Date shall be the date the Option Holder ceases to be a Director of the Company.

(c) Ceasing to be Employed

Unless otherwise determined by the Board of Directors in writing, in the event that the Option Holder holds his or her Option as an Employee or Consultant of the Company (other than an Investor Relations Service Provider) and such Option Holder ceases to be an Employee or Consultant of the Company other than by reason of death, the Expiry Date of the Option shall be the 30th day following the date the Option Holder ceases to be an Employee or Consultant of the Company unless the Option Holder ceases to be such as a result of:

- (i) termination for cause; or
- (ii) an order of the British Columbia Securities Commission, the Exchange, or any regulatory body having jurisdiction to so order, in which case the Expiry Date shall be the date the Option Holder ceases to be an Employee or Consultant of the Company.

(d) Ceasing to Perform Investor Relations Activities

Notwithstanding the paragraph (c) immediately above, and unless otherwise determined by the Board of Directors in writing, in the event that the Option Holder holds his or her Option as an Investor Relations Service Provider on behalf of the Company, and such Option Holder ceases to be an Investor Relations Service Provider of the Company other than by reason of death, the Expiry Date shall be the date the Option Holder ceases to be an Investor Relations Service Provider of the Company.

3.6 *EXERCISE PRICE*

The Exercise Price shall be that price per Share, as determined by the Board in its sole discretion, and announced as of the Award Date, at which an Option Holder may purchase a Share upon the exercise of an Option, provided that it shall not be less than the closing price of the Company's Shares traded through the facilities of the Exchange (or, if the Shares are no longer listed for trading on the Exchange, then such other exchange or quotation system on which the Shares are listed or quoted for trading) on the day preceding the Award Date, less any discount permitted by the Exchange, or such other price as may be required or permitted by the Exchange.

3.7 *ASSIGNMENT OF OPTIONS*

Options may not be assigned or transferred, and all Option Certificates will be so legended, provided however that the Personal Representatives of an Option Holder may, to the extent permitted by section 4.1, exercise the Option within the Exercise Period.

3.8 *PAYROLL WITHHOLDING*

If the Company is required under the Income Tax Act (Canada) or any other applicable law to make source deductions in respect of employee stock option benefits and to remit to the applicable governmental authority an amount on account of tax on the value of the taxable benefit associated with the issuance of Shares on exercise of Options, then the Option Holder shall:

- (a) pay to the Company, in addition to the exercise price for the Options, sufficient cash as is reasonably determined by the Company to be the amount necessary to permit the required tax remittance;
- (b) authorize the Company, on behalf of the Option Holder, to sell in the market on such terms and at such time or times as the Company determines a portion of the Shares being issued upon exercise of the Options to realize cash proceeds to be used to satisfy the required tax remittance; or
- (c) make other arrangements acceptable to the Company to fund the required tax remittance.

3.9 *ADJUSTMENTS*

If prior to the complete exercise of any Option the Shares are consolidated, subdivided, converted, exchanged or reclassified or in any way substituted for (collectively the "Event"), the Option, to the extent that it has not been exercised, shall be adjusted by the Board in accordance with such Event in the manner the Board deems appropriate. No

fractional Shares shall be issued upon the exercise of the Options and accordingly, if as a result of the Event an Option Holder would become entitled to a fractional share, such Option Holder shall have the right to purchase only the next lowest whole number of shares and no payment or other adjustment will be made with respect to the fractional interest so disregarded. Additionally, no lots of Shares in an amount less than 500 Shares shall be issued upon the exercise of the Options unless such amount of Shares represents the balance left to be exercised under the Options.

Notwithstanding the foregoing, any adjustment, other than in connection with a Share consolidation or Share split, to Options granted or issued under this Plan, is subject to the prior acceptance of the Exchange, including adjustments related to an amalgamation, merger, arrangement, reorganization, spin-off, dividend or recapitalization.

3.10 *EXERCISE RESTRICTIONS*

The Board may, at the time an Option is awarded or upon renegotiation of the same, attach restrictions relating to the exercise of the Option, including vesting provisions. Any such restrictions shall be recorded on the applicable Option Certificate.

Notwithstanding the above, Options issued to Investor Relations Service Providers must vest in stages over at least twelve months with not more than one-quarter of the Options vesting in any three month period and there can be no acceleration of the vesting requirements applicable to Options grants to an Investor Relations Service Provider without the prior written approval of the Exchange.

3.11 *REPRESENTATIONS*

For Options granted to Employees, Consultants or Management Company Employees, both the Company and the Option Holder will represent that the Option Holder is a bona fide Employee, Consultant or Management Company Employee, as the case may be.

ARTICLE IV EXERCISE OF OPTION

4.1 *EXERCISE OF OPTION*

An Option may be exercised only by the Option Holder or his Personal Representative. An Option Holder or his Personal Representative may exercise an Option in whole or in part, subject to any applicable exercise restrictions, at any time or from time to time during the Exercise Period up to 5:00 p.m. (Vancouver time) on the Expiry Date by delivering to the Administrator an Exercise Notice, the applicable Option Certificate and a certified cheque or bank draft payable to the Company in an amount equal to the aggregate Exercise Price of the Shares to be purchased pursuant to the exercise of the Option.

4.2 *ISSUE OF SHARE CERTIFICATES*

As soon as practicable following the receipt of the Exercise Notice, the Administrator shall cause to be delivered to the Option Holder a certificate for the Shares so purchased. If the number of Shares so purchased is less than the number of Shares subject to the Option Certificate surrendered, the Administrator shall forward a new Option Certificate to the Option Holder concurrently with delivery of the aforesaid share certificate for the balance of the Shares available under the Option.

4.3 *CONDITION OF ISSUE*

The issue of Shares by the Company pursuant to the exercise of an Option is subject to this Plan and compliance with the laws, rules and regulations of all regulatory bodies applicable to the issuance and distribution of such Shares and to the listing requirements of any stock exchange or exchanges on which the Shares may be listed. The Option Holder agrees to comply with all such laws, rules and regulations and agrees to furnish to the Company any information, report and/or undertakings required to comply with and to fully cooperate with the Company in complying with such laws, rules and regulations.

4.4 *MONITORING OF TRADES*

An Option Holder who performs Investor Relations Activities shall provide written notice to the Board of each of his trades of securities of the Company, within five business days of each trade.

ARTICLE V ADMINISTRATION

5.1 *ADMINISTRATION*

The Plan shall be administered by the Board, or an Administrator on the instructions of the Board or such committee of the Board formed in respect of matters relating to the Plan. The Board or such committee may make, amend and repeal at any time and from time to time such regulations not inconsistent with this Plan as it may deem necessary or advisable for the proper administration and operation of this Plan and such regulations shall form part of this Plan. The Board may delegate to the Administrator or any Director, Employee or officer of the Company such administrative duties and powers as it may see fit.

5.2 *INTERPRETATION*

The interpretation by the Board or its authorized committee of any of the provisions of this Plan and any determination by it pursuant thereto shall be final and conclusive and shall not be subject to any dispute by any Option Holder. No member of the Board or any person acting pursuant to authority delegated by the Board hereunder shall be liable for any action or determination in connection with this Plan made or taken in good faith and each member of the Board and each such person shall be entitled to indemnification with respect to any such action or determination in the manner provided for by the Company.

ARTICLE VI APPROVALS, AMENDMENTS AND TERMINATION

6.1 *APPROVALS REQUIRED FOR PLAN*

Prior to its implementation by the Company, this Plan is subject to the receipt of approval by the shareholders of the Company at a general meeting and approval of the Exchange, if required.

6.2 *PROSPECTIVE AND RETROACTIVE AMENDMENTS*

Unless otherwise provided in this Plan, and subject to applicable regulatory approval, (i) the Board may from time to time amend this Plan and the terms and conditions of any Option thereafter to be awarded and, without limiting the generality of the foregoing, may make such amendments for the purpose of meeting any changes in any relevant law, Exchange policy, rule or regulation applicable to this Plan, any Option or the Shares, or for any other purpose which may be permitted by all relevant laws, rules and regulations, provided always that any such amendment shall not alter the terms or conditions of any Option or impair any right of any Option Holder pursuant to any Option awarded prior to such amendment; and (ii) the Board may from time to time retroactively amend this Plan and may also, with the consent of the affected Option Holders, retroactively amend the terms and conditions of any Options which have been previously awarded.

6.3 *EXCHANGE APPROVAL*

With the consent of affected Option Holders, the Board may amend the terms of any outstanding Option so as to reduce the number of optioned Shares, increase the Exercise Price, or cancel an Option without Exchange approval. Any other amendment will be subject to receiving prior Exchange approval.

6.4 *SHAREHOLDER APPROVAL*

If required by the Exchange, this Plan must be approved by the Company's shareholders annually, at a duly called meeting of the shareholders. Disinterested shareholder approval (as defined in Exchange policy) will be required for: (i)

any reduction in the Exercise Price of an Option or the extension of the term of an Option, if the Option Holder is an Insider of the Company at the time of the proposed amendment; and (ii) the situations where the Plan, together with all other outstanding options, could result at any time in:

- (a) the number of shares reserved for issuance under stock options granted to Insiders (as a group) exceeding 10% of the Company's issued Shares at any point in time;
- (b) the grant to Insiders (as a group), within a 12 month period, of a number of options exceeding 10% of the Company's issued Shares, calculated as at the Award Date;
- (c) the issuance to any one Option Holder, within a 12 month period, of a number of Shares exceeding 5% of the Company's Shares, calculated as at the Award Date; or
- (d) such other maximum amounts as may allowable under the policies of the Exchange.

If required by the Exchange, amendments to any of the following provisions of the Plan will be subject to shareholder approval:

- (a) persons eligible to be granted or issued Options under the Plan;
- (b) the maximum number or percentage, as the case may be, of Shares that may be issuable under the Plan;
- (c) the limits under the Plan on the amount of Options that may be granted or issued to any one person or any category of persons (such as, for example, Insiders);
- (d) the method for determining the Exercise Price of Options;
- (e) the maximum term of the Options;
- (f) the expiry and termination provisions applicable to the Options, including the addition of a blackout period;
- (g) the addition of a Net Exercise (as defined by the Exchange) provision;
- (h) any method or formula for calculating prices, values or amounts under the Plan that may result in a benefit to an Option Holder; and
- (i) amendments to the amendment provisions of this Plan.

Notwithstanding the foregoing, the following types of amendments will not be subject to shareholder approval:

- (a) amendments to fix typographical errors; and
- (b) amendments to clarify existing provisions of the Plan that do not have the effect of altering the scope, nature and intent of such provisions.

6.5 *TERMINATION*

The Board may terminate this Plan at any time provided that such termination shall not alter the terms or conditions of any Option or impair any right of any Option Holder pursuant to any Option awarded prior to the date of such termination and notwithstanding such termination the Company, such Options and such Option Holders shall continue to be governed by the provisions of this Plan.

6.6 *AGREEMENT*

The Company and every person to whom an Option is awarded hereunder shall be bound by and subject to the terms and conditions of this Plan.

IN WITNESS WHEREOF the parties hereto have executed this Option Certificate as of the ___ day of _____, 20__

Jericho Energy Ventures Inc.

Per: _____
Authorized Signatory

Name, Option Holder

Schedule B
EXERCISE NOTICE

To: The Administrator, Stock Option Plan
Jericho Energy Ventures Inc. (the "Company")

The undersigned hereby irrevocably gives notice, pursuant to the Company's Stock Option Plan (the "Plan"), of the exercise of the Option to acquire and hereby subscribes for (cross out inapplicable item):

- (a) all of the Shares; or
- (b) _____ of the Shares, which are the subject of the Option Certificate attached hereto.

Calculation of total Exercise Price:

- (i) number of Shares to be acquired on exercise: _____ Shares
 - (ii) multiplied by the Exercise Price per Share: \$ _____
- TOTAL EXERCISE PRICE, enclosed herewith: \$ _____

The undersigned tenders herewith a certified cheque or bank draft in an amount equal to the total Exercise Price of the aforesaid Shares, as calculated above, and directs the Company to issue the share certificate evidencing said Shares in the name of the undersigned to be mailed to the undersigned at the following address:

DATED the _____ day of _____, 20__.

Signature of Option Holder

Name of Option Holder (please print)