

BENGAL ENERGY LTD.

Notice of Annual and Special Meeting of the Shareholders

TO: THE SHAREHOLDERS OF BENGAL ENERGY LTD.

TAKE NOTICE that the Annual and Special Meeting (the "**Meeting**") of the shareholders of Bengal Energy Ltd. ("**Bengal**" or the "**Corporation**") will be held in Great Room 3 at the Sandman Hotel, 888 - 7th Avenue S.W., Calgary, Alberta on December 18, 2014 at 10:00 a.m., (Calgary time) for the following purposes:

1. To receive and consider the financial statements of the Corporation for the year ended March 31, 2014, the auditors' report thereon and the report of the board of directors of the Corporation;
2. To fix the number of directors to be elected at the Meeting at seven (7);
3. To elect the directors of the Corporation for the ensuing year;
4. To appoint auditors and to authorize the directors to fix their remuneration as such;
5. To consider, and if thought advisable, to pass with or without variation, an ordinary resolution, the full text of which is set forth in the accompanying information circular – proxy statement dated November 18, 2014 (the "**Information Circular**"), to approve certain amendments to the Corporation's share option plan, all as more particularly described in the Information Circular; and
6. To consider, and if thought advisable, to pass with or without variation, an ordinary resolution, the full text of which is set forth in the accompanying Information Circular, approving an advance notice by-law of the Corporation relating to the advance notice of nominations of directors, all as more particularly described in the accompanying Information Circular; and
7. To transact such other business as may properly be brought before the Meeting or any adjournments thereof.

The specific details of the matters proposed to be put before the Meeting are set forth in the Information Circular – Proxy Statement dated November 18, 2014 which accompanies and forms part of this Notice.

Shareholders of the Corporation who are unable to attend the Meeting in person are requested to date and sign the enclosed Instrument of Proxy and to mail it to or deposit it with Valiant Trust Company, Stock Transfer Department, Suite 310, 606 – 4th Street S.W., Calgary, Alberta T2P 1T1 (Fax: (403) 233-2857). In order to be valid and acted upon at the Meeting, forms of proxy must be received at the aforesaid address not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment thereof.

Shareholders are cautioned that the use of the mail to transmit proxies is at each shareholder's risk.

Bengal registered shareholders may use the internet site at www.valianttrust.com to transmit their voting instructions. Registered shareholders should have the form of proxy in hand when they access the website and will be prompted to enter their Control Number, which is located on the form of proxy. If registered shareholders vote by internet, their vote must be received not later than 10:00 a.m. (Calgary time) on December 16, 2014 or 48 hours prior to the time of any adjournment of the Meeting. The website may be used to appoint a proxy holder to attend and vote on a registered shareholder's behalf at the Meeting and to convey a shareholder's voting instructions. Please note that if a registered shareholder appoints a proxy holder and submits their voting

instructions and subsequently wishes to change their appointment, such registered shareholder may resubmit their proxy and/or voting direction, prior to the deadline noted above. When resubmitting a proxy, the most recently submitted proxy will be recognized as the only valid one, and all previous proxies submitted will be disregarded and considered as revoked, provided that the last proxy is submitted by the deadline noted above.

The Board of Directors of the Corporation has fixed the record date for the Meeting at the close of business on November 18, 2014 (the "**Record Date**"). Only shareholders of record as at the Record Date are entitled to receive notice of the Meeting and to vote those shares included in the list of shareholders entitled to vote at the Meeting prepared as at the Record Date, unless any such shareholder transfers shares after the Record Date and the transferee of those shares, having produced properly endorsed certificates evidencing such shares or having otherwise established that he or she owns such shares before the meeting, demands, that the transferee's name be included in the list of shareholders entitled to vote at the Meeting, in which case such transferee shall be entitled to vote such shares at the Meeting.

DATED at Calgary, Alberta, this 18th day of November, 2014.

BY THE ORDER OF THE BOARD OF DIRECTORS

(signed) "*Chayan Chakrabarty*"

Chayan Chakrabarty
President and Chief Executive Officer

BENGAL ENERGY LTD.

Information Circular - Proxy Statement
dated November 18, 2014

for the Annual and Special Meeting of Shareholders
to be held on December 18, 2014

SOLICITATION OF PROXIES

This Information Circular - Proxy Statement is furnished in connection with the solicitation of proxies by the management of Bengal Energy Ltd. (the "Corporation") for use at the annual and special meeting of the shareholders (the "**Shareholders**") of the Corporation (the "**Meeting**") to be held on the 18th day of December, 2014 at 10:00 a.m. (Calgary time) in Great Room 3 at the Sandman Hotel, 888 - 7th Avenue S.W., Calgary, Alberta and at any adjournment thereof, for the purposes set forth in the Notice of Annual and Special Meeting. Instruments of Proxy must be received by Valiant Trust Company, Stock Transfer Department, Suite 310, 606 – 4th Street S.W., Calgary, Alberta T2P 1T1 (Fax: (403) 233-2857), not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for the holding of the Meeting or any adjournment thereof. The board of directors of the Corporation (the "**Board**") has fixed the record date for the Meeting at the close of business on November 18, 2014 (the "**Record Date**"). Only Shareholders of record as at the Record Date are entitled to receive notice of the Meeting and to vote those common shares of the Corporation ("**Common Shares**") included in the list of Shareholders entitled to vote at the Meeting prepared as at the Record Date, unless any such Shareholder transfers Common Shares after the Record Date and the transferee of those Common Shares, having produced properly endorsed certificates evidencing such Common Shares or having otherwise established that he or she owns such Common Shares, demands, that the transferee's name be included in the list of Shareholders entitled to vote at the Meeting, in which case such transferee shall be entitled to vote such Common Shares at the Meeting.

Unless otherwise stated, the information contained in this Information Circular – Proxy Statement is given as at November 18, 2014.

The instrument appointing a proxy shall be in writing and shall be executed by the Shareholder or the Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized.

The persons named in the enclosed form of proxy are directors and/or officers of the Corporation. Each Shareholder has the right to appoint a proxyholder other than the persons designated, who need not be a Shareholder, to attend and to act for the Shareholder at the Meeting. To exercise such right, the names of the nominees of management should be crossed out and the name of the Shareholder's appointee should be legibly printed in the blank space provided.

BENEFICIAL HOLDERS OF SHARES

The information set forth in this section is provided to beneficial holders ("**Beneficial Shareholders**") of Common Shares who do not hold their Common Shares in their own name. Beneficial Shareholders should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Corporation and such holder is a Beneficial Shareholder. Such Common Shares will more likely be registered under the name of the Beneficial Shareholder's broker or an agent of that broker. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominees for many Canadian brokerage firms). Common Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, the broker/nominees are prohibited from voting

Common Shares for their clients. The Corporation does not know for whose benefit the Common Shares registered in the name of CDS & Co. are held.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically provides a scannable voting request form or applies a special sticker to the proxy forms, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the voting request forms or proxy forms to Broadridge. Often Beneficial Shareholders are alternatively provided with a toll-free telephone number to vote their Common Shares or website address where Common Shares can be voted. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **A Beneficial Shareholder receiving a voting instruction request or a proxy with a Broadridge sticker on it cannot use that instruction request or proxy to vote Common Shares directly at the Meeting as the proxy must be returned as directed by Broadridge well in advance of the Meeting in order to have the Common Shares voted. Accordingly, it is strongly suggested that Beneficial Shareholders return their completed instructions or proxies as directed by Broadridge well in advance of the Meeting.**

This Information Circular - Proxy Statement and accompanying materials are being sent to both registered Shareholders and Beneficial Shareholders. The Corporation does not send proxy-related materials directly to Beneficial Shareholders and is not relying on the notice-and-access provisions of securities laws for delivery to either registered Shareholders or Beneficial Shareholders. The Corporation will deliver proxy-related materials to nominees, custodians and fiduciaries and they will be asked to promptly forward them to Beneficial Shareholders. If you are a Beneficial Shareholder, your nominee should send you a voting instruction form or proxy form along with this Information Circular - Proxy Statement. The Corporation has elected to pay for the delivery of our proxy-related materials to objecting Beneficial Shareholders.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his or her broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered Shareholder and vote Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered Shareholder should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

REVOCABILITY OF PROXY

A Shareholder who has submitted a proxy may revoke it at any time prior to the exercise thereof. If a person who has given a proxy attends personally at the Meeting at which such proxy is to be voted, such person may revoke the proxy and vote in person. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or the Shareholder's attorney authorized in writing deposited either at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or with the Chairman of the Meeting on the day of the Meeting, or any adjournment thereof, and upon either of such deposits, the proxy is revoked.

PERSONS MAKING THE SOLICITATION

The solicitation is made on behalf of the management of the Corporation. The costs incurred in the preparation and mailing of the Instrument of Proxy, Notice of Meeting and this Information Circular - Proxy Statement will be borne by the Corporation. In addition to solicitation by mail, proxies may be solicited by personal interviews, telephone or other means of communication and by directors, officers and employees of the Corporation, who will not be specifically remunerated therefore.

EXERCISE OF DISCRETION BY PROXY

The Common Shares represented by proxy in favour of management nominees shall be voted on any ballot at the Meeting and, where the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares shall be voted on any ballot in accordance with the specification so made.

In the absence of such specification, the Common Shares will be voted in favour of the matters to be acted upon. The persons appointed under the Instrument of Proxy furnished by the Corporation are conferred with discretionary authority with respect to amendments or variations of those matters specified in the Instrument of Proxy and Notice of Annual and Special Meeting. At the time of printing this Information Circular - Proxy Statement, management of the Corporation knows of no such amendment, variation or other matter.

MATTERS TO BE ACTED UPON AT THE MEETING

Financial Statements

The audited financial statements of the Corporation for the year ended March 31, 2014, the auditor's report thereon and management's discussion and analysis will be tabled at the Meeting. A copy of the audited financial statements, the auditor's report thereon and management's discussion and analysis for the year ended March 31, 2014 have been mailed to the registered Shareholders.

Election of Directors

At the Meeting, Shareholders will be asked to fix the number of directors to be elected at the Meeting at seven members and to elect seven directors to hold office until the next annual meeting or until their successors are elected or appointed. There are currently seven directors of the Corporation, each of whom retires from office at the Meeting.

Unless otherwise directed, it is the intention of management to vote proxies in the accompanying form in favour of an ordinary resolution fixing the number of directors to be elected at the Meeting at seven members and in favour of the election as directors of the seven nominees hereinafter set forth:

Ian J. Towers
Chayan Chakrabarty
Peter D. Gaffney
James B. Howe

Brian J. Moss
Robert D. Steele
W. B. (Bill) Wheeler

Each director will hold office until the next general meeting or until his successor is duly elected or appointed unless his office is vacated.

The Instrument of Proxy provided by management of the Corporation accompanying this Information Circular-Proxy Statement provides for individual voting on directors rather than slate voting. In connection with the adoption of individual voting on directors, the Board has adopted an individual voting standard. Under such individual voting standard, if the "**WITHHOLD**" votes in respect of the election of a director nominee at the Meeting represent more than the "**FOR**" votes, the nominee will submit his resignation promptly after the Meeting, for the Compensation and Governance Committee's consideration. The Compensation and Governance Committee will consider such resignation and will make a recommendation to the Board after reviewing the matter as to whether to accept it or not, having regard to all matters it deems relevant. The Board will consider the recommendation and the Board's decision to accept or reject the resignation will be disclosed to the public within 90 days of the Meeting and the Board may fill any vacancy created thereby. The nominee will not participate in any committee or Board deliberations upon submitting his resignation and the Board's determination in this regard. The policy does not apply in circumstances involving contested director elections.

The names and residence of the persons nominated for election as directors, the number of voting securities of the Corporation beneficially owned or controlled or directed, directly or indirectly, the offices held by each in the Corporation, the period served as director and the principal occupation and background of each are set forth below. The information as to Common Shares beneficially owned or controlled or directed, directly or indirectly, is based upon information furnished to the Corporation by the nominees.

Name, Province/Country of Residence and Present Office Held	Principal Occupation for Past Five Years	Director Since	Number of Shares Beneficially Held⁽⁴⁾⁽⁵⁾
Ian J. Towers ⁽³⁾ Calgary, Alberta, Canada Director (Chairman)	President, Chief Executive Officer and Director of Dolomite Energy Inc., a private oil and gas company, since February 2005.	November 14, 2005	152,100
Chayan Chakrabarty Calgary, Alberta, Canada President, Chief Executive Officer and Director	Appointed Chief Executive Officer of Bengal on November 26, 2010. President of Bengal since February 13, 2008. Vice President, International with Daylight Resources Trust (previously Sequoia Oil & Gas Ltd.) from February 2006 to November 2007.	February 13, 2008	955,390
Peter D. Gaffney ⁽²⁾⁽³⁾ Alton, Hampshire, United Kingdom Director	Independent advisor to international oil and gas industry. Director of Dominie Enterprises Ltd. from November 2005 to present. Director of Upfolds Ltd., a United Kingdom company, from September 2013 to present.	January 30, 2011	746,429
James B. Howe ⁽¹⁾ Calgary, Alberta, Canada Director	From January 1982 to present, President of Bragg Creek Financial Consultants Ltd. (a private financial consulting corporation). Director of Ensign Energy Services Inc. and Pason Systems Inc.	November 14, 2005	390,000
Dr. Brian J. Moss ⁽²⁾⁽³⁾ Calgary, Alberta, Canada Director	June 2012 appointed Executive Vice President and Chief Operating Officer and named to the Board of Directors of Crown Point Energy Inc. (formerly Crown Point Ventures Ltd.) in May 2012. From January 2008 to May 2012 Executive Vice President (Latin America) of Antrim Energy Inc. Director of Antrim Energy Inc. from April 2006 to June 2012. Prior to January 2008 President and CEO of Los Altares Resources Ltd., a private oil and gas company incorporated in Alberta.	January 6, 2012	1,500
Robert D. Steele ⁽¹⁾⁽³⁾ Calgary, Alberta, Canada Director	Independent businessman. On the Board of Directors of Raise Production Inc. (formerly Global Energy Services Ltd.) since June 2011. Director of Marquee Energy Ltd (formerly Skywest Energy Ltd.) from June 2010 to June 2013. From 2001 to the May 2011 sale, a Director and Chairman of Technicoil Corporation. Chairman and founding Chief Executive Officer of Berens Energy Ltd. from February 2002 to the sale in March 2010.	August 27, 2010	1,962,529

Name, Province/Country of Residence and Present Office Held	Principal Occupation for Past Five Years	Director Since	Number of Shares Beneficially Held ⁽⁴⁾⁽⁵⁾
William (Bill) Wheeler ⁽¹⁾ Vancouver, British Columbia, Canada Director	Private investor. Co-founder of Leith Wheeler Investment Counsel Ltd. Director of Azabache Energy Inc. from June 2010 to January 2014. President of Texada Capital Management Ltd., a private investment company, since September 2011.	January 6, 2012	11,040,384

Notes:

- (1) Member of the Audit Committee.
- (2) Member of the Reserves Committee.
- (3) Member of the Compensation and Governance Committee.
- (4) The Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at the date hereof, is based upon information furnished to the Corporation by the above individuals. The information above does not include options to purchase Common Shares ("**Options**").
- (5) In addition, as at the date hereof, each of the above nominees holds the following additional securities: Mr. Towers – 275,000 Options; Mr. Chakrabarty – 602,500 Options; Mr. Gaffney – 270,000 Options and \$250,000 aggregate principal amount of 10% unsecured non-convertible redeemable notes issued in January 2013 (the "**January Non-Convertible Notes**"); Mr. Howe – 267,500 Options, \$150,000 aggregate principal amount of 10% unsecured non-convertible redeemable notes issued in July 2013 (the "**July Non-Convertible Notes**") and 23,438 value appreciation rights (the "**VARs**"), each of which entitles the holder thereof, for a period of 36 months following July 5, 2013, to exercise the VAR and receive a cash payment equal to the difference between the market price of one Common Share on the exercise date and \$0.75; Dr. Moss – 210,000 Options; Mr. Steele – 250,000 Options and \$250,000 aggregate principal amount of January Non-Convertible Notes; Mr. Wheeler – nil Options, \$1,250,000 aggregate principal amount of January Non-Convertible Notes, \$3,350,000 principal amount of July Non-Convertible Notes and 523,438 VARs. All outstanding July Non-Convertible Notes have been called for redemption, with an effective redemption date of November 24, 2014.

As at November 18, 2014, the directors and executive officers of the Corporation own, control or direct, directly or indirectly, 15,770,677 Common Shares representing 24.4% of the issued and outstanding Common Shares.

Unless otherwise directed, it is the intention of the management designees, if named as proxy, to vote proxies in the accompanying form in favour of the ordinary resolution fixing the number of directors at seven and the election of the nominees set forth above, as a group, as directors for the ensuing year. However, if for any reason any of the proposed nominees does not stand for election or is unable to serve as such, the management designees, if named as proxy, reserve the right to vote for any other nominee in their sole discretion unless the Shareholder specified that their Common Shares are to be withheld from voting on the election of directors.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To our knowledge, other than as disclosed below, no proposed director: (i) is, or has been in the last 10 years, a director, chief executive officer or chief financial officer of an issuer (including the Corporation) that, (a) while that person was acting in that capacity was the subject of a cease trade order or similar order or an order that denied the issuer access to any exemptions under securities legislation, that was in effect for a period of more than 30 consecutive days (collectively, 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; (ii) is, or has been in the last 10 years, a director or executive officer of an issuer (including the Corporation) that while that person was acting in such capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; (iii) has, within the last 10 years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangements or compromises with creditors, or had a receiver, receiver manager or trustee appointed to hold his or her

assets; or (iv) has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

Dr. Moss was an independent director of Richards Oil & Gas Limited ("**Richards**") which was listed on the TSX Venture Exchange (the "**TSXV**") when it faced severe liquidity problems in early 2010 as a result the collapse in natural gas prices, causing its senior lender to enforce its security. Richards was issued cease trade orders by the Alberta Securities Commission ("**ASC**"), British Columbia Securities Commission and Ontario Securities Commission ("**OSC**") on May 7, 2010, May 11, 2010, and May 26, 2010, respectively, for failing to make required annual continuous disclosure filings for the year ended December 31, 2009. Richards was granted protection from its creditors under the *Bankruptcy and Insolvency Act* ("**BIA**") on May 5, 2010. The shares of Richards were de-listed from the TSXV on July 9, 2010 for failure to pay corporate sustaining fees. Richards filed a proposal under the BIA on September 24, 2010 naming Alger & Associates Inc. as the trustee, which was accepted by the Richards creditors on September 24, 2010 and the Alberta Court of Queen's Bench on October 22, 2010. The cease trade orders by the ASC and OSC were varied in December 2010 to allow certain trades as part of the proposal. After assisting Richards with its successful restructuring process, Dr. Moss, along with the rest of the board of directors for Richards, resigned on December 31, 2010.

Mr. Wheeler was a director of Azabache Energy Inc. ("**Azabache**") when the company was subject to a cease trade order by the ASC dated November 5, 2010 for failure to file annual audited financial statements within the time frame allowed. Azabache subsequently filed its annual audited financial statements and the order was lifted by the ASC on December 16, 2010.

Appointment of Auditors

Unless otherwise directed, it is the intention of the management nominees, if named as proxy, to vote the proxies in favour of an ordinary resolution to re-appoint the firm of KPMG LLP, Chartered Accountants, to serve as auditors of the Corporation until the next annual meeting of the Shareholders and to authorize the directors to fix their remuneration as such. KPMG LLP has been the Corporation's auditors since 1997.

Approval of Option Plan Amendments

On November 13, 2014, the Board approved, subject to Shareholder approval at the Meeting, certain amendments (the "**Plan Amendments**") to the Corporation's share option plan (the "**Option Plan**"). The Plan Amendments amended Section 17 of the Option Plan by: (i) adding in Subsection 17(h), which provides that the Corporation shall not, without Shareholder approval, make any amendment to the Option Plan to increase the Common Share Maximum (as defined in the Option Plan) and (ii) amending former Subsection 17(n) (now Subsection 17(o)) by the addition of the words "make an amendment to" immediately prior to the words "amend this Section 17".

The Board believes the Plan Amendments are in the best interest of the Corporation.

A blackline of the Option Plan, showing the Plan Amendments, is set forth in Schedule "C" attached hereto and forming part of this Information Circular. Schedule "C" also sets forth additional amendments to the Option Plan approved by the Board (the "**Additional Amendments**"). The Additional Amendments include adding a definition for "Common Share Maximum" and certain other minor housekeeping amendments. The Additional Amendments do not require shareholder approval.

Pursuant to the policies of the Toronto Stock Exchange (the "**TSX**") and the Option Plan, the Corporation is required to obtain Shareholder approval to the Plan Amendments. As such, at the Meeting, Shareholders will be asked to approve the following resolution:

"BE IT RESOLVED, AS AN ORDINARY RESOLUTION OF THE SHAREHOLDERS OF BENGAL ENERGY LTD. (THE "CORPORATION"):

1. the amendments to the stock option plan of the Corporation described in the information circular – proxy statement of the Corporation dated November 18, 2014 as the "Plan Amendments", be and the same are hereby approved; and
2. any director or officer of the Corporation be and is hereby authorized and directed to do such things and to execute and deliver all such instruments, deeds and documents, and any amendments thereto, as may be necessary or advisable in order to give effect to the foregoing resolutions, and to complete all transactions in connection therewith."

In accordance with the rules of the TSX, the resolution approving the Plan Amendments requires approval of the majority of the votes cast at the meeting, in person or by proxy.

The Board recommends that shareholders vote in favour of the resolution approving the Plan Amendments. **The persons named in the accompanying Instrument of Proxy intend, unless otherwise directed, to vote in favour of the resolution approving the Plan Amendments.**

Approval of Advance Notice By-Law

Background

On November 13, 2014, the Board approved the adoption by the Corporation of an advance notice by-law regarding advance notice of nominations of directors of the Corporation (the "**Advance Notice By-law**"). The Advance Notice By-law is attached to this Information Circular as Schedule "D".

Purpose of the Advance Notice By-law

The purpose of the Advance Notice By-law is to provide Shareholders, the Board and management of the Corporation with a clear framework for director nominations to help ensure orderly business at Shareholder meetings. Among other things, the Advance Notice By-law fixes a deadline by which director nominations are to be submitted to the Corporation prior to any annual or special meeting of Shareholders. It also specifies the information that a nominating Shareholder must include in the notice to the Corporation in order for any director nominee to be eligible for election at any annual or special meeting of Shareholders.

The directors of the Corporation are committed to:

- (a) facilitating an orderly and efficient annual general or special meeting process;
- (b) ensuring that all Shareholders receive:
 - (i) adequate notice of director nominations; and
 - (ii) sufficient information in advance of an annual general or special meeting with respect to all director nominees and the ownership interests (including derivatives, hedged positions and other economic incentives and voting interests) of the nominating Shareholder in order to assess the qualifications of the proposed nominees for election to the Board and the nature of the nominating Shareholder's interest in the Corporation; and

- (c) allowing Shareholders to register an informed vote having been afforded reasonable time for appropriate deliberation.

Summary of Terms of the Advance Notice By-law

The Advance Notice By-law provides that advance notice to the Corporation must be made in circumstances where nominations of persons for election to the Board are made by Shareholders other than pursuant to: (a) a "proposal" made in accordance with the *Business Corporations Act* (Alberta) (the "ABCA"); or (b) a requisition of a meeting made pursuant to the ABCA.

The Advance Notice By-law fixes a deadline by which Shareholders must submit director nominations to the Chief Executive Officer of the Corporation prior to any annual or special meeting of Shareholders and outlines the specific information that a nominating Shareholder must include in the written notice to the Chief Executive Officer of the Corporation for an effective nomination to occur. No person nominated by a Shareholder will be eligible for election as a director of the Corporation unless nominated in accordance with the provisions of the Advance Notice By-law.

In the case of an annual meeting of Shareholders, notice to the Chief Executive Officer of the Corporation must be made not less than 30 days and not more than 65 days prior to the date of the annual meeting; provided, however, that in the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, notice may be made not later than the close of business on the 10th day following such public announcement. In the case of a special meeting of Shareholders (which is not also an annual meeting), notice to the Corporation must be made not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting was made.

The Board may, in its sole discretion, waive any requirement of the Advance Notice By-law.

Confirmation and Approval of Advance Notice By-law by Shareholders

In accordance with the ABCA, the Advance Notice By-law is in effect until it is confirmed, confirmed as amended or rejected by Shareholders at the Meeting, and if confirmed or confirmed as amended, the Advance Notice will continue in effect in the form in which it is so confirmed. If Shareholders reject the confirmation of the Advance Notice By-law at the Meeting, it will thereafter cease to have effect. By its terms, the Advance Notice By-law will not apply in respect of the election of directors at the Meeting or any adjournment thereof.

In order for the resolution relating to adopting the Advance Notice By-law to be passed, it must be approved by a simple majority of the votes cast by Shareholders who vote in person or by proxy at the Meeting on such resolution.

At the Meeting, Shareholders will be asked to approve the following by ordinary resolution:

"BE IT RESOLVED as an ordinary resolution of the shareholders (the "**Shareholders**") of Bengal Energy Ltd. (the "**Corporation**") that:

1. The advance notice by-law regarding advance notice of nominations of directors of the Corporation, in the form attached as Schedule "D" to the information circular - management proxy statement of the Corporation dated November 18, 2014, is hereby adopted and confirmed as a by-law of the Corporation;
2. any one or more directors or officers of the Corporation are hereby authorized, for and on behalf of the Corporation, to

take, or cause to be taken, any and all such acts and things and to execute and deliver, under the corporate seal of the Corporation or otherwise, all such deeds, instruments, notices, consents, acknowledgments, certificates, assurances and other documents (including any documents required under applicable laws or regulatory policies) as any such director or officer in his or her sole discretion may determine to be necessary or desirable to give effect to the foregoing resolutions, such determination to be conclusively evidenced by the taking of any such action or such director's or officer's execution and delivery of any such deed, instrument, notice, consent, acknowledgement, certificate, assurance or other document; and

3. notwithstanding the passing of this resolution by the Shareholders, the Board may revoke such resolution before it is acted upon, without further approval of the Shareholders, if the Board determines, in its sole and absolute discretion, that such revocation is in the best interests of the Shareholders."

The Board recommends that shareholders vote in favour of the resolution approving the Advance Notice By-law. **The persons named in the accompanying Instrument of Proxy intend, unless otherwise directed, to vote in favour of the resolution approving the Advance Notice By-law.**

INFORMATION CONCERNING THE CORPORATION

Voting Shares and Principal Holders Thereof

The Common Shares are the only securities entitled to be voted at the Meeting and each Common Share is entitled to one vote per Common Share. As at November 18, 2014, there were 64,692,082 Common Shares of the Corporation issued and outstanding, each such share carrying the right to one vote on a ballot at the Meeting. A quorum for the transaction of business at the Meeting will be present if there are not less than two persons present at the Meeting, in person or by proxy, representing not less than 5% of the Common Shares entitled to be voted at the Meeting. The Board has fixed the record date for the Meeting at the close of business on November 18, 2014.

The Corporation is authorized to issue an unlimited number of Common Shares. The Corporation is also authorized to issue an unlimited number of preferred shares, none of which are issued. In addition, as at November 18, 2014, there are 3,515,000 Options outstanding under the Option Plan, 546,875 VARs outstanding and 703,125 Common Shares issuable upon exercise of Common Share purchase warrants issued in July 2013.

To the knowledge of the directors and senior officers of the Corporation, as at the date hereof, no person or company beneficially owned or controlled or directed, directly or indirectly, voting securities of the Corporation carrying more than 10% of the voting rights attached to any class of voting securities of the Corporation other than as set forth below.

Name	Number of Common Shares	Percent of Outstanding
William (Bill) Wheeler	11,040,384 ⁽¹⁾	17.06%

Note:

- (1) 1,973,400 Common Shares are beneficially owned by Mr. Wheeler, 2,142,800 Common Shares are beneficially owned by Mr. Wheeler's spouse and 6,924,184 Common Shares are beneficially owned by Texada Capital Management Ltd., a company controlled by Mr. Wheeler.

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Objectives of the Compensation Program

The Compensation and Governance Committee is responsible for setting the overall compensation strategy of the Corporation and administering the Corporation's executive compensation program. As part of its mandate, the Compensation and Governance Committee approves the appointment and remuneration of the Corporation's executive officers, including the Named Executive Officers or NEOs (each as defined herein) identified in the Summary Compensation Table. The Compensation and Governance Committee is also responsible for reviewing the Corporation's compensation policies and guidelines generally.

The objective of the executive compensation program is to engage senior management by motivating and rewarding corporate, individual or Shareholder success. It is designed to ensure that compensation is commensurate with the experience, performance and contribution of the individuals involved and the overall performance of the Corporation.

The Corporation believes that a competitive, goal-oriented compensation policy is critically important to the creation of value for Shareholders. To that end, the Corporation has created an incentive compensation program intended to reward performance. The goals of the compensation program are to align compensation with the successful accomplishment of business objectives and performance to enable the Corporation to attract and retain high quality executive officers and other key employees, reward them for the Corporation's progress and motivate them to enhance long-term stockholder value. The compensation program is intended to implement the following principles:

- Compensation should be related to the value created for Shareholders.
- The compensation program should be tied to short-term and long-term strategic goals and the Corporation's corporate objectives.
- The compensation program should reflect and promote the Corporation's values and reward individuals for contributions to the Corporation's success.
- The Corporation's compensation program should be designed to attract and retain well-qualified executives.

In evaluating performance, the Compensation and Governance Committee gives consideration to the Corporation's long-term interests and quantitative financial objectives, as well to the qualitative aspects of the individual's performance and achievements. In addition, the Compensation and Governance Committee will receive and review recommendations of the Chief Executive Officer ("CEO") relating to the general compensation structure and policies and programs for the Corporation and the salary and benefit levels for the executive officers. Although compensation opportunities are based in part upon individual contribution, the actual amounts earned by executives in cash bonuses and equity compensation awards are also based upon the overall performance of the Corporation.

During the course of its review of the Corporation's compensation policies and practices, the Compensation and Governance Committee considers the risks associated with such policies and practices. In that regard, the committee has determined that the compensation policies do not create an environment where a NEO or any other individual is encouraged to take excessive risk, but rather encourage, and reward prudent

business judgement and appropriate risk taking over the short and long-term without creating risk that is reasonably likely to have a material adverse impact on the Corporation.

The Corporation does not have a policy restricting the ability of an executive officer or a director from purchasing financial instruments (including pre-paid variable forward contracts, equity swaps, collars, or units of exchange funds) that are designed to hedge or offset a decrease in market value of equity securities (or Options in respect thereof) granted as compensation or held, directly or indirectly, by the executive officer or director. During the financial year ending March 31, 2014, none of the Named Executive Officers or directors purchased such financial instruments.

Elements of Compensation

The executive compensation program is comprised of three principal components: (i) base salaries; (ii) a bonus plan; and (iii) equity-based compensation (including Options and an employee share purchase plan), which are designed to provide a combination of cash and equity-based compensation to effectively retain and motivate the executive officers to achieve the corporate goals and objectives. Each component of the executive compensation program is described below.

Base Salaries

The base salary compensation of the Named Executive Officers was previously established at the time the Corporation entered into employment contracts with such officers. The Compensation and Governance Committee reviews the base compensation of the Named Executive Officers on a regular basis.

The Named Executive Officers are paid a base salary to compensate them for providing the leadership and specific skills needed to fulfill their responsibilities. The base salaries for the executive officers are reviewed by the Compensation and Governance Committee. The Corporation's approach to base salary compensation is to offer salaries which are targeted at the competitive median for similar Canadian internationally focused junior oil and gas companies to attract and retain high quality individuals. Salaries are also meant to reflect a particular executive's level of responsibility, experience and expertise. For the purpose of establishing these levels, the Compensation and Governance Committee reviews publicly available competitive market data, including salaries for comparable positions in other public Canadian junior oil and gas exploration companies and draws on each director's experience with publicly listed companies. Salaries of the NEOs are not determined based on benchmarks or a specific formula. The Compensation and Governance Committee submits its recommendation to the full Board to determine the salary of the CEO. The Compensation and Governance Committee considers the salaries recommended by the CEO for the other executive officers of the Corporation and then submits its recommendation to the full Board to determine the salary of the other executives.

Based upon its reviews of relevant industry data, the Compensation and Governance Committee determined that the base salaries of the NEOs were appropriate and necessary to attract individuals of such high calibre within the oil and gas industry for the financial year ended March 31, 2014. The Compensation and Governance Committee reviews the salaries of the CEO and other executive officers annually. Salaries may be increased based upon the individual's performance and contribution as well as increases in competitive pay levels.

Bonus Plan

In addition to base salaries, the Board may award discretionary cash bonuses to employees of the Corporation, including executive officers. The Corporation does not have a formal bonus plan nor are bonuses paid in relation to any formula or specific criteria. The basis for the Corporation's overall bonus pool and individual allocation is a result of a subjective determination based on, in the case of non-executive employees, the employee's contribution to adding share value and reducing costs and the employee's contribution to overall corporate goals. In the case of executive officers, including the CEO, bonus awards are discretionary and, while there are no specific targets or criteria set out, metrics such as

share price, cash flow per share, income per share, net asset value per share, reserve replacement costs and production levels are considered.

The Board, upon recommendation of the Compensation and Governance Committee, will approve bonus payments to NEOs. The bonus pool will be determined by the Compensation and Governance Committee and following that, management will determine the amount to be paid to each employee and then such allocation of the bonus pool will be presented to the Compensation and Governance Committee for approval, who then submits its recommendation to the full Board for approval. The Corporation maintains a bonus pool for Named Executive Officers separate to that bonus pool for other employees of the Corporation. No bonuses were awarded for the financial year ended March 31, 2014 to any Named Executive Officers.

Equity Based Compensation

The Corporation has adopted the Option Plan pursuant to which Options may be granted to directors, officers, employees and consultants of the Corporation. The Option Plan is designed, through the grant of Options, to reward key individuals in relation to the share price of the Corporation. The Option Plan is an integral component of the Corporation's total compensation program in terms of attracting and retaining key employees and enhances Shareholder value by aligning the interests of executives and employees with the growth and profitability of the Corporation. The long-term focus of the Option Plan complements and balances the short-term elements of the compensation program of the Corporation.

Pursuant to the Option Plan, the Board may, on the recommendation of the Compensation and Governance Committee, grant from time to time, to directors, officers, employees and consultants of the Corporation, Options. In determining the number of Options to be granted to the executive officers, the Compensation and Governance Committee considers the amount, terms and vesting levels of existing Options held by the officers and also the number of Options remaining available for grant by the Corporation in the future to attract and retain qualified technical and administrative staff. Generally, the number of Options granted to any optionee is a function of the level of authority and responsibility of the optionee, the contribution that has been made by the optionee to the business and affairs of the Corporation, the number of Options that have already been granted to the optionee and such other factors as the Compensation and Governance Committee may consider relevant. Please refer to "*Incentive Plan Award – Stock Option Plan*" for further details regarding the Option Plan.

The executive officers participate with all employees in the benefit plans provided by the Corporation. There are no special supplemental pension or benefit plans in place for any of the executive officers. The Corporation has an employee stock purchase plan in place for all employees, including the executive officers, where the Corporation will match purchases of the Common Shares to a maximum of 10% of such employee's base salary. The purpose of this plan is to assist all employees in the accumulation of value for retirement savings or other purposes.

Role of the Compensation and Governance Committee

The Compensation and Governance Committee consists of Robert D. Steele (Chairman), Peter D. Gaffney, Dr. Brian J. Moss and Ian J. Towers. All of the members of the Compensation and Governance Committee are independent within the meaning of National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**") and are knowledgeable with respect to compensation programs and levels. The members of the Compensation and Governance Committee have extensive experience in executive compensation, particularly within the oil and gas industry, through their careers as business executives, directors and advisors, and, as such, the Board is satisfied that the members of the committee have the knowledge and experience to effectively perform their responsibilities.

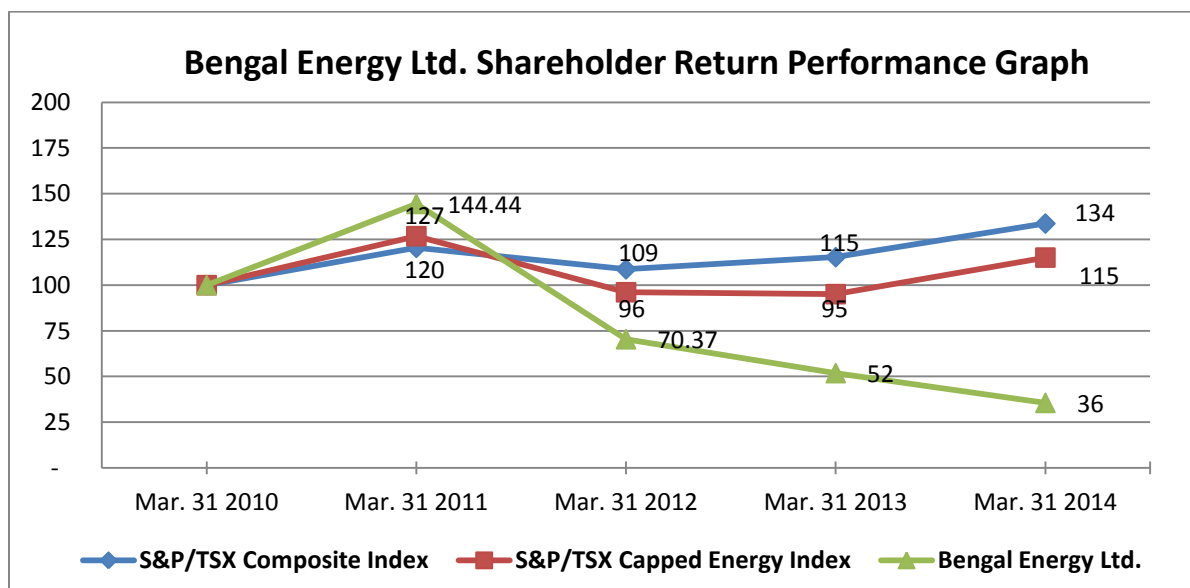
The Compensation and Governance Committee meets from time to time during the year for the purpose of, among other things, reviewing the overall employee and executive officer compensation and benefits program and recommending the approval of any proposed changes to these programs to the full Board. The Compensation and Governance Committee makes specific recommendations to the Board on Option grants

and other share incentive rights allocations, if any, bonuses, employee savings plan contributions and directors' compensation. The Compensation and Governance Committee ensures the total compensation package facilitates the attraction and retention of a strong executive management team and employees. The Board reviews all recommendations of the Compensation and Governance Committee relating to compensation matters before final approval. See Schedule "A" attached hereto for additional information concerning the Compensation and Governance Committee.

At no time in the previous two completed financial years of the Corporation has a compensation consultant or advisor been formally retained by the Corporation to assist the Board or the Compensation and Governance Committee to determine the compensation of the directors or executive officers of the Corporation.

Performance Graph

The Common Shares trade on the TSX under the stock symbol "BNG". Prior to November 1, 2007, the Common Shares traded on the TSXV. The following graph compares the cumulative total Shareholder return of the Common Shares with the cumulative Shareholder return of the S&P/TSX Composite Index (formerly the TSE 300 Composite Index), and the S&P/TSX Capped Energy Index for each of the last five years ended March 31, 2014 (see Note (1) below).



Note:

- (1) Assumes that the initial value of the investment in the Common Shares, in the S&P/TSX Composite Index and the S&P/TSX Composite Capped Energy Index was \$100 on March 31, 2010.

The following table shows the value of \$100 invested in Common Shares on March 31, 2010 compared to \$100 invested in the S&P/TSX Composite Index and the S&P/TSX Capped Energy Index⁽¹⁾:

Note:

- (1) Assuming reinvestment of dividends/distributions. All amounts in Canadian \$.

	<u>March 2010</u>	<u>March 2011</u>	<u>March 2012</u>	<u>March 2013</u>	<u>March 2014</u>
S&P/TSX Composite Index	\$100	\$120	\$109	\$115	\$134
S&P/TSX Capped Energy Index	\$100	\$127	\$96	\$95	\$115
Bengal Energy Ltd.	\$100	\$144	\$70	\$52	\$36

NEO compensation is defined as the aggregate of base salary, annual bonuses (if any), Options, and any other miscellaneous types of benefits that may periodically be granted to an NEO. As described under "*Compensation Discussions and Analysis*", base salaries reflect each executive officer's primary duties and responsibilities and are set at levels based on responsibility, experience and expertise. Options granted pursuant to the Option Plan form a significant portion of compensation, and therefore total compensation for the NEOs is affected by increases or decreases in the price of the Common Shares as the value of Options changes as the Corporation's share price changes. As indicated in the above table, in the years where the trading price of the Common Shares trended down together with stock market conditions generally and commodity prices, including the year ended March 31, 2010, no cash bonuses were awarded and the base salaries of the Named Executive Officers were not materially increased. In January 2012, salaries for the CFO and CEO were moderately increased as a cost of living adjustment. In July 2013, salaries were increased for the Named Executive Officers based on a comprehensive compensation review conducted by the Compensation and Governance Committee with reference to independent assessment of compensation and market benchmarks; however, in response to prevailing market conditions and Common Share devaluation, there were no bonuses awarded during the fiscal year ended March 31, 2014. Notwithstanding the foregoing, the price of the Common Shares may be affected by various factors not related to the results of the Corporation such as changes to commodity prices and general economic conditions.

Option-based Awards

The process the Corporation follows in respect of the grant of option-based awards is set out under "*Compensation Discussion and Analysis – Elements of Compensation/Equity Based Compensation*".

Summary Compensation Table

The term "Named Executive Officer" or "NEO" is defined in Form 51-102F6 - *Statement of Executive Compensation*, and includes (a) the CEO; (b) the Chief Financial Officer ("**CFO**"); (c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was individually more than \$150,000 for that financial year; and (d) each individual who would be a Named Executive Officer under (c) but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of that financial year.

The following table sets forth all annual and long-term compensation for the past three fiscal years paid in respect of Chayan Chakrabarty, President and CEO, Jerrad Blanchard, CFO, Bryan Goudie, former CFO, Richard Edgar, Executive Vice President and Gordon MacMahon, Vice President Exploration (collectively, the "**Named Executive Officers**" or "**NEOs**").

Name and Principal Position	Year Ended March 31	Salary (\$)	Share-based awards (\$)	Option-based awards (\$) ⁽¹⁾	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$) ⁽²⁾	Total compensation (\$) ⁽³⁾
					Annual Incentive plans	Long-term Incentive plans			
Chayan Chakrabarty ⁽⁴⁾ President and CEO	2014	218,750	Nil	66,850	Nil	Nil	Nil	Nil	285,600
	2013	185,000	Nil	55,300	Nil	Nil	Nil	Nil	240,300
	2012	173,750	Nil	215,350	Nil	Nil	Nil	Nil	389,100
Jerrad Blanchard ⁽⁵⁾ CFO	2014	60,000	Nil	40,475	Nil	Nil	Nil	Nil	100,475
	2013	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2012	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Bryan Goudie ⁽⁶⁾ Former CFO	2014	108,926	Nil	28,650	Nil	Nil	Nil	175,092	322,218
	2013	145,000	Nil	29,625	Nil	Nil	Nil	Nil	174,625
	2012	139,375	Nil	117,985	Nil	Nil	Nil	Nil	257,360
Richard Edgar ⁽⁷⁾ Executive Vice President	2014	168,260	Nil	28,650	Nil	Nil	Nil	Nil	196,910
	2013	160,200	Nil	29,625	Nil	Nil	Nil	Nil	189,825
	2012	98,122	Nil	33,050	Nil	Nil	Nil	Nil	131,172
Gordon MacMahon ⁽⁸⁾ Vice President, Exploration	2014	175,000	Nil	47,750	Nil	Nil	Nil	Nil	222,750
	2013	160,000	Nil	49,375	Nil	Nil	Nil	Nil	209,375
	2012	93,333	Nil	214,100	Nil	Nil	Nil	Nil	307,433

Notes:

- (1) Represents the grant date fair value for Options granted in the years ended March 31, 2014, 2013 and 2012, respectively. Fair value is estimated using the Black-Scholes option pricing model. Key assumptions used in the pricing model for 2014, 2013 and 2012, respectively, were: (i) an exercise price of: \$0.465 for Options granted on January 21, 2014, \$0.65 for the Options granted July, 11, 2013, \$0.58 for the Options granted December 21, 2012, \$1.32 for the Options granted June 20, 2011, \$1.05 for the Options granted August 19, 2011, \$1.25 for the Options granted September 21, 2012, \$1.15 for the Options granted March 12, 2012; (ii) dividend yield: 2014 – nil, 2013 – nil and 2012 – nil; (iii) expected volatility: 2014 – 73%, 2013 – 86%, 2012 – 68%; (iv) risk-free interest: 2014 - 2%, 2013 – 2%, 2012 – 2-4%; (v) forfeiture rate: 2014 – 7.1%, 2013 – 6.5%, 2012 – 6.0%; ; and (vi) weighted average life: 2014 – 5 years, 2013 – 5 years, 2012 – 5 years. The Black-Scholes methodology was selected due to its acceptance as an appropriate valuation model used by similar sized oil and gas companies.
- (2) The value of perquisites and benefits for each Named Executive Officer is calculated using the actual cost to the Corporation. No Named Executive Officer received perquisites that were not generally available to all employees amounting to more than either 10% of their total salary or \$50,000.
- (3) In addition to the compensation set forth above, all employees of the Corporation are entitled to: (i) participate in the Corporation's employee health benefits plan; (ii) a parking and gym membership allowance; and (iii) participate in the employee share purchase plan pursuant to which an employee can contribute up to 10% of his/her annual salary and the Corporation will match the contribution.
- (4) Mr. Chakrabarty was appointed CEO on November 26, 2010 and is also a member of the Board. However, no additional compensation is paid in respect to his duties as a director.
- (5) Mr. Blanchard was appointed CFO effective December 1, 2013. The amount of salary reflects the actual amount of salary paid to Mr. Blanchard for the year ended March 31, 2014. If Mr. Blanchard had been an NEO for the entire fiscal year ending March 31, 2014, he would have received \$180,000.
- (6) Mr. Goudie resigned effective December 22, 2013 and received vacation pay of \$7,592, a retention bonus of \$15,000 and severance pay of \$152,500 which is reflected in the "All Other Compensation" column. If Mr. Goudie had been an NEO for the entire fiscal year ending March 31, 2014, he would have received \$150,625.
- (7) Mr. Edgar was appointed Executive Vice President on September 12, 2011. The amount of salary paid to Mr. Edgar reflects the actual amount of consulting fees paid to Mr. Edgar for the year ended March 31, 2012.
- (8) Mr. MacMahon was hired by the Corporation on September 6, 2011. The amount of salary reflects the actual amount of salary paid to Mr. MacMahon for the year ended March 31, 2012. If Mr. MacMahon had been an NEO for the entire fiscal year ending March 31, 2012, he would have received \$160,000.

Incentive Plan Awards

Outstanding Share Based Awards and Option-based Awards

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the financial year ended March 31, 2014 to the Named Executive Officers of the Corporation. There were no share based awards outstanding at March 31, 2014.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$/per share)	Option expiration date ⁽¹⁾	Value of unexercised in-the-money options ⁽²⁾ (\$)	Number of Common Shares or units that have not vested (#)	Market or payment value of share-based awards that have not vested (\$)	Market or payout-value of vested share-based awards not paid out or distributed (\$)
Chayan Chakrabarty	175,000	\$0.65	July 11, 2018	Nil	Nil	Nil	Nil
	140,000	\$0.58	December 21, 2017	Nil			
	100,000	\$1.15	March 12, 2017	Nil			
	187,500	\$1.32	June 20, 2016	Nil			
Jerrad Blanchard ⁽³⁾	125,000	\$0.465	January 21, 2019	\$1,875	Nil	Nil	Nil
Bryan Goudie ⁽⁴⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Richard Edgar	75,000	\$0.65	July 11, 2018	Nil	Nil	Nil	Nil
	75,000	\$0.58	December 21, 2017	Nil			
	50,000	\$1.15	March 12, 2017	Nil			
	60,000	\$1.32	June 20, 2016	Nil			
Gordon MacMahon	125,000	\$0.65	July 11, 2018	Nil	Nil	Nil	Nil
	125,000	\$0.58	December 21, 2017	Nil			
	100,000	\$1.15	March 12, 2017	Nil			
	200,000	\$1.25	September 21, 2016	Nil			

Notes:

- (1) Normal expiration date of the Options, which may be subject to extension in accordance with the Option Plan in the event of a black-out period being imposed at the expiration date.
- (2) Calculated based on the difference between the closing price on the TSX of the Common Shares on March 31, 2014 of \$0.48 and the exercise price of the Options.
- (3) Mr. Blanchard was appointed the CFO of the Corporation effective December 1, 2013.
- (4) Mr. Goudie resigned from the Corporation effective December 22, 2013 and, as such, had no Options outstanding as of the year ended March 31, 2014.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth information relating to the value vested or earned during the Corporation's financial year ended March 31, 2014 in respect of option-based awards, share-based award and non-equity incentive plan compensation for Named Executive Officers of the Corporation.

Name	Option-based awards – Value vested during the year⁽¹⁾ (\$)	Share-based awards- Value vested during the year (\$)	Non-equity incentive plan – Value earned during the year (\$)
Chayan Chakrabarty	933	Nil	Nil
Jerrad Blanchard ⁽²⁾	Nil	Nil	Nil
Bryan Goudie ⁽³⁾	500	Nil	Nil
Richard Edgar	500	Nil	Nil
Gordon MacMahon	833	Nil	Nil

Notes:

- (1) Calculated by multiplying the number of Common Shares in respect of which vesting occurred in the year ended March 31, 2014 by difference between the closing price of the Common Shares on the TSX on the vesting date and the exercise price of the Options on the vesting date.
- (2) Mr. Blanchard was appointed the CFO of the Corporation effective December 1, 2013.
- (3) Mr. Goudie resigned from the Corporation effective December 22, 2013; however, certain of Mr. Goudie's Options vested on December 21, 2013, which value is reflected in the table above.

The Options granted or which vested in the year ended March 31, 2014 were granted under the Corporation's Option Plan which is described below. The process followed by the Corporation for the grant of Options referred to above is described under "*Compensation Discussion Analysis – Elements of Compensation – Equity Based Compensation*".

Stock Option Plan

The Corporation has adopted the Option Plan, which was amended by the Board on August 10, 2011 which amendments were approved by the Shareholders on September 14, 2011.

The Option Plan provides that the Board may from time to time, in its discretion, and in accordance with the requirements of the TSX, grant to directors, officers, employees and consultants to the Corporation or its subsidiaries, Options not to exceed 10% of the issued and outstanding Common Shares of the Corporation. Options granted pursuant to the Option Plan have a term not to exceed five years, unless the Corporation receives permission from the exchange on which the Common Shares are then listed, provided that in any case the term of an Option shall not exceed ten years, and vest in such manner as determined by the Board at the time of the grant. The exercise price of an Option granted pursuant to the Option Plan is determined by the Board at the time of the grant, in accordance with the rules of the TSX, provided that in no event shall such exercise price be lower than the closing market price at the time of the grant. Options granted under the Option Plan are generally not assignable and during the lifetime of an optionee, may only be exercised by the optionee. In connection with the foregoing, the number of the Common Shares reserved for issuance to: (a) any participant will not exceed five percent (5%) of the issued and outstanding Common Shares in any twelve month period unless the Corporation has obtained disinterested Shareholder approval in respect of such grants and meets applicable Exchange requirements; (b) any consultants will not exceed two percent (2%) of the issued and outstanding Common Shares in any twelve month period; (c) all persons employed to perform investor relation activities will not exceed two percent (2%) of the issued and outstanding Common Shares in any twelve month period provided that such Options will contain vesting provisions that such vesting occurs over at least 12 months with no more than 1/4 of the Options vesting in any three month period; (d) all non-employee directors shall not exceed 3% of the issued and outstanding Common Shares; and (e) insiders, at any time, under all share compensation arrangements shall not exceed ten percent (10%) of the issued and outstanding Common Shares in any twelve month period. In addition: (i) the number of securities issued to insiders, within any one year period, under all share compensation arrangements shall not exceed 10% of the issued and outstanding Common Shares; and (ii) the aggregate value of Options granted to any one non-employee director in any 12-month period cannot exceed \$100,000. Options may be exercised no later than 90 days following cessation of the optionee's position with the Corporation unless the optionee was engaged in investor relation activities, in which case such exercise must occur within 30 days following the cessation of the optionee's position with the Corporation, provided that if the cessation of office, directorship, or consulting arrangement was by reason

of death, the Option may be exercised within a maximum period of one year after such death, subject to the expiry date of such Option.

The Option Plan also provides for the extension of the expiry date of any Option which would otherwise expire during a "black-out period" for two trading days from the date that any "black-out period" ends.

The Option Plan provides that the Board may, subject to receipt of requisite regulatory approval, in its sole discretion and without further approval of the Shareholders, make amendments to the Option Plan or any Option granted thereunder including but not limited to: amendments of a "housekeeping" nature; a change to the vesting provisions of an Option or the Option Plan; a change to the termination provisions of an Option or the Option Plan which does not entail an extension beyond the original expiry date; suspending, terminating or discontinuing the Option Plan; the addition of restrictions in the Option Plan on the extent of the overall participation by insiders in the Corporation's share compensation arrangements; the addition of provisions relating to phantom share units, such as restricted share units and deferred share units, which result in the participants receiving cash payments, and the terms governing such features; and the addition of a cashless exercise feature payment in cash or securities, which provides for a full deduction of the number of underlying securities from the Option Plan reserved; provided that Shareholder approval will be obtained to the extent such approval is required by applicable laws or regulations or the terms of the Option Plan (Section 17 of the Option Plan specifies certain amendments that require Shareholder approval).

The Option Plan currently contains a cashless exercise feature which allows a holder of Options to dispose of his or her vested, unexercised Options or any of them to the Corporation in exchange for the issuance of Common Shares equal to the number determined by dividing the closing market price of the Common Shares on the Exchange prior to the date of surrender of such Option (the "**Market Price**"), into the difference between the Market Price and the exercise price of such Option.

In 2011, certain amendments to the Option Plan were made. At the annual and special meeting of the Shareholders held on September 14, 2011, a resolution was passed to change the amendment provisions of the Option Plan. The new provisions of the Option Plan now provide that only with approval by the Shareholders, can the following amendments be made to the Option Plan: (i) reduce the exercise price of any Option issued under the Option Plan; (ii) increase the maximum amount of securities that may be issued to insiders; (iii) extend the term of any outstanding Option beyond the original expiry date of such Option, unless such extension is due to a Blackout Period (as such term is defined in the Option Plan) being in effect; (iv) change the definition of "Participant" under the Option Plan; (v) amend the limits on grants of Options to non-employee directors from those provided in the Option Plan; (vi) amend the Article of the Option Plan that provides for the transferability of Options; (vii) amend the Article of the Option Plan that provides for the amendment and termination of the Option Plan; and (ix) make any other amendment to the Plan that shall require Shareholder approval pursuant to any applicable laws or regulations, including without limitation, the policies and regulations of the TSX (collectively, the "**2011 Amendments**").

In addition to the 2011 Amendments, the directors of the Corporation also approved certain amendments for which Shareholder approval was not required (the "**Additional 2011 Amendments**"). The Additional 2011 Amendments included: (i) decreasing the limit on the number of Common Shares that may be reserved for issuance pursuant to Options granted to non-employee directors from 4% of the issued and outstanding Common Shares to 3%; and (ii) decreasing the limit on the aggregate value of Options granted to any one non-employee director in any 12-month period to \$100,000 from \$200,000.

On June 13, 2014, the Board approved, subject to Shareholder approval at the Meeting, the Plan Amendments and the Additional Amendments for which Shareholder approval is not required. See "*Matters to be Acted Upon at the Meeting – Approval of Option Plan Amendments*".

As of the date hereof, the Corporation has 64,692,082 Common Shares issued and outstanding. As at the date hereof, the Corporation had 3,515,000 (5.4%) Options issued under the Option Plan and 2,954,208 (4.6%) Options still available for grant under the Option Plan.

Employee Share Purchase Plan

The employee share purchase plan ("**ESPP**") provides an opportunity for employees to accumulate savings through automatic payroll deductions, which are then invested in Common Shares. The ESPP is administered for the Corporation by Raymond James Ltd. (the "**Administrative Agent**").

Employees with over three months of continuous service with the Corporation or its subsidiaries are eligible to participate in the ESPP. Employees who elect to join the ESPP ("**Participants**") may contribute a minimum of 2% and a maximum of 10% of their regular monthly earnings, subject to certain exceptions, to the ESPP. The Corporation contributes a matching amount of each Participant's contribution up to 10% of the employee's monthly earnings, with certain exceptions. The Administrative Agent purchases Common Shares on the open market with the contribution funds and maintains accounts for each ESPP Participant.

Pension Plan Benefits

The Corporation did not have any defined benefit (or actuarial plans), defined contribution plan, deferred compensation plan, or any other form of pension plan during the financial year ended March 31, 2014.

Termination and Change of Control Benefits

Messrs. Chakrabarty, Blanchard and MacMahon have entered into employment agreements with the Corporation. With respect to Mr. Chakrabarty his employment agreement may be terminated by either the Corporation or Mr. Chakrabarty on one month's notice. The employment agreement provides that, if the employment agreement is terminated without cause or as a result of a "Change of Control" (as defined in the employment agreement) of the Corporation, Mr. Chakrabarty becomes entitled to a lump sum retiring allowance equal to sum of 1.5 times his annual base salary and 1.5 times the annual bonus payment paid to Mr. Chakrabarty in the preceding fiscal year, if any. In addition, Mr. Chakrabarty is entitled to an amount equal to the premiums due for the executive's participation in the Corporation's group benefit plan for a period of twelve months from the date of termination.

Mr. Blanchard's employment agreement may be terminated without cause by the Corporation on six months' notice plus one additional month's notice for every completed year of service after the first anniversary of his employment agreement (the "**Written Notice**") to a maximum of twelve (12) months annual salary. The Corporation, in its sole and absolute discretion, may instead make a lump sum payment to Mr. Blanchard, in lieu of the Written Notice, equal to the base salary that he would have otherwise been earned during the Written Notice. The employment agreement also provides that Mr. Blanchard may terminate his employment within 90 days of a "Change of Control" (as defined in the employment agreement) and following an event that constitutes "Good Reason" (as defined in the employment agreement), following which Mr. Blanchard becomes entitled to a retiring allowance in an amount to equal to the retiring allowance he would be entitled to if he had been terminated by the Corporation without cause after the second anniversary of his employment agreement. In the event of a Change of Control, and within 90 days of a "Change of Control" (as defined in the employment agreement) and following an event that constitutes "Good Reason" (as defined in the agreements), terminate his employment, following which Mr. Blanchard becomes entitled to a retiring allowance in an amount to equal to the retiring allowance he would be entitled to if he had been terminated by the Corporation without cause after the second anniversary of his employment agreement.

Mr. MacMahon's employment agreement may be terminated without cause provided that, in addition to accrued and unpaid salary and vacation pay, the Corporation pays Mr. MacMahon a retiring allowance equal to 12 months of the Mr. MacMahon's annual base salary as at the termination date. Mr. MacMahon's employment agreement also provides that he may, within 90 days of a "Change of Control" (as defined in the agreements) and following an event that constitutes "Good Reason" (as defined in the employment agreement), terminate his employment, following which Mr. MacMahon becomes entitled to a retiring allowance in an amount to equal to the retiring allowance he would be entitled to if he had been terminated by the Corporation without cause after the second anniversary of his employment agreement.

The stock option agreements with each NEO provide that, in the event of a "Change of Control" (as defined in the option agreement), all outstanding Options will immediately vest and become exercisable. Had such "Change of Control" occurred as at March 31, 2014, the value of Options vested upon such occurrence (calculated as the difference between the market price of the Common Shares on the TSX on March 31, 2014, the last trading day of the most recently completed financial year and the exercise price of the Options) would have been, Nil for Mr. Chakrabarty, Nil for Mr. Edgar, Nil for Mr. MacMahon and \$1,875 for Mr. Blanchard.

The estimated incremental payments, payables and benefits which might be paid by the Corporation for the Named Executive Officers, assuming a termination of employment without cause or a change of control occurred as at March 31, 2014, would be, in the aggregate, \$653,687. Mr. Chakrabarty would be entitled to a lump sum payment equal to \$352,648. Mr. MacMahon would be entitled to a lump sum payment equal to \$195,414. Mr. Blanchard would be entitled to a lump sum payment of \$105,625. As no bonus payments were paid in the fiscal year ending March 31, 2014, the executives would not be entitled to an additional payment with respect to the bonus previously paid.

Compensation of Directors

In October 2011, the Board approved the payment of the following fees to non-executive directors as compensation for the services provided to the Corporation: (i) an annual retainer fee in the amount of \$10,000 for each non-executive director (\$15,000 for the Chairman); (ii) an additional \$5,000 annual retainer fee for the Chairman of the Audit Committee and Chairman of the Reserves Committees and \$4,000 for the Chairman of the Compensation and Governance Committee of the Board; and (iii) a \$750 fee for each meeting of the Board or a committee thereof attended by a non-executive director. Non-executive directors will also be reimbursed for reasonable expense incurred in their role as non-executive directors and may also receive Option grants under the Option Plan.

The following table sets forth all amounts of compensation provided to the directors of the Corporation (other than those directors who are also Named Executive Officers) during the year ended March 31, 2014.

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards ⁽¹⁾ (\$)	Non-equity incentive plan compensation (\$)	Pension value	All other compensation (\$)	Total (\$) ⁽²⁾
Ian J. Towers	20,250	Nil	19,100	Nil	Nil	Nil	39,350
Peter D. Gaffney	21,000	Nil	19,100	Nil	Nil	Nil	40,100
James B. Howe ⁽³⁾	22,500	Nil	19,100	Nil	Nil	30,000	71,600
Stephen N. Inbusch ⁽⁴⁾	17,500	Nil	19,100	Nil	Nil	33,170	69,770
Brian J. Moss	16,000	Nil	19,100	Nil	Nil	Nil	35,100
Robert D. Steele	22,250	Nil	19,100	Nil	Nil	Nil	41,350
Bill Wheeler	16,000	Nil	Nil	Nil	Nil	Nil	16,000

Notes:

- (1) Represents the grant date fair value for Options granted in the year ended March 31, 2014. Fair value is estimated using the Black-Scholes option pricing model: (i) an exercise price of \$0.65 for Options granted July 11, 2013; (ii) dividend yield: nil; (iii) expected volatility: 73%; (iv) risk-free interest: 2%; (v) forfeiture rate: 7.1%; and (vi) weighted average life: 5 years. The Black-Scholes methodology was selected due to its acceptance as an appropriate valuation model used by similar sized oil and gas companies.
- (2) Total compensation includes the grant date fair value of option-based awards during the year (which value is not a cash amount).

- (3) "All Other Compensation" includes a total of \$30,000 as a one-time directors fee paid to Mr. Howe in connection with the significant additional workload undertaken by Mr. Howe during the fiscal year ended March 31, 2014 relative to his duties as Chairman of the Audit Committee of the Board.
- (4) Mr. Inbusch ceased to be a director of the Corporation on July 5, 2014. "All Other Compensation" includes a total of \$33,170 in consulting fees paid to Mr. Inbusch through his management company, Cairn Financial Corporation, pursuant to an agreement dated December 15, 2013 between Cairn Financial Corporation and the Corporation for fees earned during the fiscal year ended March 31, 2014.

Outstanding Share-based Awards and Option-based Awards

The following table sets forth information in respect of all share-based awards and option-based awards outstanding at the end of the financial year ended March 31, 2014 to the non-executive directors of the Corporation.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$/per share)	Option expiration date	Value of un-exercised in-the-money-options (\$) ⁽¹⁾	Number of Common Shares or units that have not vested (\$)	Market or payment value of share-based awards that have not vested (\$)	Market or payout-value of vested share-based awards not paid out or distributed (\$)
Ian J. Towers	50,000	\$0.65	July 11, 2018	Nil	Nil	Nil	Nil
	75,000	\$0.58	December 21, 2017	Nil			
	75,000	\$1.15	March 12, 2017	Nil			
	75,000	\$1.32	June 20, 2016	Nil			
Peter D. Gaffney	50,000	\$0.65	July 11, 2018	Nil	Nil	Nil	Nil
	75,000	\$0.58	December 21, 2017	Nil			
	85,000	\$1.15	March 12, 2017	Nil			
	60,000	\$1.32	June 20, 2016	Nil			
James B. Howe	50,000	\$0.65	July 11, 2018	Nil	Nil	Nil	Nil
	75,000	\$0.58	December 21, 2017	Nil			
	75,000	\$1.15	March 12, 2017	Nil			
	67,500	\$1.32	June 20, 2016	Nil			
Stephen N. Inbusch ⁽²⁾	50,000	\$0.65	July 11, 2018	Nil	Nil	Nil	Nil
	75,000	\$0.58	December 21, 2017	Nil			
	85,000	\$1.15	March 12, 2017	Nil			
Brian J. Moss	50,000	\$0.65	July 11, 2018	Nil	Nil	Nil	Nil
	75,000	\$0.58	December 21, 2017	Nil			
	85,000	\$1.15	March 12, 2017	Nil			
Robert D. Steele	50,000	\$0.65	July 11, 2018	Nil	Nil	Nil	Nil
	75,000	\$0.58	December 21, 2017	Nil			
	65,000	\$1.15	March 12, 2017	Nil			
	60,000	\$1.32	June 20, 2016	Nil			
Bill Wheeler ⁽³⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Calculated based on the difference between the closing price on the TSX of the Common Shares on March 31, 2014 of \$0.48 and the exercise price of the Options.

- (2) Mr. Inbusch ceased to be a director of the Corporation on July 5, 2014.
 (3) Mr. Wheeler elected not to receive any of the Options granted on March 12, 2012, December 21, 2012 and July 11, 2013.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table provides details of the aggregate value of option-based awards held by directors (who are not also Named Executive Officers) which vested during the financial year ended March 31, 2014.

Name	Option-based awards - Value vested during the year (\$)⁽¹⁾	Share-based awards- Value vested during the year (\$)	Non-equity incentive plan – Value earned during the year (\$)
Ian J. Towers	500	Nil	Nil
Peter D. Gaffney	500	Nil	Nil
James B. Howe	500	Nil	Nil
Stephen N. Inbusch ⁽²⁾	500	Nil	Nil
Brian J. Moss	500	Nil	Nil
Robert D. Steele	500	Nil	Nil
Bill Wheeler ⁽³⁾	Nil	Nil	Nil

Notes:

- (1) Calculated by multiplying the number of Common Shares in respect of which vesting occurred in the year ended March 31, 2014 by the closing price on the TSX on the vesting date.
 (2) Mr. Inbusch ceased to be a director of the Corporation on July 5, 2014.
 (3) Mr. Wheeler elected not to receive any of the Options granted on March 12, 2012, December 21, 2012 and July 11, 2013.

Securities Authorized for Issuance Under Equity Compensation Plans

The following sets forth information in respect of securities authorized for issuance under the equity compensation plans as at March 31, 2014.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	3,873,333 Options	\$0.91 Options	2,593,375
Equity compensation plans not approved by securityholders	-	-	-
Total	5,123,333		2,593,375

Note:

- (1) Based on the number of outstanding Common Shares as at March 31, 2014 and the number of Options outstanding at March 31, 2014. As at March 31, 2014, there were a total of 3,873,333 Options outstanding, leaving a total of 2,593,375 Options remaining available for issue. Pursuant to the Option Plan, the maximum number of Common Shares that may be subject to Options granted and outstanding thereunder at any time shall not exceed 10% of the outstanding Common Shares.

Indebtedness of Directors and Executive Officers

No director, executive officer, employee or former executive officer, director or employee of the Corporation or any of its subsidiaries, or any associate of any such director, officer or employee is, or has been at any time since the beginning of the most recently completed financial year of the Corporation,

indebted to the Corporation or any of its subsidiaries in respect of any indebtedness that is still outstanding, nor, at any time since the beginning of the most recently completed financial year of the Corporation has, any indebtedness of any such person been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

CORPORATE GOVERNANCE PRACTICES

The Corporation's disclosure with respect to Corporate Governance Practices is set forth in Schedule "A" hereto.

INTEREST OF MANAGEMENT AND INFORMED PERSONS IN MATERIAL TRANSACTIONS

There were no material interests, direct or indirect, of directors or executive officers of the Corporation, of any Shareholder who beneficially owns or controls or directs, directly or indirectly, more than 10% of the outstanding Common Shares, or any other Informed Person (as defined in National Instrument 51-102 – *Continuous Disclosure Obligations*) or any known associate or affiliate of such persons, in any transaction since the commencement of the most recently completed financial year of the Corporation or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

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

Other than in connection with the election of directors, management of the Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or nominee for director, or executive officer of the Corporation or anyone who has held office as such since the beginning of the Corporation's last financial year or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting other than the election of directors, other than the resolution approving unallocated Options under the Option Plan.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Financial information in respect of the Corporation and its affairs is provided in the Corporation's annual audited comparative financial statements for the year ended March 31, 2014 and the related management's discussion and analysis. Copies of the Corporation's financial statements and related management discussion and analysis are available upon request from the Chief Financial Officer of the Corporation, at 1810, 801 – 6th Avenue SW, Calgary, Alberta T2P 3W2, (403) 205-2526.

Also see "Audit Committee Information" in the Corporation's annual information form for the year ended March 31, 2014 for information relating to the Audit Committee, including its mandate, composition of the Audit Committee and fees paid to the Corporation's auditors.

OTHER MATTERS

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

APPROVAL

The contents and sending of this Information Circular - Proxy Statement has been approved by the Board.

DATED November 18, 2014.

SCHEDULE "A"

BENGAL ENERGY LTD. CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**") requires that if management of an issuer solicits proxies from its security holders for the purpose of electing directors that certain prescribed disclosure respecting corporate governance matters be included in its management information circular. The TSX also requires listed companies to provide, on an annual basis, the corporate governance disclosure which is prescribed by NI 58-101.

The prescribed corporate governance disclosure for the Corporation is that contained in Form 58-101F1 which is attached to NI 58-101 ("**Form 58-101F1 Disclosure**").

Set out below is a description of the Corporation's current corporate governance practices, relative to the Form 58-101F1 Disclosure.

Board of Directors

Disclose the identity of directors who are independent.

The following six current directors of the Corporation are independent (within the meaning of National Instrument 52-110 – *Audit Committees*):

Peter D. Gaffney
James B. Howe
Dr. Brian J. Moss
Robert D. Steele
Ian J. Towers (Chairman)
W. B. (Bill) Wheeler

Disclose the identity of directors who are not independent, and describe the basis for that determination.

Chayan Chakrabarty is not independent as he is the President and Chief Executive Officer of the Corporation and is compensated as such.

Disclose whether or not a majority of directors are independent. If a majority of directors are not independent, describe what the board of directors (the board) does to facilitate its exercise of independent judgement in carrying out its responsibilities.

Six of the seven current directors are independent, including the Chairman. The Board regularly holds "in-camera" sessions at its Board meetings, which sessions exclude the director who is also an officer of the Corporation. The Board feels that having six independent directors and holding in-camera sessions is sufficient to facilitate its exercise of independent supervision over management.

If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.

The following directors are presently directors of other issuers that are reporting issuers (or the equivalent):

<u>Name of Director</u>	<u>Name of Other Reporting Issuers</u>
James B. Howe	Ensign Energy Services Inc. Pason Systems Inc.
Dr. Brian J. Moss	Crown Point Energy Inc.
Robert D. Steele	Raise Production Inc.

Disclose whether or not the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year. If the independent directors do not hold such meetings, describe what the board does to facilitate open and candid discussion among its independent directors.

During the year ended March 31, 2014, the independent directors held 4 regularly scheduled meetings at which non-independent directors and management were not in attendance. In addition, the Board has adopted terms of reference for the Board (as noted below) which will require the independent directors of the Board to regularly hold in camera sessions of the Board, with only independent directors present and at such times as the independent directors determine advisable.

Disclose whether or not the chair of the board is an independent director. If the board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities. If the board has neither a chair that is independent nor a lead director that is independent, describe what the board does to provide leadership for its independent directors.

The Chairman of the Board is Ian Towers. The role of the Chairman is to manage the affairs of the Board, including being satisfied that the Board is organized properly, functions effectively, meets its obligations and responsibilities, including those matters set forth in the terms of reference of the Board and operates independently of management. Mr. Towers is an independent director.

Disclose the attendance record of each director for all board meetings held since the beginning of the issuer's most recently completed financial year.

The attendance record of each of the directors of the Corporation for meetings and committee meetings during the financial year ended March 31, 2014 is as follows:

Name	Board Meetings Attended / Held	Audit Committee Meetings Attended / Held	Reserves Committee Meetings Attended / Held	Compensation and Governance Committee Meetings
				Attended / Held
Ian J. Towers	4/4	-	-	1/1
Chayan Chakrabarty	4/4	-	-	-
Peter D. Gaffney	4/4	-	1/1	1/1
James B. Howe	4/4	4/4	-	-
Stephen N. Inbusch ⁽¹⁾	4/4	2/4	1/1	-
Dr. Brian J. Moss	4/4	-	1/1	1/1
Robert D. Steele	4/4	4/4	-	1/1
W. B. (Bill) Wheeler	3/4	3/4	-	-

Note:

- (1) Mr. Inbusch ceased to be an Audit Committee member effective December 15, 2013 and a director of the Corporation on July 5, 2014.

Board Mandate – Disclose the text of the board's written mandate. If the board does not have a written mandate, describe how the board delineates its role and responsibilities.

The mandate of the Board is attached hereto as Schedule "B" hereto.

Position Descriptions

Disclose whether or not the board has developed written position descriptions for the chair and the chair of each board committee. If the board has not developed written position descriptions for the chair and/or the chair of each board committee, briefly describe how the board delineates the role and responsibilities of each such position.

The Board has developed written position descriptions for the Chairman of the Board, as well as the Chairman of each of the committees of the Board.

Disclose whether or not the board and CEO have developed a written position description for the CEO. If the board and CEO have not developed such a position description, briefly describe how the board delineates the role and responsibilities of the CEO.

The Board, with the input of the CEO of the Corporation, has developed a written position description for the CEO.

Orientation and Continuing Education

Briefly describe what measures the board takes to orient new directors regarding (i) the role of the board, its committees and its directors, and (ii) the nature and operation of the issuer's business.

While the Corporation does not currently have a formal orientation and education program for new recruits to the Board, the Corporation has historically provided such orientation and education on an informal basis. 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 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 and the experience and expertise of the members of the Board.

Briefly describe what measures, if any, the board takes to provide continuing education for its directors. If the board does not provide continuing education, describe how the board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors.

No formal continuing education program currently exists for the directors of the Corporation. However, all board members are provided with copies of the terms of reference for the Board and the Corporation's whistle blower policy. In addition, management keeps the Board apprised of developments within the oil and gas industry that may affect the governance and management of the Corporation. Any director who feels that they require any services from an outside advisor to assist with discharging their responsibilities as a director may engage one at the expense of the Corporation upon authorization by the Chairman of the Audit Committee.

The Corporation encourages directors to attend, enrol or participate in courses and/or seminars dealing with financial literacy, corporate governance and related matters and has agreed to pay the cost of such courses and seminars. Each director of the Corporation has the responsibility for ensuring that he maintains the skill and knowledge necessary to meet his obligations as a director.

Ethical Business Conduct

Disclose whether or not the board has adopted a written code for the directors, officers and employees. If the board has adopted a written code.

The Corporation has adopted a Code of Business Conduct and Ethics for directors, officers and employees (the "Code"). A copy of the Code has also been posted on the Corporation's profile at www.sedar.com.

Disclose how a person or company may obtain a copy of the code.

See above.

Describe how the board monitors compliance with its code, or if the board does not monitor compliance, explain whether and how the board satisfies itself regarding compliance with its code; and

The Board monitors compliance with the Code by requiring that each of the directors, officers, employees and consultants of the Corporation affirm in writing on an annual basis his or her agreement to abide by the Code, his or her ethical conduct during the year and disclosure with respect to any conflicts of interest. In addition, the Board has delegated to management the day-to-day responsibility for monitoring compliance with and enforcing the provisions of the Code. To ensure proper understanding of the Code, any questions as to its application will be explained fully by the employee's manager and in the case of directors and officers, by the Audit Committee of the Board.

Provide a cross-reference to any material change report filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.

There has been no material change reports filed since the beginning of the Corporation's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the Code.

Describe any steps the board takes to ensure directors exercise independent judgement in considering transactions and agreements in respect of which a director or executive officer has a material interest.

In accordance with the *Business Corporations Act* (Alberta), directors who are a party to, or are a director or an officer of a person which is a party to, a material contract or material transaction or a proposed material contract or proposed material transaction are required to disclose the nature and extent of their interest and not to vote on any resolution to approve the contract or transaction. In addition, in certain cases, an independent committee of the Board may be formed to deliberate on such matters in the absence of the interested party.

Describe any other steps the board takes to encourage and promote a culture of ethical business conduct.

The Board has adopted a "Whistleblower Policy" wherein employees and consultants of the Corporation are provided with the mechanics by which they may raise concerns with respect to falsification of financial records, unethical conduct, harassment and theft in a confidential, anonymous process.

Nomination of Directors

Describe the process by which the board identifies new candidates for board nomination.

The Board is responsible for recommending suitable candidates for nominees for election or appointment as director, and recommending the criteria governing the overall composition of the Board and governing the desirable characteristics for directors. The Board is currently comprised of six independent directors, consisting of Peter D. Gaffney, James B. Howe, Dr. Brian J. Moss, Robert D. Steele, Ian J. Towers and W. B. (Bill) Wheeler, and one non-independent director, Chayan Chakrabarty. In making such recommendations, the Board is to consider: (i) the competence and skills that the Board considers to be necessary for the Board, as a whole, to possess; (ii) the competence and skills that the Board considers each existing director to possess; (iii) the competencies and skills that each new nominee will bring to the boardroom; and (iv) whether or not each new nominee can devote sufficient time and resources to his or her duties as a member of the Board.

The Board is also responsible for reviewing on a periodic basis the composition of the Board to ensure that an appropriate number of independent directors sit on the Board, and analyze the needs of the Board and recommend nominees who meet such needs.

Disclose whether or not the board has a nominating committee composed entirely of independent directors. If the board does not have a nominating committee composed entirely of independent directors, describe what steps the board takes to encourage an objective nomination process.

The Board, which is responsible for nominating directors, includes six independent directors. The Board is of the view that having six independent directors and holding regular in-camera sessions is sufficient to ensure an objective nomination process.

If the board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.

Please see the previous response.

Compensation

Describe the process by which the board determines the compensation for the issuer's directors and officers.

See "*Information Concerning the Corporation – Statement of Executive Compensation – Compensation Discussion and Analysis*" in the case of officers and "*Information Concerning the Corporation – Director Compensation*" in respect of directors.

Disclose whether or not the board has a compensation committee composed entirely of independent directors. If the board does not have a compensation committee composed entirely of independent directors, describe what steps the board takes to ensure an objective process for determining such compensation.

The Corporation has a Compensation and Governance Committee consisting of Robert D. Steele, (Chairman), Peter D. Gaffney, Dr. Brian J. Moss and Ian J. Towers, all of whom are independent.

If the board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.

Responsibilities

The Compensation and Governance Committee is part of the Board. Its primary functions are: (i) the oversight of the overall human resources policies and procedures including all compensation matters of the Corporation; (ii) developing the approach of the Corporation to matters concerning corporate governance, including in respect of the recruitment of new members of the Board; and (iii) reviewing and making recommendations to the Board in respect of such matters.

Specific Duties

The Committee shall:

Compensation Matters

1. Assist the directors in meeting their responsibilities in respect of overall human resources policies and procedures including recruitment, performance management, compensation, benefit programs, resignation/terminations, training and development, succession planning and organizational planning and design;
2. Review all compensation and benefit proposals for the directors, officers and senior management of the Corporation and make recommendations to the Board;
3. Review overall salary increases for employees of the Corporation and make recommendations to the Board;
4. In consultation with the Board, review and approve corporate goals and objectives relevant to the CEO's and President's compensation, undertake an annual performance review with the CEO and President evaluating their performance in light of those corporate goals and objectives and review their appraisals of the performance of the remaining officers of the Corporation;
5. Review all employment contracts and other agreements for directors, officers, senior management, employees or consultants of the Corporation and make recommendations to the Board;
6. Review all proposed compensation plans and any amendments to all compensation plans of the Corporation;

7. Strengthen the role of the outside directors by facilitating in depth discussions between directors on the Compensation and Governance Committee and management;
8. Be responsible for reviewing executive compensation disclosure before it is publicly disclosed;
9. Administer the Option Plan in accordance with its terms including the grant of stock options in accordance with the terms thereof and reviewing other incentive plans of the Corporation; and
10. Review management's recommendation for proposed stock options or share purchase plans and make recommendations in respect thereof to the Board.

Corporate Governance Matters

1. Review annually the mandates of the Board and its committees and recommend to the Board such amendments to those mandates as the Compensation and Governance Committee believes are necessary or desirable;
2. Consider and, if thought fit, approve requests from directors or committees of directors of the engagement of special advisors from time to time;
3. Prepare and recommend to the Board annually a statement of corporate governance practices to be included in the Corporation's annual report or information circular;
4. Review on a periodic basis the composition of the Board and ensuring that an appropriate number of independent directors sit on the Board, analyzing the needs of the Board and recommending nominees who meet such needs;
5. Assess, at least annually, the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors, including considering the appropriate size of the Board;
6. Make recommendations to the Board as to which directors should be classified as "independent directors", "related" directors or "unrelated" directors pursuant to any such report or circular;
7. Recommend suitable candidates for nominees for election or appointment as directors, and recommending the criteria governing the overall composition of the Board and governing the desirable individual characteristics for directors and in making such recommendations, the Compensation and Governance Committee should consider:
 - (a) the needs of the Corporation and its stage of development the competencies and skills that the Board considers to be necessary for the Corporation and the Board, as a whole, to possess;
 - (b) the competencies and skills that the Board considers each existing director to possess;
 - (c) the competencies and skills each new nominee will bring to the boardroom; and
 - (d) whether or not each new nominee can devote sufficient time and resources to his or her duties as a member of the Board;
8. As required, develop, for approval by the Board, an orientation and education program for new recruits to the Board;

9. To act as a forum for concerns of individual directors in respect of matters that are not readily or easily discussed in a full Board meeting, including the performance of management or individual members of management or the performance of the Board or individual members of the Board;
10. Develop and recommend to the Board for approval and periodically review structures and procedures designed to ensure that the Board can function effectively and independently of management;
11. Make recommendations to the Board regarding appointments of corporate officers and senior management;
12. Review annually the Compensation and Governance Committee's Mandate and Terms of Reference;
13. Review and consider the engagement at the expense of the Corporation of professional and other advisors by any individual director when so requested by any such director;
14. Establish, review and update periodically the Code and ensure that management has established a system to monitor compliance with the Code; and
15. Review management's monitor of the Corporation's compliance with the Code.

Review of Terms of Reference

The Compensation and Governance Committee shall review and assess these Terms of Reference periodically and otherwise as it deems appropriate and recommend changes to the Board. Such review shall include the evaluation of the performance of the Compensation and Governance Committee against the criteria defined in the Compensation and Governance Committee and Board Terms of Reference.

Other Board Committees – If the board has standing committees other than the audit, compensation and nominating committees identify the committees and describe their function.

Other than the Audit and Compensation and Governance Committees, the Corporation has established a Reserves Committee. The Reserves Committee is comprised of Peter D. Gaffney, (Chairman), and Dr. Brian J. Moss, both of whom are independent. The fully independent directors comprising the Reserves Committee ensures an objective process for determining reviewing and supervising the computation and disclosure of the Corporation's reserves.

The Reserves Committee is responsible for various matters relating to reserves of the Corporation that may be delegated to the Reserves Committee pursuant to National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities* ("NI 51-101"), including:

- reviewing the Corporation's procedures relating to the disclosure of information with respect to oil and gas activities including reviewing its procedures for complying with its disclosure requirements and restrictions set forth under applicable securities requirements;
- reviewing the Corporation's procedures for providing information to the independent evaluator;
- meeting, as considered necessary, with management and the independent evaluator to determine whether any restrictions placed by management affect the ability of the evaluator to report without reservation on the Reserves Data (as defined in NI 51-101) (the "**Reserves Data**") and to review the Reserves Data and the report of the independent evaluator thereon (if such report is provided);

- reviewing the appointment of the independent evaluator and, in the case of any proposed change to such independent evaluator, determining the reason therefore and whether there have been any disputes with management;
- providing a recommendation to the Board as to whether to approve the content or filing of the statement of the Reserves Data and other information that may be prescribed by applicable securities requirements including any reports of the independent engineer and of management in connection therewith;
- reviewing the Corporation's procedures for reporting other information associated with oil and gas producing activities; and
- generally reviewing all matters relating to the preparation and public disclosure of estimates of the Corporation's reserves.

Assessments – Disclose whether or not the board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the board satisfies itself that the board, its committees, and its individual directors are performing effectively.

The Corporation is working to establish an annual review assessing the Board's overall performance and that of its committees. The objective of this review will be to contribute to a process of continuous improvement of the Board's execution of its responsibilities. The review should consider the mandate or charters of the Board and committee's and should identify any areas where the director's or management believe that the Board could make a better collective contribution to oversee the affairs of the Corporation. The Board is also responsible for regularly assessing the effects of this and contribution of individual directors.

SCHEDULE "B"

BOARD OF DIRECTORS TERMS OF REFERENCE

The Board of Directors (the "**Board**") of Bengal Energy Ltd. (the "**Corporation**") shall have the oversight responsibility, authority and specific duties as described below.

Composition

Directors and Chairman

The Board shall appoint a chairman (the "**Chairman**") from amongst the directors which comprise the Board. The majority of the directors must be independent, as defined under applicable securities laws, rules or guidelines, any applicable stock exchange requirements or guidelines and any other applicable regulatory rules.

The Chairman shall act as Chair of all meetings of the Board and shareholders of the Corporation.

Committees

In addition to any other committees (including special committees) which the Board may in its discretion constitute from time to time, the Board shall have the following standing committees:

- Audit Committee;
- Reserves Committee; and
- Compensation Committee.

Certain of the responsibilities of the Board may be delegated to these or other committees of the Board. The composition and responsibilities of these standing committees and any other standing committees of the Board will be as set forth in their terms of reference, as amended from time to time, and approved by the Board.

Committee members shall be appointed by the Board. The chair of each committee may be designated by the Board or, failing that, by the members of the particular committee. The chair of each committee (or such committee member as the chair may designate) shall report the results of meetings and any associated recommendations.

The Board is responsible for selecting and appointing the Chief Executive Officer ("**CEO**"); establishing the CEO's goals and objectives and working with the CEO to select and appoint executive officers and establish their goals and objectives.

Communication

To ensure that the Corporation has in place policies and programs that enable the Corporation to communicate effectively and in a timely manner with its shareholders, other stakeholders, analysts and the public generally the Board has adopted a corporate disclosure policy. The Board will review the corporate disclosure policy periodically as deemed necessary to ensure its objectives are being achieved and that the CEO, CFO and Management are effectively implementing the policy.

Meetings and Record Keeping

1. The Board shall meet regularly and at least quarterly at such times and at such locations as the Chairman shall determine.

2. Notice of meetings shall be given to each director not less than 48 hours before the time of the meeting (unless such notice period is waived). Meetings of the Board may be held without formal notice if all of the directors are present and do not object to notice not having been given, or if those absent waive notice in any manner before or after the meeting. The notice of the meeting may be delivered personally, given by mail, facsimile or other electronic means of communication.
3. Each member of the Board is expected to attend Board meetings and meetings of committees on which he or she is a member and to be familiar with deliberations and decisions as soon as possible after any missed meetings. Members of the Board are expected to prepare for meetings by reviewing the meeting materials distributed to members of the Board, to the extent feasible, prior to such meetings.
4. The independent directors of the Board shall regularly hold in camera sessions of the Board, with only independent directors present and at such times as the independent directors determine advisable.
5. A quorum for meetings shall be a majority of the members of the Board, present in person or by telephone or by other telecommunication device that permits all persons participating in the meeting to hear each other.
6. If the Chairman is not present at any meeting of the Board or at any meeting of the shareholders of the Corporation, one of the other directors who is present at the meeting shall be chosen by the Board to preside at the meeting.
7. The Chairman shall establish the agenda for the meetings, and ensure that such agenda enables the Board to successfully carry out its duties, instruct management to circulate appropriate agenda materials to the Board with sufficient time for study prior to the meeting.
8. Every question at a Board meeting shall be decided by a majority of the votes cast.
9. Management shall receive notice of meetings and may attend meetings of the Board at the invitation of the Chairman.
10. The Corporate Secretary of the Corporation, or any other person selected by the Board, shall act as secretary for the purpose of recording the minutes of each meeting.
11. The minutes of the meeting of the Board shall be placed in the Corporation's minute book.

Duties and Responsibilities

In accordance with applicable laws, the Board is required to always act honestly and in good faith with a view to the best interests of the Corporation.

The Board is responsible for the stewardship of the Corporation and overseeing the operation of the business of the Corporation. The primary responsibilities of the Board include:

1. to the extent feasible, satisfying itself as to the integrity of the CEO and other executive officers and that the CEO and other executive officers create a culture of integrity throughout the Corporation;
2. adopting a strategic planning process and approving, at least on an annual basis, a strategic plan for the Corporation which takes into account, among other things, the opportunities and risks of the business;

3. identifying the principal risks of the Corporation's business, and ensuring appropriate systems are implemented to manage these risks;
4. providing continuing education opportunities for all directors so they may maintain or enhance their skills and abilities as directors, as well as ensure their knowledge and understanding of the Corporation's business remains current;
5. adopting a succession plan which includes the appointing, training and monitoring of senior management;
6. adopting and reviewing on a periodic basis the Corporation's Disclosure Policy to ensure that disclosure made by the Corporation is accurate, informative, timely and broadly disseminated all in accordance with applicable laws and stock exchange rules;
7. ensuring that the Corporation has appropriate processes in place to effectively communicate with its employees, government authorities, other stakeholders and the public;
8. in conjunction with the Audit Committee, ensuring the necessary internal controls and management systems are in place that effectively monitor the Corporation's operations and ensure compliance with applicable laws, regulations and policies, including reviewing on an annual basis the controls and procedures established for the certification of financial and other disclosure made by the Corporation;
9. developing clear position descriptions for the Chairman and, in consultation with the CEO, for the CEO;
10. developing or approving the corporate goals and objectives that the CEO is responsible for meeting;
11. monitoring compliance with the Corporation's Code of Business Conduct and Ethics;
12. the establishment of an appropriate system of corporate governance principles and guidelines applicable to the Corporation, including:
 - (a) reviewing periodically the size of the Board and Board member qualifications to ensure its continued effectiveness (including, without limitation, facilitating effective decision-making) and to ensure that a majority of directors qualify as independent directors pursuant to National Instrument 58-101 - Disclosure of Corporate Governance Practices - and that the appropriate number of independent directors are on each committee of the Board as required under applicable securities rules and requirements;
 - (b) regularly assessing the effectiveness and contribution of the Board, its committees and each member of the Board considering, among other things, the applicable terms of reference for the Board and each committee and in the case of each member of the Board, the competencies and skills each member is expected to bring to the Board;
 - (c) reviewing periodically the general responsibilities and function of the Board and its committees and the Chair of each committee, and the roles of the Chairman of the Board and the CEO;
 - (d) approving the nomination of directors;
 - (e) providing a comprehensive orientation to each new director;

- (f) establishing committees and approving their respective mandates and the limits of authority delegated to each committee;
- (g) reviewing and re-assessing the adequacy of the mandate of the committees of the Board on a regular basis, but not less frequently than on an annual basis;
- (h) reviewing the adequacy and form of the annual corporate governance disclosure of the Corporation in its information circular, including the directors' compensation information included therein.

Delegation

The Board may delegate its duties to, and receive reports and recommendations from, any committee of the Board.

Stakeholder Communication

Any stakeholder may contact the Board by e-mail or in writing c/o the Corporate Secretary. Matters relating to the Corporation's accounting, internal accounting control or audit matters will be referred to the Audit Committee. Other matters will be referred to the Chairman. Stakeholders may also directly contact the Chairman.

Review of Terms of Reference

The Board shall review and assess these Terms of Reference and any governance principles and guidelines established by the CEO, CFO and Management at least periodically as deemed necessary.

Approved and adopted by the Board: June 10, 2009, as amended on October 20, 2011.

SCHEDULE "C"

STOCK OPTION PLAN BLACKLINE
(see attached)

STOCK OPTION PLAN

1. Purpose

The purpose of the Stock Option Plan (the "**Plan**") of BENGAL ENERGY LTD., a corporation incorporated under the *Business Corporations Act* (Alberta) (the "**Corporation**") is to advance the interests of the Corporation by encouraging the directors, officers, employees and consultants of the Corporation, and of its subsidiaries and affiliates, if any, to acquire common shares in the share capital of the Corporation (the "**Shares**"), thereby increasing their proprietary interest in the Corporation, encouraging them to remain associated with the Corporation and furnishing them with additional incentive in their efforts on behalf of the Corporation in the conduct of its affairs.

2. Administration

The Plan shall be administered by the Board of Directors of the Corporation or by a special committee of the directors appointed from time to time by the Board of Directors of the Corporation pursuant to rules of procedure fixed by the Board of Directors (such committee or, if no such committee is appointed, the Board of Directors of the Corporation, is hereinafter referred to as the "**Board**"). A majority of the Board shall constitute a quorum, and the acts of a majority of the directors present at any meeting at which a quorum is present, or acts unanimously approved in writing, shall be the acts of the directors.

Subject to the provisions of the Plan, the Board shall have authority to construe and interpret the Plan and all option agreements entered into thereunder, to define the terms used in the Plan and in all option agreements entered into thereunder, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations necessary or advisable for the administration of the Plan. All determinations and interpretations made by the Board shall be binding and conclusive on all participants in the Plan and on their legal personal representatives and beneficiaries.

Each option granted hereunder may be evidenced by an agreement in writing, signed on behalf of the Corporation and by the Participant (defined below), in such form as the Board shall approve. Each such agreement shall recite that it is subject to the provisions of this Plan.

3. Stock Exchange Rules

All options granted pursuant to this Plan shall be subject to rules and policies of any stock exchange or exchanges on which the common shares of the Corporation are then listed and any other regulatory body having jurisdiction hereinafter (hereinafter collectively referred to as, the "**Exchange**").

4. Shares Subject to Plan

Subject to adjustment as provided in Section 15 hereof, the Shares to be offered under the Plan shall consist of common shares of the Corporation's authorized but unissued common shares. The aggregate number of Shares issuable upon the exercise of all options granted under the Plan shall not exceed 10% of the issued and outstanding common shares of the Corporation from time to time (the "**Common Share Maximum**"). If any option granted hereunder shall expire or terminate for any reason

in accordance with the terms of the Plan without being exercised, the unpurchased Shares subject thereto shall again be available for the purpose of this Plan.

5. Maintenance of Sufficient Capital

The Corporation shall at all times during the term of the Plan reserve and keep available such numbers of Shares as will be sufficient to satisfy the requirements of the Plan.

6. Eligibility and Participation

Directors, officers, consultants, and employees of the Corporation or its subsidiaries, and employees of a person or company which provides management services to the Corporation or its subsidiaries ("**Management Company Employees**") shall be eligible for selection to participate in the Plan (such persons hereinafter collectively referred to as "**Participants**"). Subject to compliance with applicable requirements of the Exchange, Participants may elect to hold options granted to them in an incorporated entity wholly owned by them and such entity shall be bound by the Plan in the same manner as if the options were held by the Participant.

Subject to the terms hereof, the Board shall determine to whom options shall be granted, the terms and provisions of the respective option agreements, the time or times at which such options shall be granted and vested, and the number of Shares to be subject to each option. In the case of employees or consultants of the Corporation or Management Company Employees, the option agreements to which they are party must contain a representation of the Corporation that such employee, consultant or Management Company Employee, as the case may be, is a bona fide employee, consultant or Management Company Employee of the Corporation or its subsidiaries.

A Participant who has been granted an option may, if such Participant is otherwise eligible, and if permitted under the policies of the Exchange, be granted an additional option or options if the Board shall so determine.

7. Exercise Price

- (a) The exercise price of the Shares subject to each option shall be determined by the Board, subject to applicable Exchange approval, at the time any option is granted. In no event shall such exercise price be lower than the exercise price permitted by the Exchange and if required by the Exchange, such exercise price shall not be less than the Market Price. For the purposes of this subsection, "Market Price" means the closing market price at the time of the grant.
- (b) Once the exercise price has been determined by the Board, accepted by the Exchange and the option has been granted, the exercise price of an option may be reduced upon receipt of Board approval, accepted by the Exchange, provided that in the case of options held by insiders of the Corporation (as defined in the policies of the Exchange), the exercise price of an option may be reduced only if disinterested shareholder approval is obtained.

8. Number of Optioned Shares

- (a) The number of Shares subject to an option granted to any one Participant shall be determined by the Board, but no one Participant shall be granted an option which exceeds the maximum number permitted by the Exchange.
- (b) No single Participant may be granted options to purchase a number of Shares equalling more than 5% of the issued common shares of the Corporation in any twelve-month period unless the Corporation has obtained disinterested shareholder approval in respect of such grant and meets applicable Exchange requirements.
- (c) The number of Shares that are the subject of options granted to all non-employee directors cannot exceed 33.0% of the then issued and outstanding Shares.
- (d) The aggregate value of all options (as of the date of grant) granted to any one non-employee director in any 12 month period, after the Effective Date, cannot exceed \$100,000.
- (e) Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued common shares of the Corporation in any twelve-month period to any one consultant of the Corporation (or any of its subsidiaries).
- (f) Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued common shares of the Corporation in any twelve month period to persons employed to provide investor relation activities. 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 (1/4) of the options vesting in any 3 month period.
- (g) The number of securities issuable to insiders, at any time, under all Share Compensation Arrangements including options, cannot exceed 10% of issued and outstanding securities of the Corporation;
- (h) The number of securities issued to insiders, within any one year period, under all Share Compensation Arrangements including options, cannot exceed 10% of issued and outstanding securities of the Corporation.

~~Provision 9~~Provisions 8 (e) and (f) applies to all types of ~~security based compensation arrangements~~Share Compensation Arrangements, including both fixed maximum arrangements and evergreen arrangements.

For the purposes of this section, "**Share Compensation Arrangements**" means individual stock options, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of securities to one or more service providers, including a share purchase from treasury which is financially assisted by the Corporation by any means whatsoever.

9. Duration of Option

Subject to ~~section~~Section 10(g), each option and all rights thereunder shall be expressed to expire on the date set out in the option agreement and shall be subject to earlier termination as provided in Sections 11 and 12, provided that no option shall be exercisable for a period exceeding 5 years from the

date the option is granted unless the Corporation receives the permission of the stock exchange or exchanges on which the Shares are then listed and as specifically provided by the Board, and as permitted under the rules of any stock exchange or exchanges on which the Shares are then listed, and in any event, no option shall be exercisable for a period exceeding 10 years from the date the option is granted.

10. Option Period, Consideration and Payment

- (a) The option period shall be a period of time fixed by the Board not to exceed the maximum term permitted by the Exchange, provided that the option period shall be reduced with respect to any option as provided in Sections 11 and 12 covering cessation as a director, officer, consultant, employee or Management Company Employee of the Corporation or its subsidiaries, or death of the Participant.
- (b) Subject to any vesting restrictions imposed by the Exchange, 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.
- (c) Subject to any vesting restrictions imposed by the Board, options may be exercised in whole or in part at any time and from time to time during the option period. To the extent required by the Exchange, no options may be exercised under this Plan until this Plan has been approved by a resolution duly passed by the shareholders of the Corporation.
- (d) Except as set forth in Sections 11 and 12, no option may be exercised unless the Participant is at the time of such exercise a director, officer, consultant, or employee of the Corporation or any of its subsidiaries, or a Management Company Employee of the Corporation or any of its subsidiaries.
- (e) The exercise of any option will be contingent upon receipt by the Corporation at its head office of a written notice of exercise, specifying the number of Shares with respect to which the option is being exercised, accompanied by cash payment, certified cheque or bank draft for: (i) the full purchase price of such Shares with respect to which the option is exercised, and (ii) any amount required to be paid pursuant to Section 19. No Participant or his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any common shares of the Corporation unless and until the certificates for Shares issuable pursuant to options under the Plan are issued to him or them under the terms of the Plan.
- (f) Subject to the provisions of the Plan and with the consent of the Corporation, a Participant may elect to exercise an option by surrendering such option in exchange for the issuance of Shares equal to the number determined by dividing the Current Market Price (calculated as at the date that is two business days prior to the date of exercise) into the difference between the Current Market Price and the exercise price of such option. An option may be exercised pursuant to this section from time to time by delivery to the Corporation at its head office, of: (i) a written notice of exercise specifying that the Participant has elected the cashless exercise of such option and the number of options to be exercised, and (ii) any amount required to be paid pursuant to Section 19. The Corporation will not be required, upon the exercise of any options pursuant to this section, to issue fractions of Shares or to distribute certificates which evidence fractional

Shares. In lieu of fractional Shares, there will be paid to the Participant by the Corporation upon exercise of such options pursuant to this section 10(f), within ten (10) business days after the exercise date, an amount in lawful money of Canada equal to the Current Market Price of such fractional interest, provided that the Corporation will not be required to make any payment, calculated as foresaid, that is less than \$2.00.

- (g) Notwithstanding anything else contained herein, if the expiration date for an option occurs during a period of time during which the Participant cannot exercise an option, or sell optioned Shares, due to applicable policies of the Corporation in respect of insider trading (a "**Blackout Period**") applicable to the relevant Participant, or within 2 trading days after the expiry of a Blackout Period applicable to the relevant Participant, then the expiration date for that option shall be the date that is the 2nd trading day after the expiry date of the Blackout Period (the "**Blackout Expiry Term**"). This subparagraph 10(g) applies to all options outstanding under this Plan. The Blackout Expiry Term for an option may not be amended by the Board of Directors without the approval of the holders of Shares in accordance with subparagraph 17 of the Plan.

For the purposes of this section, "**Current Market Price**" means, as at any date when the Current Market Price is to be determined, the weighted average price per Share at which board lots of the Shares have been traded on the Exchange during the 20 consecutive trading days ending five trading days prior to such date. In the event the Shares are not listed on a recognized stock exchange but are listed on another stock exchange or stock exchanges, any references to such other stock exchange, or, if more than one, shall be to such one as shall be designated by the Board. In the event Shares are not so traded on any stock exchange, the Current Market Price thereof shall be as determined unanimously by the Board after giving due consideration to the price and timing of prior issues of Shares and the current net asset value of the Shares;

11. Ceasing To Be a Director, Officer, Consultant or Employee

If a Participant shall cease to be a director, officer, consultant, employee of the Corporation, or its subsidiaries, or ceases to be a Management Company Employee, for any reason (other than death), such Participant may exercise his option to the extent that the Participant was entitled to exercise it at the date of such cessation, provided that such exercise must occur within 90 days after the Participant ceases to be a director, officer, consultant, employee or a Management Company Employee, unless such Participant was engaged in investor relations activities, in which case such exercise must occur within 30 days after the cessation of the Participant's services to the Corporation.

Nothing contained in the Plan, nor in any option granted pursuant to the Plan, shall as such confer upon any Participant any right with respect to continuance as a director, officer, consultant, employee or Management Company Employee of the Corporation or of any of its subsidiaries or affiliates.

12. Death of Participant

Notwithstanding section 11, in the event of the death of a Participant, the option previously granted to him shall be exercisable only within the one (1) year after such death and then only:

- (a) by the person or persons to whom the Participant's rights under the option shall pass by the Participant's will or the laws of descent and distribution; and

- (b) if and to the extent that such Participant was entitled to exercise the option at the date of his death.

13. Rights of Optionee

No person entitled to exercise any option granted under the Plan shall have any of the rights or privileges of a shareholder of the Corporation in respect of any Shares issuable upon exercise of such option until certificates representing such Shares shall have been issued and delivered.

14. Proceeds from Sale of Shares

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

15. Adjustments

If the outstanding common shares of the Corporation are increased, decreased, changed into or exchanged for a different number or kind of shares or securities of the Corporation or another corporation or entity through re-organization, merger, re-capitalization, re-classification, stock dividend, subdivision or consolidation, any adjustments relating to the Shares optioned or issued on exercise of options and the exercise price per Share as set forth in the respective stock option agreements shall be made in accordance to the terms of such agreements.

Adjustments under this Section shall be made by the Board whose determination as to what adjustments shall be made, and the extent thereof, shall be final, binding and conclusive. No fractional Share shall be required to be issued under the Plan on any such adjustment.

16. Transferability

All benefits, rights and options accruing to any Participant in accordance with the terms and conditions of the Plan shall not be transferable or assignable unless specifically provided herein or the extent, if any, permitted by the Exchange. During the lifetime of a Participant any benefits, rights and options may only be exercised by the Participant.

17. Amendment and Termination of Plan

The Board may, subject to receipt of requisite regulatory approval, including applicable approval of the Exchange where required, in its sole discretion and without the approval of shareholders, make amendments to the Plan or any option granted thereunder including but not limited to:

- (a) amendments of a "housekeeping" nature, including, without limitation, amendments for the purpose of curing any ambiguity, error or omission in the Plan or to correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan, or to comply with applicable law or the requirements of any stock exchange on which the Shares are listed;

- (b) a change to the vesting provisions of an option or the Plan;
- (c) a change to the termination provisions of an option or the Plan which does not entail an extension beyond the original expiry date unless such extension is due to a Blackout Period being effect as per Section 10(g);
- (d) suspending, terminating or discontinuing the Plan;
- (e) the addition of restrictions in the Plan on the extent of the overall participation by insiders in the Corporation's Share Compensation Arrangements;
- (f) the addition of provisions relating to phantom share units, such as restricted share units and deferred share units, which result in Participants receiving only cash payments, and the terms governing such features; and
- (g) the addition of a cashless exercise feature, payable in cash or securities, which provides for a full deduction of the number of underlying securities from the Plan reserve.

Further, the Corporation shall not, without shareholder approval:

- (h) make any amendment to the plan to increase the Common Share Maximum;
- (i) ~~(h)~~ reduce the exercise price of any option issued under the Plan or in connection with the cancellation or re-issue of options;
- (j) ~~(i)~~ increase the maximum amount of securities that may be issued to insiders pursuant to Sections 8(g) and 8(h);
- (k) ~~(j)~~ extend the term of any outstanding option beyond the original expiry date of such option, unless such extension is due to a Blackout Period being in effect as per Section 10(g);
- (l) ~~(k)~~ change the definition of "Participant" under the Plan;
- (m) ~~(l)~~ amend the limits on grants of options to non-employee directors above the amounts set out in Section 8(c) and (d);
- (n) ~~(m)~~ amend Section 16;
- (o) ~~(n)~~ make an amendment to amend this Section 17; or
- (p) ~~(o)~~ make any other amendment to the Plan that shall require shareholder approval pursuant to any applicable laws or regulations, including without limitation, the policies and regulations of the Exchange.

In addition, no amendment to the Plan or options granted thereunder may be made without the consent of the optionee, if it already alters or impairs any option previously granted to such optionee under the Plan.

For the purposes of this section, "**Share Compensation Arrangements**" means individual stock options, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of securities to one or more service providers, including a share purchase from treasury which is financially assisted by the Corporation by any means whatsoever.

18. Necessary Approvals

The ability of a Participant to exercise options and the obligation of the Corporation to issue and deliver Shares in accordance with the Plan is subject to any approvals which may be required from shareholders of the Corporation and any regulatory authority or stock exchange having jurisdiction over the securities of the Corporation. If any Shares cannot be issued to any Participant for whatever reason, the obligation of the Corporation to issue such Shares shall terminate and any option exercise price paid to the Corporation will be returned to the Participant.

19. Withholding

The Corporation shall have the power and the right to deduct or withhold, or require (as a condition of exercise) a Participant to remit to the Corporation, the required amount to satisfy, in whole or in part, federal, provincial, and local taxes, domestic or foreign, required by law or regulation to be withheld with respect to any taxable event arising as a result of the Plan, including the grant or exercise of options granted under the Plan. With respect to required withholding, the Corporation shall have the irrevocable right to (and the Participant consents to) the Corporation setting off any amounts required to be withheld, in whole or in part, against amounts otherwise owing by the Corporation to such Participant (whether arising pursuant to the Participant's relationship as a director, officer or employee of the Corporation or as a result of the Participant providing services on an ongoing basis to the Corporation or otherwise), or may make such other arrangements satisfactory to the Participant and the Corporation. In addition, the Corporation may elect, in its sole discretion, to satisfy the withholding requirement, in whole or in part, by withholding such number of Shares as it determines are required to be sold by the Corporation, as trustee, to satisfy the withholding obligation net of selling costs (which costs shall be the responsibility of the Participant and which shall be and are authorized to be deducted from the proceeds of sale). The Participant consents to such sale and grants to the Corporation an irrevocable power of attorney to effect the sale of such Shares and acknowledges and agrees that the Corporation does not accept responsibility for the price obtained on the sale of such Shares. Any reference in this Plan to the issuance of Shares or a payment of cash is expressly subject to this Section 19.

20. No Guarantees Regarding Tax Treatment

Participants (or their beneficiaries) shall be responsible for all taxes with respect to any option under the Plan, whether arising as a result of the grant or exercise of options or otherwise. Neither the Corporation nor the Board makes any guarantees to any person regarding the tax treatment of an option or payments made under the Plan and none of the Corporation or any of its employees or representatives shall have any liability to a Participant with respect thereto.

21. Effective Date of Plan

The Plan has been adopted by the Board of the Corporation subject to the approval of the Exchange and, if so approved, subject to the discretion of the Board, the Plan shall become effective upon such approvals being obtained.

22. Interpretation

The Plan will be governed by and construed in accordance with the laws of the Province of Alberta.

MADE EFFECTIVE the ~~13th~~ day of ~~September, 2011~~, June, 2014.

BENGAL ENERGY LTD.

Per: _____
Chayan Chakrabarty
President and Chief Executive Officer

SCHEDULE "D"

BY-LAW NUMBER 2

ADVANCE NOTICE BY-LAW

(Adopted by the Board of Directors with immediate effect on November 13, 2014)

BENGAL ENERGY LTD.

(the "**Corporation**")

INTRODUCTION

The Corporation is committed to: (i) facilitating an orderly and efficient annual general or, where the need arises, special meeting, process; (ii) ensuring that all shareholders receive adequate notice of the director nominations and sufficient information with respect to all nominees; and (iii) allowing shareholders to register an informed vote having been afforded reasonable time for appropriate deliberation.

The purpose of this Advance Notice By-law (this "**By-Law**") is to provide shareholders, directors and management of the Corporation with a clear framework for nominating directors. This By-Law fixes a deadline by which holders of record of common shares of the Corporation must submit director nominations to the Corporation prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Corporation for the notice to be in proper written form in order for any director nominee to be eligible for election at any annual or special meeting of shareholders.

It is the position of the Corporation that this By-Law is in the best interests of the Corporation, its shareholders and other stakeholders. This By-Law will be subject to an annual review, and will reflect changes as required by securities regulatory agencies or stock exchanges, or so as to meet industry standards.

NOMINATIONS OF DIRECTORS

1. Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation. Nominations of persons for election to the board of directors of the Corporation (the "**Board**") may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called is the election of directors:
 - (a) by or at the direction of the Board, including pursuant to a notice of meeting;
 - (b) by or at the direction or request of one or more shareholders of the Corporation pursuant to a "proposal" made in accordance with section 136(1) of the *Business Corporations Act* (Alberta) (the "**Act**"), or a requisition of the shareholders made in accordance with section 142(1) of the Act; or
 - (c) by any person (a "**Nominating Shareholder**") who: (i) at the close of business on the date of the giving by the Nominating Shareholder of the notice provided for below in this By-Law and at the close of business on the record date for notice of such meeting, is entered in the securities register of the Corporation as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting and provides evidence of such beneficial ownership to the Corporation; and (ii) complies with the notice procedures set forth below in this By-Law.

2. In addition to any other requirements under applicable laws, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given notice thereof that is both timely (in accordance with paragraph 3 below) and in proper written form (in accordance with paragraph 4 below) to the Chief Executive Officer of the Corporation at the principal executive offices of the Corporation.
3. To be timely, a Nominating Shareholder's notice to the Chief Executive Officer of the Corporation must be made:
 - (a) in the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the "**Notice Date**") on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) day following the Notice Date; and
 - (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made.

The time periods for the giving of a Nominating Shareholder's notice set forth above shall in all cases be determined based on the original date of the applicable annual meeting or special meeting of shareholders, and in no event shall any adjournment or postponement of a meeting of shareholders or the announcement thereof commence a new time period for the giving of such notice.

4. To be in proper written form, a Nominating Shareholder's notice to the Chief Executive Officer of the Corporation must set forth:
 - (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director: (i) the name, age, business address and residential address of the person; (ii) the principal occupation, business or employment of the person for the most recent five years, and the name and principal business of any company in which any such employment is carried on; (iii) the citizenship of such person; (iv) the number of securities of each class or series of securities in the capital of the Corporation which are owned beneficially or of record by the person or under the control or direction, directly or indirectly, of the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; (v) such person's written consent to being named in the notice as a nominee and to serving as a director of the Corporation if elected; and (vi) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below); and
 - (b) as to the Nominating Shareholder giving the notice: (i) the name and address of such Nominating Shareholder, as they appear on the securities register of the Corporation; (ii) the number of securities of each class or series of securities of the Corporation owned of record and beneficially by, or under the control or direction of, directly or indirectly, such Nominating Shareholder; (iii) full particulars regarding any agreement, arrangement or understanding with respect to the nomination between or among such Nominating Shareholder, any of their respective affiliates or associates, and any others acting jointly or in concert with any of the foregoing, including any nominee; (iv) full particulars regarding any agreement, arrangement or understanding (including any derivative or short positions, profit interests, options, warrants, convertible securities, stock appreciation or similar rights, hedging transactions, and borrowed or loaned shares) that has been entered

into as of the date of the notice by, or on behalf of, such Nominating Shareholder, whether or not such instrument or right shall be subject to settlement in underlying securities of the Corporation, the effect or intent of which is to mitigate loss to, manage risk or benefit of share price changes for, or increase or decrease the voting power of, such Nominating Shareholder with respect to securities of the Corporation; (v) full particulars regarding any proxy, contract, agreement, arrangement or understanding pursuant to which such Nominating Shareholder has a right to vote or direct or control the voting of any securities of the Corporation; and (vi) any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below).

The Corporation may require any proposed nominee to furnish such other information and documents as may reasonably be required by the Corporation to (i) determine the eligibility of such proposed nominee to serve as an independent director of the Corporation or that could be material to a reasonable shareholder's understanding of the independence and/or qualifications, or lack thereof, of such proposed nominee, (ii) confirm the agreement of the proposed nominee to comply with all policies and guidelines of the Corporation that are applicable to directors, or (iii) satisfy the requirements of applicable stock exchange rules.

In addition, a Nominating Shareholder's notice shall be promptly updated and supplemented, if necessary, so that the information provided or required to be provided in such notice shall be true and correct as of the record date for the meeting.

5. No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the provisions of this By-Law; provided, however, that nothing in this By-Law shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter that is properly before such meeting pursuant to the provisions of the Act or the discretion of the Chairman. The Chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.
6. For purposes of this By-Law:
 - (a) "**public announcement**" shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com; and
 - (b) "**Applicable Securities Laws**" means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada.
7. Notwithstanding any other provision of this By-Law, notice given to the Chief Executive Officer of the Corporation pursuant to this By-Law may only be given by personal delivery, facsimile transmission or by email (at such email address as may be stipulated from time to time by the Chief Executive Officer of the Corporation for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery to the Chief Executive Officer at the address of the principal executive offices of the Corporation, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received); provided that if such delivery or electronic communication is made on a day which is not a business day or later than 5:00 p.m. (Calgary time) on a day which is a business day, then

such delivery or electronic communication shall be deemed to have been made on the next following day that is a business day.

8. Notwithstanding the foregoing, the Board may, in its sole discretion, waive any requirement in this By-Law.
9. This By-Law was approved and adopted by the Board on November 13, 2014 (the "**Effective Date**") and is and shall be effective and in full force and effect in accordance with its terms and conditions from and after such date. Notwithstanding the foregoing, if this By-Law is not approved by ordinary resolution of shareholders of the Corporation present in person or voting by proxy at the next meeting of those shareholders validly held following the Effective Date, then this By-Law shall terminate and be void and of no further force and effect following the termination of such meeting of shareholders. Notwithstanding anything contained herein, this Advance Notice By-law will not apply in respect of the election of directors at the annual and special meeting of shareholders of the Corporation scheduled for December 18, 2014 and any adjournment thereof.
10. This By-Law shall be interpreted and enforced in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable in that province.