Annual and Special Meeting
of Shareholders to be held on
May 14, 2014

NOTICE OF MEETING
and
INFORMATION CIRCULAR

April 16, 2014

Serinus Energy Inc. is a public company listed on the Toronto Stock Exchange and on the Warsaw Stock Exchange under the trading symbol "SEN".

A Polish translation of this Notice of Meeting and Information Circular is posted on the website of the Corporation (www.serinusenergy.com)

Tlumaczenie niniejszego zawiadomienia o zwolaniu Walnego Zgromadzenia kcjonariuszy oraz tlumaczenie Dokumentu Informacyjnego zostalo zamieszczone na stronie internetowej Spólki (www.serinusenergy.com)

SERINUS ENERGY INC.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON MAY 14, 2014

NOTICE IS HEREBY GIVEN THAT the annual and special meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares ("**Shares**") of Serinus Energy Inc. (the "**Corporation**") will be held at the Willow Room, Sheraton Suites Eau Claire, 255 Barclay Parade SW, Calgary, Alberta, Canada on Wednesday, May 14, 2014 at 3:00 p.m. (Mountain Standard Time). The purpose of the Meeting is to:

1. receive the audited financial statements of the Corporation for the year ended December 31, 2013, together with the auditor's report relating to such financial statements;

2. elect directors of the Corporation to hold office until the next annual meeting;

3. appoint KPMG LLP, Chartered Accountants, as auditor of the Corporation until the next annual meeting and to authorize the directors to fix the auditor's remuneration;

4. confirm amendments made by the board of directors to By-Law No. 1 of the Corporation since the last annual meeting of shareholders respecting private placements;

5. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution approving a restricted share unit plan for the Corporation;

6. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution approving a deferred share unit plan for the Corporation; and

7. transact such other business as may properly be brought before the Meeting or any adjournment thereof.

Shareholders are referred to the accompanying information circular (the "**Information Circular**") for the full text of the proposed resolutions and other information with respect to the matters to be considered at the Meeting and for other information respecting the Corporation and procedure of the Meeting.

Only persons registered as Shareholders on the records of the Corporation as of the close of business on April 9, 2014 (the "**Record Date**") are entitled to receive notice of and to attend and vote at the Meeting or at any adjournment thereof. However, a transferee of Shares acquired after the Record Date may vote such Shares at the Meeting or any adjournment thereof if (a) the transferee produces properly endorsed share certificates evidencing ownership of such Shares or otherwise establishes to the satisfaction of the Corporation that it owns the transferred Shares and (b) requests, not later than 10 days before the Meeting, that the transferee's name be included on the list of Shareholders entitled to vote at the Meeting.

Shareholders may vote in person at the Meeting or any adjournment thereof, or may appoint another person (who need not be a Shareholder) as their proxy to attend and vote in their place. Shareholders who are unable to be personally present at the Meeting are requested to fill in and sign the form of proxy accompanying this notice and mail it to, or deposit it with, Computershare Trust Company of Canada, Attention: Proxy Department, 8th Floor, 100 University Avenue, Toronto, Ontario, Canada M5J 2Y1. In order to be valid and acted upon at the Meeting, forms of proxy must be received at the above-noted address not later than 3:00 p.m. Mountain Daylight Time, on Monday, May 12, 2014 or, if the Meeting is adjourned, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the time for the holding of such adjourned meeting. Shareholders are cautioned that the use of the mail to transmit proxies is at each Shareholder's risk.

If a Shareholder receives more than one instrument of proxy because such Shareholder owns Shares registered in different names and addresses, each instrument of proxy, or other appropriate form of proxy, should be completed and returned.

DATED at Calgary, Alberta, Canada this 16th day of April, 2014.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "Norman W. Holton"

Norman W. Holton
Vice Chairman

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INFORMATION CIRCULAR ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON MAY 14, 2014

GENERAL PROXY INFORMATION

This management information circular (the "**Information Circular**") is furnished in connection with the solicitation of proxies by the management of Serinus Energy Inc. (the "**Corporation**") for use at the annual and special meeting (the "**Meeting**") of holders ("**Shareholders**") of common shares ("**Shares**") of the Corporation, and at any adjournment thereof, for the purposes set forth in the accompanying Notice of Annual and Special Meeting of Shareholders ("**Notice of Meeting**") and in this Information Circular. The Meeting will be held on Wednesday, May 14, 2014 at 3:00 p.m. Mountain Daylight Time at the Willow Room, Sheraton Suites Eau Claire, 255 Barclay Parade SW, Calgary, Alberta, Canada. Unless otherwise stated, information contained in this Information Circular is given as of April 16, 2014 and all dollar amounts are in United States dollars.

Solicitation of Proxies by Management

The solicitation of proxies is made by, and on behalf of, the management of the Corporation. Solicitation of proxies will be primarily by mail, but may also be by telephone, facsimile, electronic or oral communication by the directors, officers and employees of the Corporation at no additional compensation. No remuneration will be paid to any person for the solicitation of proxies; provided, however, that the Corporation may pay prescribed fees to intermediaries for sending the Notice of Meeting, this Information Circular and the accompanying form of proxy to persons on whose behalf such intermediaries hold Shares. The cost of the solicitation of proxies will be borne by the Corporation.

Record Date

The Corporation has fixed the record date for the Meeting as April 9, 2014 (the "**Record Date**"). Only persons registered as Shareholders on the records of the Corporation at the close of business on the Record Date are entitled to receive notice of and to attend and vote at the Meeting or at any adjournment thereof. However, a transferee of Shares acquired after the Record Date may vote such Shares at the Meeting or any adjournment thereof if (a) the transferee produces a properly endorsed share certificate that evidences the transferee's ownership of the transferred Shares or otherwise establishes to the satisfaction of the Corporation that the transferee owns the transferred Shares and (b) requests, not later than 10 days before the Meeting, that the transferee's name be included on the list of Shareholders entitled to vote at the Meeting.

Appointment and Revocation of Proxies

Registered Shareholders may vote in person at the Meeting or they may appoint another person as their proxy to attend and vote in their place. **The persons named in the enclosed form of proxy are directors and/or officers of the Corporation. A Shareholder entitled to vote at the Meeting may appoint a person (who need not be a Shareholder) other than the individuals named in the accompanying form of proxy to represent the Shareholder at the Meeting by inserting the name of the desired representative in the blank space provided in the form of proxy or submitting another appropriate proxy.**

Duly completed forms of proxy must be received by Computershare Trust Company of Canada, Attention: Proxy Department, 8th Floor, 100 University Avenue, Toronto, Ontario, Canada, M5J 2Y1, by 3:00 p.m. Mountain Standard Time, on Monday, May 12, 2014 or, if the Meeting is adjourned, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the time for the holding of such adjourned meeting.

A Shareholder who has submitted a proxy may revoke it at any time prior to the exercise of the proxy. 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 by the Shareholder's attorney authorized in writing. If the Shareholder is a corporation, the proxy must be executed under its corporate seal or by an officer or attorney authorized in writing. A proxy must be deposited either at the head 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. Upon the deposit of the proxy, any previously

granted proxy is revoked. Beneficial Shareholders (as defined below) who wish to revoke their proxy must arrange for their intermediary or broker to revoke their proxy on their behalf within the time specified by their intermediary or broker.

The registered office of the Corporation is located at Suite 1170, 700 – 4th Avenue S.W., Calgary, Alberta, Canada, T2P 3J4. The Corporation maintains management offices in Calgary at the registered office address, in Dubai, United Arab Emirates at Suite 123, Al Shafar Investment Building, 3rd Interchange, Sheikh Zayed Road and in Poland at Nowogrodzka 18/29, 00-511 Warsaw.

The foregoing information regarding the appointment and revocation of proxies is generally applicable only to registered Shareholders, being persons recorded as holders of Shares on the register of Shareholders maintained by the Corporation. A significant number of persons who beneficially own Shares hold such Shares in a brokerage account or through some other intermediary. As a result, they will not be registered Shareholders and should refer to the information set forth below under the heading "*Notice to Beneficial Holders of Shares*".

Exercise of Discretion by Proxyholders

On any vote that may be called for at the Meeting or any adjournment thereof, the proxyholder named in the accompanying form of proxy will vote or withhold from voting the appointing Shareholder's Shares in accordance with the instructions of the appointing Shareholder. **In the absence of direction, such Shares will be voted FOR each of the matters referred to in the Notice of Meeting and in this Information Circular.**

The accompanying form of proxy also confers discretionary authority on the proxyholder to vote Shares and otherwise act in the proxyholder's discretion with respect to any amendments or variations to matters identified in the Notice of Meeting and with respect to any other matters that may properly come before the Meeting or any adjournment thereof. As at the date of this Information Circular, management of the Corporation knows of no such amendments or variations or other matters to come before the Meeting other than the matters referred to in the Notice of Meeting and in this Information Circular.

Signing of Proxy

An instrument appointing a proxyholder must be in writing and must be executed by the Shareholder or the Shareholder's attorney authorized in writing. If the Shareholder is a corporation, the proxy must be executed under its corporate seal, or by an officer or attorney authorized in writing. Any proxy instrument executed by a person acting as attorney, executor, administrator, trustee or in any other representative capacity should indicate that person's capacity following his or her signature and be accompanied by evidence of his or her qualification and authority to act.

Notice to Beneficial Holders of Shares

The following information is important to a Shareholder that beneficially owns Shares but does not appear on the records of the Corporation as the registered holder thereof (referred to in this Information Circular as a "**Beneficial Shareholder**"). Shares of non-registered Shareholders are typically registered in the name of a broker or other intermediary or in the name of a depository of which the intermediary is a participant, including the Polish National Depository for Securities (the "**NDS**").

Beneficial Shareholders should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holders of Shares will be recognized and acted upon at the Meeting.

Shares listed in an account statement provided to a Shareholder by a broker will, in most cases, not be registered in the Shareholder's own name on the records of the Corporation. Such Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. Shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. The directors and officers of the Corporation do not know for whose benefit Shares registered in the name of brokers or their agents or nominees are held. Without specific instructions, a broker and its agents and nominees are prohibited from voting Shares on behalf of their clients. **Beneficial Shareholders should therefore ensure that instructions regarding**

the voting of their Shares are properly communicated to the appropriate person or that the Shares are duly registered in their name well in advance of the Meeting.

Canadian Beneficial Shareholders

In Canada, applicable regulatory policy requires brokers and other intermediaries holding Shares for others to seek voting instructions from Beneficial Shareholders in advance of shareholders meetings. The various brokers and other intermediaries have their own mailing and delivery procedures and provide their own return instructions to their clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Shares are voted at the Meeting. In some cases, a form of proxy or voting instruction form supplied to Beneficial Shareholders by their broker or other intermediary (or an agent or nominee of such broker or other intermediary) will be similar or even identical to the form of proxy furnished to registered Shareholders by the Corporation. However, the purpose of the form supplied by the broker or intermediary is limited to instructing the registered Shareholder (the broker, intermediary, agent or nominee) how to vote on behalf of the Beneficial Shareholder. The Corporation has made arrangements with its registrar and transfer agent, Computershare Trust Company of Canada ("**Computershare**"), to coordinate the mailing of voting instruction forms to the Beneficial Shareholders on behalf of such brokers or other intermediaries, with instructions thereon to return the forms to Computershare or to follow specified telephone or internet-based voting procedures. Computershare will then tabulate the results of all instructions received and provide the Corporation with appropriate instructions regarding the voting of the Shares of such Beneficial Shareholders to be represented at the Meeting. **Beneficial Shareholders cannot use the voting instruction form to vote their Shares directly at the Meeting. To have their Shares voted at the Meeting Beneficial Shareholders must return the voting instruction form to Computershare or complete the telephone or internet-based voting procedures well in advance of the Meeting.** Such voting may be done via telephone by calling 1-866-732-VOTE (8683) (toll free) or via the Internet at www.investorvote.com. If voting by either telephone or via the Internet, Beneficial Shareholders will be required to provide the control number located on the voting instruction form provided to them from Computershare before they are able to vote their Shares.

Beneficial Shareholders Whose Shares are Held Through NDS

Beneficial Shareholders whose Shares are held in a securities account maintained by a participant in the NDS should apply to the participant maintaining its securities account (*i.e.*, brokerage houses or depository banks) in which its Shares are recorded to provide it with additional information regarding the procedure to vote their Shares at the Meeting. In order to give voting instructions for the Meeting, the Beneficial Shareholder should request the brokerage house, or a custodian bank holding its investment account to which the Shares are credited, to provide it with a proxy statement and a voting ballot (which simultaneously serves as a proxy to vote at the Meeting). The participant in the NDS will need to request that the NDS provide the Meeting materials to satisfy the requests of such Beneficial Shareholders. The institutions responsible for distributing the voting materials and receiving voting instructions from the Beneficial Shareholders will vote on behalf of these Beneficial Shareholders based upon the voting instructions received. A Beneficial Shareholder that intends to vote will have to fill out the voting ballot and pass it to the brokerage house or the depository bank that maintains its investment account in which its Shares are recorded in advance of the Meeting, by the deadline specified by such broker or intermediary. Subsequently, such information will be forwarded to the NDS and the NDS will forward it through certain intermediaries to Computershare for aggregation with all other voting instructions provided to the Corporation for the Meeting.

General

Although Beneficial Shareholders will not be recognized directly at the Meeting for the purposes of voting Shares that are registered in the name of their broker or other intermediary (or an agent or nominee thereof), Beneficial Shareholders may attend the Meeting as proxyholder for the registered Shareholder and vote their Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their 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 other intermediary (or its agent or nominee) in accordance with the instructions provided by such broker or other intermediary (or agent or nominee) well in advance of the Meeting.

The Corporation is not using "notice-and-access" to send its proxy-related materials to the Shareholders, and paper copies of such materials will be sent to all Shareholders. The Corporation will send proxy-related materials directly to non-objecting Beneficial Shareholders. The Corporation does not intend to pay for intermediaries to deliver to

objecting Beneficial Shareholders the proxy-related materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary* of National Instrument 54-101, and an objecting Beneficial Shareholder will not receive the materials unless its intermediary assumes the costs of delivery.

Beneficial Shareholders should contact their broker or other intermediary if they have any questions regarding the voting of Shares held through that broker or other intermediary.

All references to Shareholders in this Information Circular, the accompanying form of proxy and Notice of Meeting are to Shareholders of record as at the Record Date unless stated otherwise.

Quorum for the Meeting

At the Meeting, quorum will consist of two or more persons either present in person or represented by proxy and representing in the aggregate not less than 5% of the votes attached to all outstanding Shares.

VOTING SECURITIES AND PRINCIPAL HOLDERS

The Corporation is authorized to issue an unlimited number of Shares and an unlimited number of preferred shares, issuable in series. As at the date of this Information Circular, 78,629,941 Shares were issued and outstanding. At the Meeting, on a show of hands, each Shareholder present in person or represented by proxy and entitled to vote will have one vote and, on a poll or ballot, each Shareholder present in person or represented by proxy will have one vote for each Share of record. Except as otherwise set out in this Information Circular, only Shareholders of record on the Record Date will be entitled to vote their Shares at the Meeting.

When any Share is held jointly by several persons, any one of them may vote at the Meeting in person or by proxy in respect of such Share. However, if more than one owner of a jointly-held Share is present at the Meeting, in person or by proxy, and such Shareholders disagree as to any vote to be cast, the joint owner present or represented whose name appears first in the register of Shareholders is entitled to vote the jointly-held Share.

To the knowledge of the directors and executive officers of the Corporation, no person or company beneficially owns, or controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to all of the issued and outstanding voting securities of the Corporation other than Kulczyk Investments S.A. ("**KI**"), which owns 39,909,606 Shares, representing approximately 50.77% of the issued and outstanding Shares.

As of the date of this Information Circular, the number of Shares that are owned, controlled or directed, directly or indirectly, by all directors and officers of the Corporation, as a group, including Shares owned, by KI, is 41,438,372 Shares, representing approximately 52.7% of the issued and outstanding Shares.

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

Except as disclosed herein, no director or executive officer of the Corporation who has held the position at any time since the beginning of the Corporation's last financial year, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting except as disclosed in this Information Circular.

APPROVAL REQUIREMENTS

All of the resolutions to be considered and voted upon at the Meeting are ordinary resolutions, requiring approval by more than 50% of the votes cast thereon in order for them to be passed.

MATTERS TO BE ACTED UPON AT THE MEETING

1. Presentation of Financial Statements

The audited consolidated financial statements of the Corporation as at, and for the years ended December 31, 2013 and 2012, together with the auditor's reports thereon, were mailed to the Shareholders who have requested such financial statements in accordance with applicable securities laws, together with this Information Circular. These financial statements are also available on the Internet on the Corporation's profile maintained on the Canadian System for Electronic Document Analysis and Retrieval ("**SEDAR**") located at www.sedar.com and on the Corporation's website at www.serinusenergy.com. No formal action will be taken at the Meeting to approve the financial statements, which have already been approved by the board of directors of the Corporation.

2. Election of Directors

The current ten directors of the Corporation are Stephen C. Akerfeldt, Timothy M. Elliott, Norman W. Holton, Evgenij Iorich, Gary R. King, Helmut J. Langanger, Bruce R. Libin, Manoj N. Madnani, Michael A. McVea and Dariusz Mioduski.

The board of directors has determined to fix the number of directors at nine.

Dariusz Mioduski, a director of the Corporation since December 2008 and Chairman of the board of directors of the Corporation since May 2012, and Bruce Libin, a director of the Corporation since the completion of the Corporation's acquisition of Winstar Resources Ltd. on June 24, 2013, will retire from the board of directors as of the date of the Meeting. The Corporation proposes to nominate eight of the remaining directors and, additionally, Sebastian Kulczyk for election at the Meeting, for a term to expire no later than the close of the next annual meeting of Shareholders or until their successors are duly elected or approved. Voting for the election of directors will be conducted on an individual, and not a slate, basis. Pursuant to the by-laws of the Corporation, all previously elected directors are deemed to retire from office at the time of the Meeting. Accordingly, Shareholders will be asked to consider and, if thought fit, to pass the following resolution:

> "**BE IT RESOLVED THAT** Stephen C. Akerfeldt, Timothy M. Elliott, Norman W. Holton, Evgenij Iorich, Gary R. King, Sebastian Kulczyk, Helmut J. Langanger, Manoj N. Madnani and Michael A. McVea be elected directors of the Corporation, to hold such office until the next annual meeting of Shareholders or until their successors are duly elected or appointed."

The following table sets forth relevant information about the management board nominees, including their place of residence, the duration of their tenure on the board of directors of the Corporation, the number of Shares of the Corporation beneficially owned, controlled or directed, directly or indirectly, by each and the principal occupation of each over the last five years. The information about beneficial share ownership, control and direction has been provided to the Corporation by each nominee, respectively.

Timothy M. Elliott Dubai, United Arab Emirates	Director since April 10, 2001	Beneficially owns, controls or directs 537,787 Shares
Principal Occupation During the Past Five Years Mr. Elliott has been President and Chief Executive Officer of the Corporation since February 2006 and a director of the Corporation since April 2001. Mr. Elliott received his Bachelor of Arts degree from St. Francis Xavier University, Antigonish, Nova Scotia, Canada in 1982 and graduated with a Bachelor of Laws degree from the University of Ottawa, Ottawa, Ontario, Canada in 1985. Committee membership: None		

Norman W. Holton Calgary, Alberta, Canada	Director since July 30, 1993	Beneficially owns, controls or directs 337,791 Shares
Principal Occupation During the Past Five Years Mr. Holton has been Vice Chairman of the board of directors of the Corporation since December 10, 2008. Prior thereto, he was Executive Chairman of the Corporation (since May 2007) and Chairman and Chief Executive Officer of the Corporation (from 1995 to February 2006). Mr. Holton graduated from the University of Saskatchewan, Saskatoon, Saskatchewan, Canada in 1972 with an Advanced Bachelor of Sciences degree. Committee membership: None.		

Gary R. King Houston, Texas, USA	Director since October 25, 2007	Beneficially owns, controls or directs 6,750 Shares
Principal Occupation During the Past Five Years Mr. King was appointed Chief Executive Officer of Dutco Natural Resources Investments Ltd. in April 2012 and has been Managing Partner of Matrix Partnership, a strategic advisory firm, since March 2009. Prior thereto, he was the Chief Executive Officer of Dubai Natural Resources World, a private investment fund owned by the Government of Dubai (since September 1, 2008). Before this he was Chief Executive Officer of the Dubai Mercantile Exchange (from December 2005 to August 2008). Mr. King graduated from Imperial College, Royal School of Mines, London University, London, United Kingdom with a Master's Degree in Petroleum Exploration Geology in 1983. Committee membership: Audit Committee, Compensation & Corporate Governance Committee, Reserves Committee		

Helmut J. Langanger Strasshof, Austria	Director since November 9, 2011	Beneficially owns, controls or directs nil Shares
Principal Occupation During the Past Five Years Mr. Langanger is currently a corporate director and independent businessman. Prior thereto, from 1974 until 2010, Mr. Langanger was employed by the Austrian-based oil and gas company OMV Group, where he was since 2002 Group Executive Vice President EP, a member of the Executive Board and Managing Director Upstream. Committee membership: Reserves Committee		

Manoj N. Madnani Dubai, United Arab Emirates	Director since October 25, 2007	Beneficially owns, controls or directs 37,568 Shares [(1)]
Principal Occupation During the Past Five Years Mr. Madnani has been Managing Director (Dubai) and a Board Member of Kulczyk Investments S.A. (Luxembourg) and related companies since June 2007. Prior to joining the Management Board of Kulczyk Investments S.A., he was Managing Director of The Marab Group, an oil and gas consultancy and investment banking firm based in Kuwait focusing on sovereign energy security and global investments in the energy sector (from July 2005 to May 2007). Mr. Madnani graduated from Babson College, Massachusetts, USA in 1991 with a Bachelor of Science degree in international finance and marketing. Committee membership: Compensation & Corporate Governance Committee		

Note:

(1) Mr. Madnani holds a senior executive position with KI. KI owns 39,909,606 Shares. . See "*Voting Securities and Principal Holders*" above. By virtue of his position with KI, Mr. Madnani is deemed to have direction over such Shares in addition to those Shares that are shown above.

Michael A. McVea Victoria, British Columbia, Canada	Director since February 10, 2006	Beneficially owns, controls or directs 10,000 Shares
Principal Occupation During the Past Five Years Mr. McVea has been a retired barrister and solicitor since 2004. Mr. McVea received his Bachelor of Laws degree from the University of British Columbia in Vancouver, Canada in 1974. Committee membership: Audit Committee, Compensation & Corporate Governance Committee		

Stephen C. Akerfeldt Toronto, Ontario, Canada	Director since March 16, 2011	Beneficially owns, controls or directs nil Shares
Principal Occupation During the Past Five Years Mr. Akerfeldt has been President and a director of Ritz Plastics Inc., a private company that produces plastic parts primarily for the automotive industry by injection moulding, since 1999. From June 2007 until February 2011, he was Chairman of the Board and a director of Firstgold Corp, a gold exploration company and he was the Chief Executive Officer of Firstgold Corp. from January 2008 to July 2009. Mr. Akerfeldt graduated from the University of Waterloo, Waterloo, Ontario, Canada in 1966 and was designated as a Chartered Accountant in 1969. Committee membership: Audit Committee		

Evgenij Iorich Zug, Switzerland	Director since June 24, 2013	Beneficially owns, controls or directs 3,415 Shares [(1)]
Principal Occupation During the Past Five Years Mr. Iorich is a manager at Pala Investments, a multi-strategy investment company dedicated to investing in, and creating value across the mining sector in both developed and emerging markets. Mr. Iorich has been with Pala Investments since 2006 and his investment experience extends across oil and gas, base metal and bulk commodity investments. Prior to joining Pala, from 2004 until 2006, Mr. Iorich was a financial manager at Mechel OAO, the Russian metals and mining company, where his responsibilities included all aspects of budgeting, forecasting and financial modeling. Mr. Iorich graduated from the University of Zurich with a Masters of Arts degree. Committee membership: None		

Note:

(1) Mr. Iorich holds a position with Pala Investments, which is related to Pala Assets Holdings Limited ("**Pala**"). Pala owns 5,880,484 Shares. By virtue of his position with Pala Investments, Mr. Iorich is deemed to have direction over such Shares in addition to those Shares that are shown above.

Sebastian Kulczyk	Nominee for election to the Board of Directors	Beneficially owns, controls or directs nil Shares [(1)]
Principal Occupation During the Past Five Years In January 2014 Mr. Kulczyk was appointed the President of the Management Board of Kulczyk Investments S.A. Mr. Kulczyk has worked at Kulczyk Investments since 2010 overseeing the group's natural resources sector, and was appointed a member of the Management Board in December 2011, responsible for business development. From 2008 to 2010 he worked for Lazard, an independent advisory and asset management firm, in London and from 2006 to 2008 he was the Chief Executive Officer of Phenomind Ventures S.A., an investment fund developing Polish new technology companies He graduated from the Adam Mickiewicz University in Poznań, majoring in management and marketing and has studied at the London School of Economics. Committee membership: Not applicable.		

Note:

(1) Mr. Kulczyk holds a senior executive position with KI. KI owns 39,909,606 Shares. See "*Voting Securities and Principal Holders*" above. By virtue of his position with KI, Mr. Kulczyk is deemed to have direction over such Shares in addition to those Shares that are shown above.

Management of the Corporation proposes to nominate for election the foregoing persons as directors of the Corporation. **Unless otherwise directed by the appointing Shareholder, the proxyholder named in the accompanying form of proxy intends to vote FOR the election of such persons as directors of the Corporation.**

Additional Information Related to Voting Practices

The Toronto Stock Exchange ("**TSX**") has adopted a policy which requires listed companies to disclose whether they have adopted a majority voting policy for the election of directors for non-contested meetings and, if not, explain (i) their practices for electing directors, and (ii) why they have not adopted such a policy. As at the date hereof, the Corporation does not have a majority voting policy for the election of directors for non-contested meetings, whereby if the number of securities withheld from voting for a particular director nominee exceeds the number of securities voted for the election of that director nominee, then such elected director would be expected to tender his or her resignation.

The board of directors of the Corporation, through its Compensation & Corporate Governance Committee, annually reviews as part of its mandate the Corporation's governance systems and elects to adopt the policies and practices that are determined to be in the best interest of the Corporation and its Shareholders. The practice of the Corporation is to consider the directors elected in accordance with the applicable corporate law and securities law requirements to be duly elected directors. The Compensation & Corporate Governance Committee, in addition to its compensation

and governance role, assumes a nominating function. For details regarding the committee's nomination function, see "*Disclosure of Corporate Governance Practices – Nomination of Directors*". In addition, the Corporation considers that its director nominees represent the appropriate set of individuals who are suitable for a well-balanced and competent board of directors. Given that the directors that were nominated at the June 20, 2013 annual meeting of shareholders received a significant majority of the votes cast at such meeting, the Compensation & Corporate Governance Committee has not elected to adopt a majority voting policy at the present time.

Additional Disclosure Relating to Directors

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Unless otherwise disclosed herein, no proposed director of the Corporation:

(a) is, or has been within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company that, while that person was acting in that capacity:

(i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was issued while the proposed director was acting in the capacity as a director, chief executive officer or chief financial officer; or

(ii) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, 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 he was acting in the capacity of a director, chief executive officer or chief financial officer except:

On July 22, 2009 a cease trade order was issued by the Ontario Securities Commission against the insiders, management, officers and directors of Firstgold Corp., including Stephen C. Akerfeldt, for failure to file various continuous disclosure materials within the prescribed time frame as required by Ontario securities law. All outstanding continuous disclosure materials were subsequently filed and the cease trade order expired on October 10, 2009.

or

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

In January 2010, Firstgold Corp. filed for protection under Chapter 11 in the United States. Mr. Akerfeldt was at the time of the filing a director of Firstgold Corp.;

or

(c) has, within 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Penalties and Sanctions

No proposed director 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 securityholder in deciding whether to vote for a proposed director except:

> On April 16, 2013, Parker Drilling Corporation announced that it had entered into a settlement agreement with the U.S. Department of Justice and Securities and Exchange Commission with respect to possible violations of the U.S. *Foreign Corrupt Practices Act* in Nigeria. Pursuant to the settlement agreement, Parker Drilling Corporation agreed to pay $15.85 million, comprising $11.76 million in penalties, $3.05 million in the disgorgement of profits and $1.04 million in interest. Mr. King was a director of Parker Drilling Corporation at the time of the settlement agreement.

Election Arrangements

No proposed director is to be elected under any arrangement or understanding between the proposed director and any other person or company.

3. Appointment of Auditor

Management proposes to reappoint the firm KPMG LLP, Chartered Accountants, of Calgary, Alberta, Canada, to hold office as the Corporation's auditor until the next annual meeting of Shareholders or until its successor is appointed, at a remuneration to be fixed by the board of directors. KPMG LLP has been the auditor of the Corporation since December 31, 2003. Accordingly, Shareholders will be asked to consider and, if thought fit, to pass the following resolution at the Meeting:

> "**BE IT RESOLVED THAT** KPMG LLP, Chartered Accountants, be appointed auditor of the Corporation, to hold such office until the close of the next annual meeting of the Corporation, at such remuneration as may be determined by the board of directors of the Corporation."

Unless otherwise directed by the appointing Shareholder, the proxyholder named in the accompanying form of proxy intends to vote FOR the appointment of KPMG LLP, Chartered Accountants, as the auditor of the Corporation, to hold office until the next annual meeting of the Shareholders, at a remuneration to be determined by the board of directors of the Corporation.

4. Confirmation of Amendments to By-Law No. 1

Pursuant to the ABCA, the directors of the Corporation have made certain amendments to By-Law No. 1 of the Corporation since the last annual meeting of Shareholders. The board of directors is now required under the ABCA to set such amendments before the Shareholders at the Meeting for confirmation, rejection or amendment. If Shareholders reject the amendments or further amend the by-law, the rejection or amendment will take effect at the time the Shareholder resolution respecting same is passed.

On September 7, 2010, the Shareholders approved amendments to By-Law No. 1 which provided Shareholders with certain protections against dilutive private placements which were materially the same as those imposed by the TSX as of such date. Specifically, the amendments which took effect in September 2010 require, subject to certain exceptions, majority Shareholder approval respecting the following types of private placements: (a) the issuance of additional securities of the Corporation listed on an exchange where the aggregate number of the securities issuable

pursuant to the private placement is greater than 25% of the number of the listed securities outstanding, on a non-diluted basis, prior to the date of closing of the private placement if the price per security is less than the market price; and (b) the issuance of additional listed securities of the Corporation or the issuance of options, rights or other entitlements to listed securities during any six month period to insiders where the aggregate number of such securities is greater than 10% of the number of the listed securities which are outstanding, on a non-diluted basis, prior to the date of closing of the first private placement to an insider during the six month period.

As the Corporation is now listed on the TSX, Shareholders are now protected by TSX rules, making the provisions in By-Law No. 1 outlined above duplicative. Further, the TSX may, from time to time, amend its rules which provide certain Shareholder protections against dilutive private placements, thereby potentially causing By-Law No. 1 to no longer be sufficiently consistent with TSX Rules.

The amendments made to By-Law No. 1 remove sections 79 through 83, inclusive (the sections summarized directly above). For a complete review of the amendments that the board of directors proposes to have confirmed, please refer to Appendix "I", which contains a black-line of the changes made to By-Law No. 1. Accordingly, Shareholders will be asked to consider and, if thought fit, to pass the following resolution at the Meeting:

> "**BE IT RESOLVED THAT** the amendments to By-Law No. 1 of the Corporation, as approved by the directors of the Corporation and attached as Appendix "I" to the information circular of the Corporation dated April 16, 2014, are confirmed, without variation."

Unless otherwise directed by the appointing Shareholder, the proxyholder named in the accompanying form of proxy intends to vote FOR the foregoing resolution confirming the amendments to By-Law No. 1 of the Corporation.

5. Approval of Restricted Share Unit Plan

On April 10, 2014, the board of directors of the Corporation approved the adoption by Serinus of a restricted share unit plan (the "**RSU Plan**"). The RSU Plan allows the board of directors of the Corporation to grant restricted share units ("**RSUs**") to officers or key employees as the board of directors determines should receive RSUs in accordance with applicable law and the policies and rules of the TSX ("**Eligible Persons**"). Non-employee directors are not eligible to participate in the RSU Plan. Each RSU is a unit that is equivalent in value to a Share and that upon vesting and exercise results in the holder thereof being issued a Share. As the RSU Plan is a security based compensation arrangement, the Board proposes that the RSU Plan, as described below, be approved at the Meeting. In addition, under the current rules of the TSX, the Corporation will be required to seek Shareholder approval for the renewal of all unallocated RSUs under the RSU Plan within three years (that is, by May 14, 2017).

The purpose of this RSU Plan is to provide officers and key employees of the Corporation with the opportunity to acquire RSUs to allow them to participate in the long-term success of the Corporation and to promote a greater alignment of their interests with the interests of Shareholders. Adopting the RSU Plan also provides the board of directors with an additional compensation tool to attract and retain officers and employees. The RSU Plan will be administered by the board of directors which may, in turn, delegate to the Compensation & Corporate Governance Committee.

The board of directors may grant RSUs to any Eligible Persons from time to time subject to the provisions of the RSU Plan (in this section, such recipients being the "**Participants**"). The market value of the award is calculated as the five day volume weighted average trading price of the Shares on the TSX on the last business day preceding the date on which the RSUs are granted by the board of directors.

A Participant may elect to receive payment of any vested RSUs recorded in such Participant's account by delivering to the Corporation an exercise notice. The Corporation must, as soon as possible after receiving an exercise notice, issue a number of Shares equal to the number of RSUs that the Participant has exercised. The RSU Plan allows a Participant, when delivering an exercise notice, to request settlement in a cash amount per RSU equal to the most recent closing price of the Shares on the TSX on the last trading day prior to settlement; however, the Corporation has the sole discretion to refuse the cash election of the Participant.

The following is a summary of the key features of the RSU Plan:

- Upon receipt of an acknowledgement from the Participant as to the terms of the award and the RSU Plan, the number of RSUs granted will be credited to the Participant's account effective on the grant date.

- RSUs granted under the RSU Plan shall be exercisable from time to time as determined in the discretion of the board of directors at the time of grant. Unless otherwise stipulated by the board of directors at the date of grant, all RSUs will vest as to one third on the first, second and third anniversary of the date of grant and shall have a term of five years from the date of grant. The expiry date will be extended by 10 business days following the end of a trading blackout if the expiry date falls within a trading blackout. Notwithstanding the foregoing vesting provisions, or vesting provisions related to resignation, termination, disability, retirement and death, the board of directors of the Corporation may, in its sole discretion, at any time permit the vesting of any or all RSUs held by a Participant and the associated issuance of Shares in settlement of the RSUs in the manner and on the terms authorized by the board of directors, provided that the board of directors may not use such discretion to authorize the vesting of an RSU or the issuance of Shares in settlement of the RSUs beyond the final date applicable to the particular RSU.

- The RSU Plan is a rolling plan, in that the number of Shares that may be issued pursuant to the RSU Plan, together with the stock option plan of the Corporation (the "**Stock Option Plan**") (described under "*Executive Compensation – Incentive Plan Awards – Stock Option Plan*") and all other securities-based compensation arrangements (including the DSU Plan, as defined and described under "*Matters to be Acted Upon at the Meeting – Approval of Deferred Share Unit Plan*"), shall not exceed 10% of the number of Shares on a non-diluted basis at the relevant time.

- No RSUs have been granted as of the date hereof.

- The number of securities (including Shares) issuable to insiders at any time pursuant to the RSU Plan, together with all other security based compensation arrangements, shall not exceed 10% of the issued and outstanding securities of the Corporation calculated on a non-diluted basis.

- The number of securities (including Shares) issued to insiders within any one year period under all security based compensation arrangements, including the RSU Plan, shall not exceed 10% of the issued and outstanding securities of the Corporation, calculated on a non-diluted basis.

- The RSU Plan does not contain any specific provisions regarding the maximum number of securities which may be issued to any one Participant.

- Subject to a resolution passed by the board of directors, in the event that a Participant's service as an officer or employee is terminated for any reason other than for disability, retirement or death, or the Participant resigns as an officer or employee of the Corporation (other than a retirement), the Participant may exercise his or her vested RSUs until the earlier of (i) the 30th day after the Participant ceases to be eligible to participate under the RSU Plan, and (ii) the fifth anniversary of the award date, and all unvested RSUs as of the date the Participant's employment service to the Corporation ends shall be forfeited.

- Subject to a resolution passed by the board of directors, in the event that a Participant's service as an officer or employee is terminated by reason of disability, the Participant shall be deemed to continue to be a Participant for the purposes of the RSU Plan.

- Subject to a resolution passed by the board of directors, upon retirement of a Participant from employment, any RSUs granted that have not vested shall immediately vest and the date for distribution in settlement of the RSUs shall be the business day immediately preceding the last business day of the calendar year in which such retirement occurs.

- Subject to a resolution passed by the board of directors, upon the death of a participant, any RSUs granted that have not vested shall immediately vest and the date for distribution of Shares in settlement of the RSUs shall be the 90th day after the death of the Participant.

- Upon a change of control of the Corporation as is defined within the RSU Plan, all unvested RSUs shall automatically vest.

- In the event of any subdivision, consolidation, stock dividend, capital reorganization, reclassification, exchange, or other change with respect to the Shares, or a consolidation, amalgamation, merger, spin-off, sale, lease or exchange of all or substantially all of the property of the Corporation or other distribution of the Corporation's assets to Shareholders (other than the payment of dividends in respect of the Shares), the account of each Participant and the RSUs outstanding under the RSU Plan shall be adjusted in such manner, if any, as the board of directors may in its discretion deem appropriate to preserve, proportionally, the interests of Participants under the RSU Plan.

- In the event that the Corporation pays a normal cash dividend on Shares, the Participant's account will be credited with additional RSUs ("**Dividend Equivalents**") equal to the aggregate amount of any dividends that would have been paid to the participant if the RSUs had been Shares, divided by the dividend market value, being the volume weighted average trading price of the Shares on the TSX for the five trading days immediately following the dividend record date for payment of the dividend. The Dividend Equivalents credited to the Participant's account shall vest in proportion to and shall otherwise have the same terms as the RSUs to which they relate. In the event that the board of directors terminates or suspends the RSU Plan, and RSUs remain outstanding following a termination or suspension of the RSU Plan, such RSUs shall not be entitled to Dividend Equivalents unless at the time of termination or suspension the board of directors determines that the entitlement to Dividend Equivalents after termination or during suspension, as applicable, should be continued.

- RSUs are non-transferable except to a permitted assign as defined in the RSU Plan.

- The board of directors may, without notice or Shareholder approval, amend, suspend, or terminate the RSU Plan or awards granted thereunder, however, the board of directors shall not materially adversely alter or impair any rights or materially increase any obligations with respect to awards previously granted without the consent of the holder of such awards, nor may it make amendments that the TSX specifically identifies as requiring Shareholder approval. Such amendments include any amendments to the RSU Plan, or awards granted thereunder, that would increase the maximum number of securities issuable under the RSU Plan, other than in accordance with the RSU Plan, which permits the board of directors to make equitable adjustments in the event of transactions affecting the Corporation or its capital, subject to TSX approval; amendments to the RSU Plan that would increase the number or percentage of securities issuable to insiders or extend the expiry date of any awards held by insiders, other than in accordance with the RSU Plan; and the addition of any form of financial assistance to a Participant. If the board of directors terminates or suspends the RSU Plan, previously credited RSUs whether or not vested, may, at the board of director's election, be accelerated (if unvested) and/or Shares issuable in respect of such RSU may be distributed to Participants or may remain outstanding.

As noted above, the RSU Plan is a rolling plan, in that the number of Shares that may be issued pursuant to the RSU Plan, together with the Stock Option Plan and the DSU Plan, shall not exceed 10% of the number of Shares on a non-diluted basis at the relevant time. As at the date hereof, there are no RSUs outstanding, options to acquire an aggregate of 7,293,400 Shares are currently outstanding, and there are no DSUs (as hereinafter defined) outstanding (RSUs, options and DSUs are collectively referred to as "**Equity Compensation**"). As such, there is Equity Compensation to acquire an aggregate of 7,293,400 Shares outstanding, representing approximately 9.3% of the issued and outstanding Shares. Equity Compensation to acquire an aggregate of 569,594 Shares remains available to be granted under the RSU Plan, Stock Option Plan and DSU Plan, representing approximately 0.7% of the issued and outstanding Shares.

Accordingly, Shareholders will be asked to consider and, if thought fit, to pass the following resolution at the Meeting:

"**BE IT RESOLVED THAT**:

(a) the Restricted Share Unit Plan (the "**RSU Plan**"), which provides for the issuance of common shares and, together with the stock option plan

of the Corporation (and, if approved by the shareholders of the Corporation, the deferred share unit plan of the Corporation) and all other securities-based compensation arrangements, may not exceed 10% of the number of common shares of the Corporation on a non-diluted basis, is hereby approved, and any director or officer of the Corporation is hereby authorized and directed to settle the terms thereof and to execute and deliver for and on behalf of and in the name of the Corporation the RSU Plan and any other documents in relation thereto as may be approved by such director or officer (the "**RSU Plan Documents**"), including the restricted share unit agreement, and the RSU Plan Documents so executed shall be conclusively deemed to be the RSU Plan Documents authorized and approved by this resolution and the Corporation is authorized to perform its obligations under the RSU Plan and any associated RSU Plan Documents;

(b) any one officer or director of the Corporation be and is hereby authorized and directed, for and on behalf of the Corporation to finalize, execute and deliver or file such documents and instruments and to do all such other acts and things as are required or as such officer or director, in such officer's or director's sole discretion, may deem necessary, to give full effect to or carry out the provisions of the foregoing resolution; and

(c) the unallocated restricted share units under the RSU Plan are authorized to be issued until May 14, 2017."

Unless otherwise directed by the appointing Shareholder, the proxyholder named in the accompanying form of proxy intends to vote FOR the foregoing resolution approving the RSU Plan. If the resolution approving the RSU Plan is not approved, the RSU Plan will be of no effect and the only form of equity compensation which may, from time to time, be issued to Eligible Persons will be stock options.

6. Approval of Deferred Share Unit Plan

On April 10, 2014, the board of directors of the Corporation also approved the adoption by Serinus of a deferred share unit plan (the "**DSU Plan**") for non-employee directors ("**Eligible Directors**"). Each DSU is a unit that is equivalent in value to a Share and that upon exercise results in the holder thereof being issued a Share. As the DSU Plan is a security based compensation arrangement, the Board proposes that the DSU Plan, as described below, be approved at the Meeting. In addition, under the current rules of the TSX, the Corporation will be required to seek Shareholder approval for the renewal of all unallocated DSUs under the DSU Plan within three years (that is, by May 14, 2017).

The main purpose of the DSU Plan is to provide non-employee directors with the opportunity to acquire DSUs in order to allow them to participate in the long-term success of the Company and to promote a greater alignment of their interests with the interests of Shareholders. The Compensation & Corporate Governance Committee may grant DSUs to any Eligible Directors from time to time subject to the provisions of the DSU Plan (in this section, such recipients being the "**Participants**"). The market value of the award is calculated as the five day volume weighted average trading price of the Shares on the TSX on the last business day preceding the date on which the DSUs are granted by the board of directors.

A Participant has the right to elect to receive cash or payment in the form of Shares in respect of DSUs recorded in such Participant's account at (i) the separation date, being the date of the non-employee director ceases service as a director of the Corporation, and is not at that time an employee or officer of the Corporation or a related entity, or (ii) such later date as the Participant may elect prior to the end of such tenure, provided such later date is not later than December 1 of the calendar year following the calendar year in which the tenure ended. The Corporation has the sole discretion to refuse the cash election of the Participant, in which case the Participant shall instead be deemed to have elected to receive payment in the form of Shares. In the event the Participant elects to receive a cash payment for the DSUs, the participant will receive a cash payment equal to the number of DSUs recorded in the

participant's account on the distribution date multiplied by the volume weighted average trading price of the Shares on the TSX on the five trading days immediately preceding the distribution date. In the event the participant elects to receive Shares on the distribution date, Serinus will issue to the Participant the number of Shares equal to the number of DSUs in the Participant's account.

The following is a summary of the key features of the DSU Plan:

- DSUs granted under the DSU Plan vest immediately.
- The DSU Plan is a rolling plan, in that:
    - the number of Shares that may be issued pursuant to the DSU Plan shall not exceed 1% of the number of Shares on a non-diluted basis at the relevant time; and
    - the number of Shares that may be issued pursuant to the DSU Plan, together with the Stock Option Plan (described under "*Executive Compensation – Incentive Plan Awards – Stock Option Plan*") and all other securities-based compensation arrangements (including the RSU Plan, if approved, as described under "*Matters to be Acted Upon at the Meeting – Approval of Restricted Share Unit Plan*"), shall not exceed 10% of the number of Shares on a non-diluted basis at the relevant time.
- No DSUs have been granted as of the date hereof.
- The number of securities (including Shares) issuable to insiders at any time pursuant to the DSU Plan, together with all other security based compensation arrangements, shall not exceed 10% of the issued and outstanding securities of the Corporation calculated on a non-diluted basis.
- The number of securities (including Shares) issued to insiders within any one year period under all security based compensation arrangements, including the DSU Plan, shall not exceed 10% of the issued and outstanding securities of the Corporation, calculated on a non-diluted basis.
- The DSU Plan does not contain any specific provisions regarding the maximum number of securities which may be issued to any one Participant.
- In the event a Participant dies, prior to the distribution of the DSUs credited to the account of such Participant, a cash payment shall be made to the estate on or about 30 days after Serinus is notified of the death or on a later date elected by the estate provided that such elected date is no later than the last business day of the calendar year following the calendar year in which the Participant dies.
- In the event of any subdivision, consolidation, stock dividend, capital reorganization, reclassification, exchange, or other change with respect to the Shares, or a consolidation, amalgamation, merger, spin-off, sale, lease or exchange of all or substantially all of the property of the Corporation or other distribution of the Corporation's assets to Shareholders (other than the payment of dividends in respect of the Shares), the account of each Participant and the DSUs outstanding under the DSU Plan shall be adjusted in such manner, if any, as the board of directors may in its discretion deem appropriate to preserve, proportionally, the interests of Participants under the DSU Plan.
- In the event that the Corporation pays a normal cash dividend on Shares, the Participant's account will be credited with additional DSUs ("**Dividend Equivalents**") equal to the aggregate amount of any dividends that would have been paid to the participant if the DSUs had been Shares, divided by the dividend market value, being the volume weighted average trading price of the Shares on the TSX for the five trading days immediately following the dividend record date for payment of the dividend. The Dividend Equivalents credited to the Participant's account shall have the same terms as the DSUs to which they relate. In the event that the board of directors terminates or suspends the DSU Plan, and DSUs remain outstanding following a termination or suspension of the DSU Plan, such DSUs shall not be entitled to Dividend Equivalents unless at the time of termination or suspension the board of directors determines that the entitlement to Dividend Equivalents after termination or during suspension, as applicable, should be continued.

- No DSUs granted pursuant to the DSU Plan may be assigned or transferred by a Participant other than for estate settlement purposes.

- The board of directors may, without notice or Shareholder approval, amend, suspend, or terminate the DSU Plan or awards granted thereunder, however, the board of directors shall not materially adversely alter or impair any rights or materially increase any obligations with respect to awards previously granted without the consent of the holder of such awards. Further, Shareholder approval will be required for:

    - any increase in the number of Shares reserved for issuance under the DSU Plan;

    - any amendment to (i) increase the number of Shares issuable to insiders, (ii) permit awards other than DSUs to be made under the DSU Plan, (iii) permit DSUs to be granted to persons other than non-employee directors on a discretionary basis, or (iv) permit any transfer of DSUs other than for estate settlement purposes; or

    - any amendments deleting or reducing the range of amendments which require Shareholders' approval under the DSU Plan.

As noted above, the DSU Plan is a rolling plan, in that the number of Shares that may be issued pursuant to the DSU Plan,

(a) shall not exceed 1% of the number of Shares on a non-diluted basis the (the "**1% Limit**"); and

(b) together with the Stock Option Plan and the RSU Plan, shall not exceed 10% of the number of Shares on a non-diluted basis at the relevant time (the "**10% Limit**").

As of the date hereof the number of Shares that may be issued pursuant to the DSU Plan is limited by the 10% Limit (as compared to the 1% Limit). Specifically, as of the date hereof, there are no DSUs outstanding and the 1% Limit would be equal to 786,299 Shares. In addition, as of the date hereof there is Equity Compensation (as per the 10% Limit) to acquire an aggregate of 7,293,400 Shares outstanding, representing approximately 9.3% of the issued and outstanding Shares. Equity Compensation to acquire an aggregate of 569,594 Shares remains available to be granted under the DSU Plan, Stock Option Plan and RSU Plan, representing approximately 0.7% of the issued and outstanding Shares.

Accordingly, Shareholders will be asked to consider and, if thought fit, to pass the following resolution at the Meeting:

"**BE IT RESOLVED THAT**:

(a) the Deferred Share Unit Plan (the "**DSU Plan**"), which provides for the issuance of common shares and may not exceed 1% of the number of common shares of the Corporation on a non-diluted basis and, together with the stock option plan of the Corporation (and, if approved by the shareholders of the Corporation, the restricted share unit plan of the Corporation) and all other securities-based compensation arrangements, may not exceed 10% of the number of common shares of the Corporation on a non-diluted basis, is hereby approved, and any director or officer of the Corporation is hereby authorized and directed to settle the terms thereof and to execute and deliver for and on behalf of and in the name of the Corporation the DSU Plan and any other documents in relation thereto as may be approved by such director or officer (the "**DSU Plan Documents**"), including the deferred share unit agreement, and the DSU Plan Documents so executed shall be conclusively deemed to be the DSU Plan Documents authorized and approved by this resolution and the Corporation is authorized to perform its obligations under the DSU Plan and any associated DSU Plan Documents;

(b) any one officer or director of the Corporation be and is hereby authorized and directed, for and on behalf of the Corporation to finalize, execute and deliver or file such documents and instruments and to do all such other acts and things as are required or as such officer or director, in such officer's or director's sole discretion, may deem necessary, to give full effect to or carry out the provisions of the foregoing resolution; and

(c) the unallocated deferred share units under the DSU Plan are authorized to be issued until May 14, 2017."

Unless otherwise directed by the appointing Shareholder, the proxyholder named in the accompanying form of proxy intends to vote FOR the foregoing resolution approving the DSU Plan. If the resolution approving the DSU Plan is not approved, the DSU Plan will be of no effect and the only form of equity compensation which may, from time to time, be issued to Eligible Directors will be stock options.

7. Other Matters

Management of the Corporation knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting accompanying this Information Circular. **However, if any other matter properly comes before the Meeting, the proxyholder named in the enclosed form of proxy will vote on such matters in accordance with his or her best judgment.**

EXECUTIVE COMPENSATION

The following Compensation Discussion and Analysis provides information regarding all significant elements of compensation paid, awarded or otherwise provided by the Corporation to its Named Executive Officers (defined below). Specific information is provided for Timothy M. Elliott, President and Chief Executive Officer, Paul H. Rose, Chief Financial Officer until December 31, 2013 (the most recently completed financial year) and the three other most highly compensated Executive Officers of the Corporation whose total compensation for the year ended December 31, 2013, individually, was more than CAD$150,000: namely, Jock M. Graham, Executive Vice President, Norman W. Holton, Vice Chairman, and Trent Rehill, Vice President, Geosciences until October 31, 2013 and President of wholly-owned subsidiary Winstar Tunisia B.V. thereafter (collectively, the "**Named Executive Officers**" or the "**NEOs**"). Information about the compensation awarded to the Named Executive Officers can be found in the "*Summary Compensation Table*" and related compensation tables below.

Consistent with the presentation used elsewhere in this Information Circular, and unless otherwise stated, all dollar amounts contained within this section are stated in U.S. dollars, the reporting and functional currency used by the Corporation in its consolidated financial statements as at, and for the years ended December 31, 2013 and 2012. Canadian dollars, when used, will be identified as "CAD$".

Compensation Discussion and Analysis

The compensation for executives of the Corporation is determined by the board of directors of the Corporation, with recommendations from the Compensation & Corporate Governance Committee, which is appointed by the board of directors of the Corporation. Included within the Compensation & Corporate Governance Committee's mandate is a requirement to assist the board of directors in discharging its duties and responsibilities regarding officer and director compensation. The Compensation & Corporate Governance Committee's purpose, composition, procedures, organization and duties and responsibilities are described in the Compensation & Corporate Governance Committee's Terms of Reference adopted by the board of directors on December 21, 2006 and amended November 12, 2009, which is available on the Corporation's website. For the year ended December 31, 2013, the Compensation & Corporate Governance Committee consisted of the following individuals:

Michael A. McVea
Gary R. King (Chair)
Manoj N. Madnani

Gary R. King

Mr. King is Chief Executive Officer of Dutco Natural Resources Investments Ltd., a subsidiary of Dutco Group in Dubai, and Managing Partner of Matrix Partnership, a strategic advisory firm. Prior to September 2009, he held the position of Chief Executive Officer of Dubai Natural Resources World, a private investment fund owned by the Government of Dubai exploring new long-term investment avenues across the entire natural resources value chain including oil and gas, mining and agriculture. Previous positions included roles as Chief Executive Officer of the Dubai Mercantile Exchange from December 2005 to August 2008, and before that was Senior Vice President with Macquarie Bank in Dubai UAE. Mr. King was Regional Head of Standard Bank London based in Dubai, United Arab Emirates from March 2001 to August 2004. Prior thereto he was employed by Emirates National Oil Company, lastly as Advisor, Group CEO Office from July 2002 to August 2004 and firstly as General Manager, Risk Management from January 1999 to March 2001. Prior thereto, Mr. King's experience included senior management positions with Dragon Oil Plc, an international oil and gas exploration and production company, TransCanada International Petroleum (Asia Pacific PTE LTD), Morgan Stanley and Neste Oy, the national oil and energy company of Finland. Mr. King graduated from Imperial College, Royal School of Mines, London University, United Kingdom with a Master's Degree in Petroleum Exploration Geology in 1983. In addition to serving on the board of directors of the Corporation, he is a director of Parker Drilling Company, a public corporation which trades on the New York Stock Exchange and from 2012 to 2013, was a director of WHL Energy Ltd, a public corporation listed on the Australian Stock Exchange. In these roles, Mr. King has acquired experience in and exposure to executive compensation functions.

Manoj N. Madnani

Mr. Madnani has been Managing Director and a Board Member of Kulczyk Investments S.A. (Luxembourg) and related companies since June 2007. Prior to joining the Management Board of Kulczyk Investments S.A., he was Managing Director of The Marab Group, an oil and gas consultancy and investment banking firm based in Kuwait focusing on sovereign energy security and global investments in the energy sector (from July 2005 to May 2007). Mr. Madnani has a background in corporate finance, deal sourcing, international transactions and corporate strategy. His areas of expertise are the energy and infrastructure sectors and emerging markets. Prior to joining Kulczyk Investments S.A., he worked for several years in central and eastern Europe and the Middle East, focusing on energy security and investments in the energy sector. He was educated at Babson College (USA) and is a member of the Global Advisory Board and the Alumni Association Board of Babson College. He is also a member of the Emirates Chapter of the Young Presidents Organization. His other public company directorships include Loon Energy Corporation, which is listed on the TSX Venture Exchange ("**TSX-V**"). In these roles, Mr. Madnani has acquired experience in and exposure to executive compensation.

Michael A. McVea

Mr. McVea has been a retired barrister and solicitor since 2004. Prior to that, he was Senior Partner of McVea, Shook, Wickham & Bishop, a general practice law firm from September 1981 to December 2002 and Associate Counsel with that firm from January 2003 to June 2004. Mr. McVea practised mainly in the areas of business and corporate commercial law. He graduated from the University of British Columbia, Canada, with a Bachelor of Laws degree in 1974. Mr. McVea was a director of TKE Energy Trust from November 2004 to November 2005. Mr. McVea is also a director of Loon Energy Corporation. In these roles, Mr. McVea has acquired experience in and exposure to executive compensation.

The Compensation & Corporate Governance Committee met four times during 2013 to address matters arising from or related to its mandate.

To ensure that compensation is determined in a fair manner, the Corporation strives to have the Compensation & Corporate Governance Committee comprised of independent members of the board. Currently, two of the three members of the Compensation & Corporate Governance Committee, being Mr. King and Mr. McVea, are independent directors. The third member, Mr. Madnani, is a member of the Management Board of KI, which owns approximately 50.77% of the issued and outstanding Shares, and, as such, is not considered to be independent for the purposes of Form 51-102F6. Mr. Madnani is not, however an employee of the Corporation, and, as such, if considered by the board of directors to be independent of the management of the Corporation for the purposes of compensation related decisions.

The Corporation's executive compensation program is designed to ensure that executive compensation is (a) market competitive and therefore able to attract and retain qualified, experienced professionals; (b) internally equitable within the Corporation, so that individual and group performance is encouraged and appropriately rewarded; and (c) aligned with the strategic goals of the Corporation in achieving the Corporation's long-term growth strategy and delivering strong shareholder returns. The Compensation & Corporate Governance Committee reviews the compensation of executive officers on an annual basis. The Compensation & Corporate Governance Committee's determination of officer compensation is based on factors such as competitive forces, conditions in the international oil and gas industry and the performance of both the Corporation and the officer. The Compensation & Corporate Governance Committee does not have any formal policies or practices to determine executive compensation. The Compensation & Corporate Governance Committee's process for determining executive compensation is simple and informal, and relies primarily on Compensation & Corporate Governance Committee discussion without any formal objectives, criteria and analysis. In addition, the Compensation & Corporate Governance Committee will, when necessary, retain the services of external compensation consultants to survey a peer group of companies of comparable size and scope of operations as measured by market capitalization, revenues, assets and number of employees that operate in the international energy sector.

To ensure that the Corporation's compensation program is competitive, the Corporation engaged Mercer (Canada) Limited ("**Mercer**"), an external compensation consultant, to provide analysis and advice on executive compensation focused on the Calgary office of the Corporation. The final report ("**Mercer 2012 Report**"), published December 5, 2012, which included the Corporation's positioning against a peer group of 18 exploration and production companies with international operations, was used to assist the Compensation & Corporate Governance Committee in determining appropriate levels of compensation for the 2013 fiscal year.

The Corporation paid CAD$78,378 during the 2012 and CAD$12,025 during the 2013 financial year to Mercer for the Mercer 2012 Report. No other services were provided by Mercer to the Corporation in 2012 and no fees for any other services were billed by or paid to Mercer or its affiliates during the Corporation's 2012 financial year.

To ensure that the Corporation's compensation program remained competitive, the Corporation engaged Mercer again in December 2013 to provide analysis and advice on a total compensation framework focused on the Calgary office of the Corporation. The final report ("**Mercer 2013 Report**") was published February 10, 2014, and included the Corporation's positioning against a peer group of 14 exploration and production companies with international operations. No other services were provided by Mercer to the Corporation in 2013. . No amounts were paid during 2013 for the Mercer 2013 Report. No other services were provided by Mercer to the Corporation in 2013 and no fees for any other services were billed by or paid to Mercer or its affiliates during the Corporation's 2013 financial year.

The Compensation & Corporate Governance Committee also considers the appropriate compensation for members of the board of directors of the Corporation, including the chairman of any committee of the board, on an annual basis. The Compensation & Corporate Governance Committee does this by evaluating industry practice, the roles and responsibilities required of board members and by benchmarking the board members' compensation in comparison with the compensation of suitable peer groups.

To ensure that directors' compensation is competitive, the Corporation engaged Mercer in December 2013 to provide analysis of directors' compensation. The final report was published on January 31, 2014 and included the Corporation's positioning against a peer group of 14 exploration and production companies with international operations. Recommendations are made to the board of directors based on this evaluation.

To ensure that the short and long term incentive plans of the Corporation are competitive, the Corporation engaged LaneCaputo Compensation Inc. ("**LaneCaputo**") subsequent to year end to advise on incentive compensation plans. The final report ("**LaneCaputo Report**") is dated February 22, 2014 and included the Corporation's positioning against a peer group of 20 exploration and production companies, most with international operations, with respect to both long (RSU & DSU plans) and short term (bonus plans) compensation.

No services were provided by LaneCaputo to the Corporation during 2013 and 2012 and no fees were paid to LaneCupoto or its affiliates during the 2013 and 2012 financial years. Although reports produced by compensation consultants retained by the Corporation have, from time to time, compared the Corporation's positioning with respect to compensation against peer groups of companies, such peer groups have been considered by the

Compensation & Corporate Governance Committee only on an informal basis and the Corporation's compensation program, including the compensation program for NEOs, has not formally adopted any benchmark of peer companies against which the Corporation's compensation is compared.

The Corporation's executive compensation for 2013 consisted of three distinct components:

(a) base salary;

(b) annual incentive awards, which typically consists of a cash bonus; and

(c) long-term incentive plans, which typically consists of grants of stock options.

Base Salary

The Compensation & Corporate Governance Committee holds the view that base salaries for executive officers should be set relative to peer companies and that a significant portion of total remuneration should be attached to performance.

Annual Incentive Awards

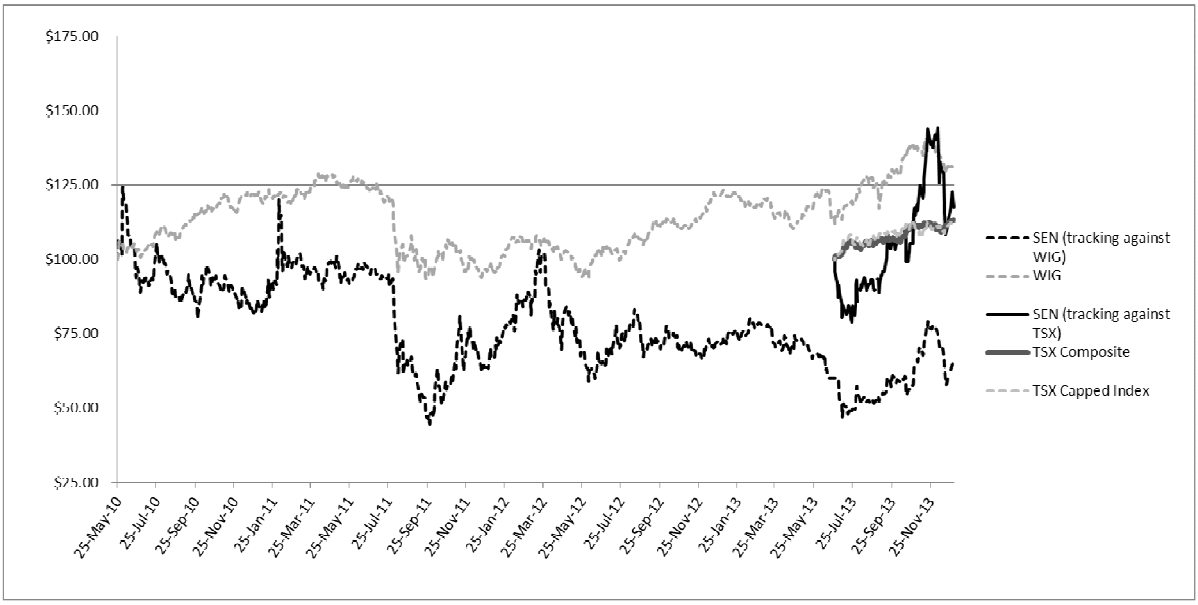
The Corporation does not have a formal bonus plan or framework at this time. Any bonuses paid by the Compensation & Corporate Governance Committee and the board of directors would be on a periodic and purely discretionary basis.

Long-Term Incentive Plans

Long-term incentives to executives presently consist of stock options that may be awarded from time to time. The Compensation & Corporate Governance Committee will review and assess the recommendations of management of the Corporation with respect to the award of stock options, based on such factors as individual and corporate performance, and market conditions. The Compensation & Corporate Governance Committee will also consider previous stock options awarded to a particular individual when considering new awards. During 2013, stock options were awarded to the Named Executive Officers. See "*Outstanding Share-Based Awards and Option-Based Awards as at December 31, 2013 – NEOs*" below. On a go-forward basis, Restricted Share Units are intended to be a component of the long-term incentive plans for NEOs.

Performance Graph

On June 27, 2013, the Shares began trading on the Toronto Stock Exchange ("**TSX**") under the symbol "SEN". The Shares are also listed on the Warsaw Stock Exchange ("**WSE**"), also under the symbol "SEN", where they have been trading since May 25, 2010. Between December 19, 2008 and May 25, 2010, the Shares were not listed on any stock exchange. The following graph compares the cumulative total shareholder return on an initial investment of CAD$100 in the Shares to relevant stock exchange indices, when applicable, for three periods within the five years from January 1, 2009 to December 31, 2013: (i) a dormant period from January 1, 2009 until May 24, 2010 when the Shares were not listed and did not trade on any public exchange, such period is not presented in the following graph; (ii) May 25, 2010 until December 31, 2013 when the Shares traded on the WSE as compared to the Warsaw Stock Exchange Index ("**WIG Index**"); and (iii) June 27, 2013 until December 31, 2013 when the Shares also traded on the TSX as compared to the S&P/TSX Composite Index and the S&P/TSX Capped Energy Index (the "**TSX Index**") (please note that period III partially overlaps with period II).



The following table compares the change in the cumulative Shareholder return on the Shares to (i) the cumulative total return of the WIG Index for the period beginning May 25, 2010 and ended December 31, 2013, assuming a $100 investment was made on May 25, 2010, and (ii) the cumulative total return of the S&P TSX Composite Index and the S&P/TSX Capped Energy Index for the period beginning June 27, 2013 and ended December 31, 2013, assuming a $100 investment was made on June 27, 2013.

	Cumulative Total Return	
	May 25, 2010	December 31, 2013
Serinus Energy Inc.	CAD$100	CAD$62.95
WIG Index	CAD$100	CAD$131.09

	Cumulative Total Return	
	June 27, 2013	December 31, 2013
Serinus Energy Inc.	CAD$100	CAD$117.75
S&P TSX Composite Index	CAD$100	CAD$113.46
S&P Capped Energy Index	CAD$100	CAD$112.51

The compensation philosophy of the Corporation has been that the Corporation's share price will not directly determine any aspect of an NEO's compensation. Accordingly, any correlation between the Corporation's share price and the compensation of the NEO's is indirect.

Option-based Awards

As noted above under "*Long-Term Incentive Plans*", stock options represent the Corporation's present long-term incentive component of its compensation program and the recommendations by management with respect to the granting of same, as well as any proposed amendments to the stock option plan, are reviewed and assessed by the Compensation & Corporate Governance Committee. Options are granted from time to time as the Corporation hires new executives, including Named Executive Officers, and other members of the Corporation's staff, and when

compensation is reviewed by the Committee in order to rebalance the compensation package at various levels through the Corporation. This review is done at least annually. As noted above under "*Long-Term Incentive Plans*", when reviewing option grants, the Committee gives consideration to individual and corporate performance, and market conditions and also considers the number of options already granted to the individual and the available option "pool" remaining for new positions being contemplated by the Corporation.

Share-based Awards

On April 10, 2014 the board of directors of the Corporation approved the adoption of the RSU Plan. No RSUs have been granted to date. RSUs together with stock options will form the long term incentive component of the Corporation's compensation plan. Recommendations for grants, as well as any proposed amendments to the plan, will be reviewed and assessed by the Compensation & Corporate Governance Committee. RSUs will be granted from time to time as the Corporation hires new executives, including Named Executive Officers, and other members of the Corporation's staff, and when compensation is reviewed by the Committee in order to rebalance the compensation package at various levels through the Corporation. This review is done at least annually. When issuing RSUs, the Committee will give consideration to individual and corporate performance, market conditions and the number of options and RSUs already granted to the individual.

Summary Compensation Table

The following table sets forth information concerning the total compensation paid by the Corporation to the Named Executive Officers for the Corporation's three most recently completed financial years, ending on December 31, 2013, 2012 and 2011, respectively.

Name and principal position	Year	Salary	Share-based awards	Option-based awards[1]	Non-equity incentive plan compensation		Pension value	All other compensation[2]	Total compensation
					Annual incentive plans[3]	Long-term incentive plans			
		($)	($)	($)	($)	($)	($)	($)	($)
Timothy M. Elliott President and Chief Executive Officer	2013	468,000	N/A	566,415	468,000	N/A	N/A	203,245	1,705,660
	2012	468,000	N/A	278,411	-	N/A	N/A	202,567	948,978
	2011	468,000	N/A	909,144	-	N/A	N/A	210,246	1,587,390
Paul H. Rose Chief Financial Officer[4]	2013	257,303	N/A	42,175	64,326	N/A	N/A	-	363,804
	2012	235,000	N/A	72,362	100,000	N/A	N/A	-	407,362
	2011	222,508	N/A	162,812	-	N/A	N/A	-	385,320
Trent Rehill President Winstar Tunisia B.V.[5]	2013	255,543	N/A	15,600	116,514	N/A	N/A	84,329	471,986
	2012	213,333	N/A	62,252	100,000	N/A	N/A	-	375,585
	2011	192,500	N/A	93,019	-	N/A	N/A	-	285,519
Jock M. Graham Executive Vice President	2013	360,000	N/A	497,159	360,000	N/A	N/A	114,845	1,332,004
	2012	360,000	N/A	267,846	-	N/A	N/A	127,920	755,766
	2011	360,000	N/A	470,619	-	N/A	N/A	154,725	985,344
Norman W. Holton Vice Chairman	2013	279,635	N/A	451,978	279,635	N/A	N/A	-	1,011,248
	2012	288,121	N/A	224,830	-	N/A	N/A	-	512,951
	2011	291,283	N/A	487,686	-	N/A	N/A	-	778,969

Notes:

(1) Comprised of options issued pursuant to the Corporation's stock option plan (the "**Stock Option Plan**"). All options vest 1/3 upon grant and 1/3 annually for each of the two subsequent years following the grant. The value of the options is based on the grant date fair value of the options using the Black-Scholes method, calculated in accordance with IFRS 2 Share-based payments, as follows:

	Year ended December 31, 2013	**Year ended December 31, 2012**	**Year ended December 31, 2011**
Weighted average fair value per option	$1.99	$2.70	$4.09
Exercise Price	$3.89	$4.39	$4.58
Volatility	65.9%	90.5%	65.8%
Interest rate	1.49%	1.23%	2.53%
Expected life (years)	4	4	4
Forfeiture rate	3.33%	3.33%	3.33%
Dividends	Nil	Nil	Nil

In November 2011, the Corporation's board of directors authorized the re-pricing of certain stock options held by employees and certain officers of the Corporation. This re-pricing allows the holders of such options to exercise their stock options at a lower price than the exercise price specified in the original grant. The re-pricing affects stock options held by each of Mr. Rose and Dr. Rehill; however, the option re-pricing excluded options held by the Corporation's three most senior officers – Messrs. Elliott, Holton and Graham – and the board of directors. The re-pricing was authorized by the board of directors to ensure that the past option grants remained an effective mechanism for compensating and retaining employees, in the context of market events that had a negative impact on the Corporation's share price.

On June 24, 2013, the Corporation consolidated its Shares on the basis of one post-consolidation Share for every ten pre-consolidation Shares. The weighted average fair value per option and exercise price outlined in the table above are on a post-consolidation basis. Pursuant to the terms of the Stock Option Plan, appropriate adjustments in the number of Shares optioned and in the option price per Share regarding options granted or to be granted may be made by the Compensation & Corporate Governance Committee in its discretion to give effect to adjustments in the number of Shares of the Corporation resulting subsequent to the approval of the Stock Option Plan from consolidations of Shares.

(2) "All other compensation" for the above referenced Named Executive Officers includes amounts paid in accordance with their respective employment agreements and may include amounts for housing costs, school fees for the Named Executive Officer's children, return airfare to Canada for the Named Executive Officer's family members, medical coverage for the Named Executive Officer's family members and life and disability insurance.

(3) Amounts in 2013 reflect bonuses approved by the board of directors in March 2013 based upon the recommendation of the Compensation & Corporate Governance Committee to compensate for performance for the periods 2010 to 2012 for Mr. Elliott, Mr. Holton and Mr. Graham. No Cash bonuses were paid to NEOs in 2011. In 2012 bonuses were paid to Mr. Rose and Mr. Rehill reflecting performance for 2011.

(4) Mr. Rose retired as Chief Financial Officer effective December 31, 2013. Mr. Rose will continue his relationship with Serinus in a consulting role to assist as required. Ms. Tracy Heck was appointed Chief Financial Officer effective January 1, 2014.

(5) Dr. Rehill was Vice President, Geosciences during the first part of 2013 prior to being appointed as President of Winstar Tunisia B.V. on October 31, 2013.

Incentive Plan Awards

Stock Option Plan

The Corporation has in place the Stock Option Plan providing for the granting of stock options to directors, employees (including officers) and consultants of the Corporation or of any of its subsidiaries ("**Participants**"). The Stock Option Plan is intended to afford Participants an opportunity to obtain a proprietary interest in the Corporation by permitting them to purchase Shares and to aid in attracting as well as retaining and encouraging the continued involvement of such persons with the Corporation. The Stock Option Plan shall be administered by the board of the directors or, if appointed, a special committee of directors appointed from time to time by the board of directors of the Corporation (such committee, or if no such committee is appointed, the board of directors of the Corporation, is hereinafter referred to as the "**Committee**").

Under the Stock Option Plan, the Committee may from time to time grant options to any Participant and shall designate the number of Shares to be optioned to each Participant. The aggregate number of Shares to be delivered upon the exercise of all options granted under the Stock Option Plan shall not exceed the maximum number of Shares permitted under the rules of the TSX or the WSE or any regulatory body having jurisdiction and the total number of Participants shall not be more than 100 in total. The aggregate number of Shares to be delivered upon the

exercise of all options granted under the Stock Option Plan shall not at any time exceed 10% of the Shares admitted to trading on the TSX or the WSE, as the case may be in the previous 12 months.

The number of Shares subject to an option granted to a Participant shall be determined by the Committee subject to the following limitations:

- no Participant shall, within any 12 month period, be granted Options that are exercisable in the aggregate for a number of Shares that exceeds 5% of the issued and outstanding Shares (on a non-diluted basis) or exceeds the maximum number of Shares permitted by the TSX or the WSE, as the case may be, or any regulatory body having jurisdiction; and

- the aggregate number of Shares issued to "insiders" (as such term is defined in the TSX Company Manual) of the Corporation, within any 12 month period, and issuable to insiders of the Corporation, at any time, under the Stock Option Plan or when combined with all of the Corporation's other security based compensation arrangements (including the RSU Plan), shall not exceed 10% of the Corporation's total issued and outstanding securities, respectively.

The exercise price of the Shares purchased pursuant to each option shall be determined by the Committee. The exercise price shall not be (i) less than the price permitted by the TSX or the WSE or any regulatory body having jurisdiction, or (ii) less than the volume weighted average trading price of the Shares on the TSX for the five trading days immediately preceding the date of grant. The Committee 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. Generally, a Participant can exercise 100% of the options granted after a two year vesting term.

The term of an option shall be a period of time fixed by the Committee, not to exceed ten years from the date the option is granted or such other maximum period permitted by the TSX or the WSE or any regulatory body having jurisdiction, provided that the option term shall be reduced with respect to any option regarding cessation as a director, employee or consultant of the Corporation or its subsidiary, or death of the Participant. Historically the Committee has fixed the term of options at five years from the date of grant, subject to an extension for the number of days between the date of the delisting of the Shares from trading on the TSX-V (December 19, 2008) and the date of the listing and admission to trading of the Shares on the WSE (May 25, 2010). If applicable and if a Participant ceases to be a director, employee or consultant of the Corporation or its subsidiary for any reason (other than death), the Participant may, but only within 90 days after the Participant's ceasing to be a director, employee or consultant, exercise the Participant's option, but only to the extent that the Participant was entitled to exercise it at the date of such cessation. For greater certainty, any Participant who is deemed to be an employee of the Corporation pursuant to any medical or disability plan of the Corporation shall be deemed to be an employee for the purposes of the Stock Option Plan. All rights, benefits and options accruing to any Participant in accordance with the terms and conditions of the Stock Option Plan are not transferable or assignable except in the case of the death of a Participant. In the event of the death of a Participant, the option(s) previously granted to such Participant shall be exercisable only within six months following the date of the death of the Participant or prior to the time of expiry of such option, whichever is earlier, 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 the Participant was entitled to exercise the option at the date of the Participant's death.

The Stock Option Plan provides that appropriate adjustments in the number of Shares optioned and in the option price per Share, regarding options granted or to be granted, may be made by the Committee in its discretion to give effect to adjustments in the number of Shares resulting subsequent to the approval of the Stock Option Plan by the Committee from subdivisions, consolidations or reclassifications of the Shares, the payment of stock dividends by the Corporation or other relevant changes in the capital of the Corporation. On June 24, 2013, the Corporation consolidated the Shares on the basis of one post-consolidation Share for every ten pre-consolidation Shares. No financial assistance is provided by the Corporation to Participants to exercise options granted pursuant to the Stock Option Plan. The Stock Option Plan does not currently grant the Corporation the right to transform an option into a stock appreciation right involving an issuance of securities from the Corporation's treasury.

Subject to the rules of the TSX and the WSE and any regulatory body having jurisdiction, the board of directors of the Corporation shall have the unfettered right at any time and from time to time to amend, rescind or terminate the Stock Option Plan as it shall deem advisable, without Shareholder approval, provided, however, that no such

amendment, rescission or termination shall impair or change the rights and options theretofore granted under the Stock Option Plan without the prior written consent of the Participant or Participants affected.

As at the date hereof, options to acquire an aggregate of 7,293,400 Shares are currently outstanding, representing approximately 9.3% of the issued and outstanding Shares. There remain options to acquire an aggregate of 569,594 Shares available to be granted under the Stock Option Plan representing approximately 0.7% of the issued and outstanding Shares.

No amendments were made to the Stock Option Plan between June 27, 2013, when the Corporation began trading on the TSX, and December 31, 2013, the end of the most recent fiscal year. In May 2013, the Board of Directors of the Corporation amended the Stock Option Plan to ensure that the exercise price of options granted under the Stock Option Plan would be in compliance with the TSX rules, and to improve the Stock Option Plan and more closely align it with comparable plans of other companies listed on the TSX. Specifically, the board of directors of the Corporation made the following amendments to the Stock Option Plan, all of which are reflected in the summary above:

- added a provision which set the aggregate maximum number of options which can be granted to any one Participant, within a 12 month period, as 5% of the issued and outstanding Shares of the Corporation (on a non-diluted basis) whereas previously the Stock Option Plan referenced this restriction as a restriction imposed by a stock exchange (not the Stock Option Plan itself);

- added a provision which set the aggregate maximum number of Shares which could be granted to "insiders" (as such term is defined in the TSX Company Manual) of the Corporation, within any 12 month period, and issuable to insiders of the Corporation, at any time, under the Stock Option Plan or when combined with all of the Corporation's other security based compensation arrangements (including the RSU Plan and DSU Plan), as 10% of the Corporation's total issued and outstanding securities, respectively. There was previously no such restriction on the aggregate maximum number of Shares which could be granted to insiders as a group;

- added a provision that the exercise price of options granted under the Stock Option Plan shall not be less than the volume weighted average trading price of the Shares on the TSX for the five trading days immediately preceding the date of grant;

- added a provision which set the maximum term of an option as ten years, whereas previously the Stock Option Plan referenced this restriction as a restriction imposed by a stock exchange (not the Stock Option Plan itself); and

- added a provision which clarified that the power of the board of directors of the Corporation to amend the Stock Option Plan was subject to the rules of any stock exchange on which the Shares are then listed or other regulatory body having jurisdiction.

Pursuant to the terms of the Stock Option Plan and the powers granted to the board of directors of the Corporation thereunder to amend the Stock Option Plan, Shareholder approval was not obtained for such amendments.

RSU Plan

In addition to the Stock Option Plan, the Corporation currently has in place the RSU Plan, which is subject to Shareholder approval at the Meeting. Additional information about the RSU Plan is contained in "*Matters to be Acted Upon at the Meeting – Approval of Restricted Share Unit Plan*", above.

Outstanding Share-Based Awards and Option-Based Awards as at December 31, 2013 – NEOs

The Shares began trading on the WSE on May 25, 2010 and on the TSX on June 27, 2013. The value of the unexercised in-the-money options as at December 31, 2013 has been determined based on the excess of the trading price on the TSX over the exercise price of such options. The closing price of the Shares on the TSX on the last day of trading prior to the end of the 2013 fiscal year was CAD$3.98 per Share, or USD$3.74 per Share based on a currency exchange rate of 0.9402.

The following table sets forth all awards outstanding as at December 31, 2013 held by Named Executive Officers, including awards made before the most recently completed year. Grants under the Stock Option Plan are considered to be "option-based awards" under applicable securities laws.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options	Option exercise price	Option exercise date[1]	Value of unexercised in-the-money options	Number of share or units of shares that have not vested	Market or payout value of share-based awards that have not vested	Market or payout value of vested share-based awards not paid out or distributed
	(#)[2]	($)[2][3]	(D-M-Y)	($)[4]	(#)[2]	($)[4]	
Timothy M.	50,000	4.70	12-May-14	-	-	-	-
Elliott	199,500	6.90	15-Sept-14	-			
President and	300,000	6.20	25-May-15	-			
Chief	170,000	4.00	06-Dec-16	-			
Executive	50,000	4.30	13-Aug-17	-			
Officer	633,600	4.11	18-Nov-18	-			
Paul H. Rose	115,000	4.00	15-Sept-14	-	-	-	-
Chief	51,000	4.00	25-May-15	-			
Financial	48,000	4.00	06-Dec-16	-			
Officer[5]	35,000	4.11	18-Nov-18	-			
Trent Rehill	50,000	4.00	15-Sept-14	-	-	-	-
President	102,000	4.00	25-May-15	-			
Winstar	48,000	4.00	6-Dec-16	-			
Tunisia B.V.[6]							
Jock M.	30,000	4.70	12-May-14	-	-	-	-
Graham	112,500	6.90	15-Sept-14	-			
Executive Vice	285,000	6.20	25-May-15	-			
President	120,000	4.00	06-Dec-16	-			
	80,000	4.30	13-Aug-17	-			
	518,100	4.11	18-Nov-18	-			
Norman W.	10,000	4.70	12-May-14	-	-	-	-
Holton	139,500	6.90	15-Sept-14	-			
Vice Chairman	285,000	6.20	25-May-15	-			
	120,000	4.00	06-Dec-16	-			
	50,000	4.30	13-Aug-17	-			
	498,300	4.11	18-Nov-18	-			

Notes:

(1) Reflects the extension of the expiry date granted for the number of days between the date of the delisting of the Shares from trading on the TSX-V (December 19, 2008) and the date of the listing and admission to trading of the Shares on the WSE (May 25, 2010).

(2) On June 24, 2013, the Corporation consolidated its Shares on the basis of one post-consolidation Share for every ten pre-consolidation Shares. The number of securities underlying unexercised options, option exercise price, and number of Units that have not vested outlined in the table above are on a post-consolidation basis. Pursuant to the terms of the Stock Option Plan, appropriate adjustments in the number of Shares optioned and in the option price per Share regarding options granted or to be granted may be made by the Compensation & Corporate Governance Committee in its discretion to give effect to adjustments in the number of Shares of the Corporation resulting subsequent to the approval of the Stock Option Plan from consolidations of Shares.

(3) In October 2009, the Corporation adjusted the exercise price of all share purchase options issued and outstanding as of December 10, 2008 to 82% of the previous exercise price to reflect the effect of the implementation of the plan of arrangement in December 2008 to which the Corporation was a party, and concurrent therewith, changed the currency of the exercise price from Canadian to United States dollars using the exchange rate in effect at September 15, 2009. The Corporation was not listed on any exchange during 2009.

(4) Calculated based on the difference between the closing price of the Shares of $3.74 on the TSX as at December 31, 2013 (based on a closing price of CAD$3.98 per share and a currency exchange rate of 0.9402) and the exercise of the option multiplied by the number of Shares underlying the options.

(5) Mr. Rose retired as Chief Financial Officer effective December 31, 2013. Mr. Rose will continue his relationship with Serinus in a consulting role to assist as required. Ms. Tracy Heck was appointed Chief Financial Officer effective January 1, 2014.

(6) Dr. Rehill was Vice President, Geosciences during the first part of 2013 prior to being appointed as President of Winstar Tunisia B.V. on October 31, 2013.

Incentive Plan Awards – Value Vested or Earned During the Most Recently Completed Financial Year

The following table sets forth the value of the awards that vested for each Named Executive Officer under the Stock Option Plan in 2013, as well as non-equity incentive plan compensation earned during the financial year ended December 31, 2013.

	Option-based awards – Value vested during the year ($)	**Share-based awards – Value vested during the year ($)**	**Non-equity incentive plan compensation – Value earned during the year[(1)] ($)**
Timothy M. Elliott President and Chief Executive Officer	556,013	N/A	468,000
Paul H. Rose Chief Financial Officer(2)	57,864	N/A	64,326
Trent Rehill President, Winstar Tunisia [(3)]	35,263	N/A	116,514
Jock M. Graham Executive Vice President	477,153	N/A	360,000
Norman W. Holton Vice Chairman	437,172	N/A	279,635

Note:

(1) Represents 2013 bonuses approved by the board of directors in March 2013 based upon the recommendation of the Compensation & Corporate Governance Committee.

(2) Mr. Rose retired as Chief Financial Officer effective December 31, 2013. Mr. Rose will continue his relationship with Serinus in a consulting role to assist as required. Ms. Tracy Heck was appointed Chief Financial Officer effective January 1, 2014.

(3) Dr. Rehill was Vice President, Geosciences during the first part of 2013 prior to being appointed as President of Winstar Tunisia B.V. on October 31, 2013.

Termination of Employment and Change of Control Arrangements

Employment Agreements

Timothy Elliott, President and Chief Executive Officer and Jock Graham, Executive Vice President of the Corporation, both of whom are based in Dubai, United Arab Emirates, have executive employment agreements with Kulczyk Oil Ventures Limited, a wholly-owned subsidiary of the Corporation, which provide for compensation in the event of termination of employment from the Corporation without lawful cause. Under the termination provisions of the contracts of Mr. Elliott and Mr. Graham, each would, if terminated without cause or constructively dismissed, be entitled to receive a settlement payment equal to the sum of 18 months of base salary plus 150% of the bonus received by the executive in the previous year; and the pro-rata portion of the current year's bonus calculated to the termination date (based on the previous year's bonus payment). Furthermore, the executive will be entitled to continue in the benefit plans of the Corporation for 18 months from the termination date. If the benefit plans cannot be extended, the Corporation will pay to the executive the cost of the Corporation's premiums for 18 months in lieu of participation in the Corporation's benefit plans.

Norman Holton, Vice Chairman of the Corporation, based in Calgary, Alberta, Canada has an executive employment agreement with the Corporation which provides for compensation in the event of termination of employment from the Corporation without lawful cause. Under the termination provisions of the contract, Mr. Holton would, if terminated without cause or constructively dismissed, be entitled to receive a settlement payment equal to the sum of 18 months of base salary plus 150% of the bonus received by the executive in the previous year; and the pro-rata portion of the current year's bonus calculated to the termination date (based on the previous year's bonus payment). Furthermore, the executive will be entitled to continue in the benefit plans of the Corporation for 18 months from the termination date. If the benefit plans cannot be extended, the Corporation will pay to the executive the cost of the Corporation's premiums for 18 months in lieu of participation in the Corporation's benefit plans.

Trent Rehill, President Winstar Tunisia B.V., has an employment agreement with the Corporation which provides for compensation in the event of termination of employment from the Corporation without lawful cause. Under the termination provision of the contract, Dr. Rehill, if terminated without cause or constructively dismissed, will be entitled to receive a settlement payment equal to the sum of 12 months of base salary. Furthermore, Mr. Rehill will be entitled to continue in the benefit plans of the Corporation for 12 months from the termination date. If the benefit plans cannot be extended, the Corporation will pay to the executive the cost of the Corporation's premiums for 12 months in lieu of participation in the Corporation's benefit plans.

The employment contracts for the Named Executive Officers referred to above do not provide any termination benefits arising from a change in control of the Corporation.

Paul Rose, Chief Financial Officer of the Corporation until December 31, 2013 (the most recently completed financial year), had an executive employment agreement directly with the Corporation which terminated (other than certain continuing provisions related to confidentiality and dispute resolution) as a result of Mr. Rose's retirement on December 31, 2013. As such, provisions in Mr. Rose's contract related to possible termination scenarios and payments associated therewith are no longer capable of being triggered. Mr. Rose's employment contract did not provide for any payments or benefits in connection with his voluntary retirement.

Except as disclosed above, for the year ended 2013, the Corporation and its subsidiaries have not entered into any agreements with any other Named Executive Officer providing for benefits upon a termination of such agreement.

Stock Options

Options granted to the NEOs terminate immediately upon termination for cause. Unexercised options remaining in the event of termination other than as stated above may be exercised within the lesser of 90 days (six months in the case of the death of the optionee) following termination of employment or prior to expiry of the option exercise period.

Estimated Termination Payment and Benefits

The following table sets out the estimated incremental payments and benefits payable to each of the NEOs at the time of, following, or in connection with, an involuntary or constructive termination. The table below assumes that the triggering event giving rise to the incremental payment took place on the last business day of the Corporation's most recently completed financial year.

Name and Principal Position	Months of Base Salary	Accrued but Unused Vacation	Plus		Months of Benefits Paid	Total Compensation
			Multiple of Bonus[1]	Pro-Rata Portion of Current Year Bonus to Termination Date		
	($)	($)	($)	($)	($)	($)
Timothy M. Elliott *President and Chief Executive Officer*	702,000	-	702,000	-	38,882	1,442,882
Paul H. Rose *Chief Financial Officer*[2]	N/A	N/A	N/A	N/A	N/A	N/A
Trent Rehill *President Winstar Tunisia B.V.*[3]	320,415	-	-	-	16,013	336,428
Jock M. Graham *Executive Vice President*	540,000	-	540,000	-	39,390	1,119,390
Norman W. Holton *Vice Chairman*	419,452	-	419,452	-	8,403	847,307

Notes:

(1) In the case of Mr. Elliott, Mr. Graham and Mr. Holton, the multiple of bonus is as defined in their employment contracts.

(2) Mr. Rose retired as Chief Financial Officer effective December 31, 2013. Mr. Rose will continue his relationship with Serinus in a consulting role to assist as required. Ms. Tracy Heck was appointed Chief Financial Officer effective January 1, 2014.

(3) Dr. Rehill was Vice President, Geosciences during the first part of 2013 prior to being appointed as President of Winstar Tunisia B.V. on October 31, 2013.

The NEO employment contracts do not provide for payments or benefits in connection with a voluntary termination, resignation or retirement.

Retirement Plans

The Corporation has no formal pension, retirement or other such long-term incentive compensation plan in place for directors, officers or employees.

Financial Instruments

As part of the Corporation's Insider Trading Policy, Named Executive Officers and directors are prohibited from selling securities of the Corporation if they do not own or have not fully paid for the securities to be sold (short sales). In addition, Named Executive Officers and directors are prohibited from trading in options on the Corporation's securities. Named Executive Officers and directors are not specifically prohibited from purchasing prepaid 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 but are discouraged from doing so. Trades of the Corporation's securities are to be for

investment purposes only and not for short-range speculation and Named Executive Officers and directors are discouraged from frequent trading in the Corporation's securities.

Risk of Compensation Policies and Practices

The board of directors and the Compensation & Corporate Governance Committee have not formally considered the implications of the risks associated with the Corporation's compensation policies and practices. However, the Corporation's compensation practices give greater weight toward long-term incentives than short-term incentives with a view to mitigating the risk of encouraging short-term goals at the expense of long-term sustainability and the enhancement of shareholder value. The discretionary nature of the annual bonus awards and option grants are significant elements of the Corporation's compensation plans and provide the board of directors and the Compensation & Corporate Governance Committee with the ability to reward individual and corporate performance and individual behaviour that the board of directors and the Compensation & Corporate Governance Committee consider to be aligned with the best intent of the Corporation.

COMPENSATION OF DIRECTORS

The non-management directors of the Corporation are paid a retainer of CAD$1,000 per month and CAD$1,000 per board or committee meeting. The chairman of the Audit Committee receives an additional CAD$3,000 per annum. Non-management directors do not receive any other direct compensation for their role as directors of the Corporation other than stock option grants and DSU grants (subject to Shareholder approval of the DSU Plan at the Meeting) from time to time. All reasonable expenses incurred by directors in their capacity as directors are paid by the Corporation. Management directors (Mr. Holton and Mr. Elliott) do not receive any compensation for acting as directors of the Corporation or for attending committee meetings. The Corporation maintains a director and officer liability insurance policy pursuant to which directors and officers are insured for liabilities which may arise from the conduct of their activities on behalf of the Corporation. The amount of the insurance is, in aggregate, CAD$10,000,000 per year.

DSU Plan

In addition to the Stock Option Plan, the Corporation currently has in place the DSU Plan, which is subject to Shareholder approval at the Meeting. Additional information about the DSU Plan is contained in "*Matters to be Acted Upon at the Meeting – Approval of Deferred Share Unit Plan*", above.

Director Compensation Table

The following table summarizes the compensation paid, payable, awarded or granted to each of the non-executive directors of the Corporation for the year ended December 31, 2013.

Name and principal position	Fees Earned	Share-based awards	Option-based awards[1]	Non-equity incentive plan compensation	Pension value	All other compensation	Total compensation
	($)[2]	($)	($)	($)	($)	($)	($)
Gary R. King	27,187	N/A	79,058	N/A	N/A	-	106,245
Manoj N. Madnani	22,332	N/A	79,058	N/A	N/A	-	101,390
Michael A. McVea	30,100	N/A	109,881	N/A	N/A	-	139,981
Dariusz Mioduski	20,390	N/A	79,058	N/A	N/A	-	99,448
						-	

Name and principal position	Fees Earned	Share-based awards	Option-based awards[1]	Non-equity incentive plan compensation	Pension value	All other compensation	Total compensation
	($)[2]	($)	($)	($)	($)	($)	($)
Stephen C. Akerfeldt	22,332	N/A	83,611	N/A	N/A		105,943
Helmut J. Langanger	20,390	N/A	88,815	N/A	N/A	-	109,205
Bruce Libin[3]	12,622	N/A	72,562	N/A	N/A	-	85,184
Evgenij Iorich[3]	10,680	N/A	72,562	N/A	N/A	-	83,242

Notes:

(1) Comprised of options issued pursuant to the Corporation's stock option plan (the "**Stock Option Plan**"). All options vest 1/3 upon grant and 1/3 annually for each of the two subsequent years following the grant. The value of the options is based on the grant date fair value of the options using the Black-Scholes method, calculated in accordance with IFRS 2 Share-based payments, as follows:

	Year ended December 31, 2013
Weighted average fair value per option	$1.99
Exercise Price	$3.89
Volatility	65.9%
Interest rate	1.49%
Expected life (years)	4
Forfeiture rate	3.33%
Dividends	Nil

On June 24, 2013, the Corporation consolidated its Shares on the basis of one post-consolidation Share for every ten pre-consolidation Shares. The weighted average fair value per option and exercise price outlined in the table above are on a post-consolidation basis. Pursuant to the terms of the Stock Option Plan, appropriate adjustments in the number of Shares optioned and in the option price per Share regarding options granted or to be granted may be made by the Compensation & Corporate Governance Committee in its discretion to give effect to adjustments in the number of Shares of the Corporation resulting subsequent to the approval of the Stock Option Plan from consolidations of Shares.

(2) Consistent with the presentation used elsewhere in this Information Circular, fees are reported in U.S. dollars. However fees are earned by and paid to directors in Canadian dollars. The currency exchange rate used to translate the compensation from Canadian dollars into U.S. dollars is 0.9710 being the average rate for 2013 per the Bank of Canada

(3) Mr. Libin and Mr. Iorich joined the board of directors on June 24, 2013.

Outstanding Share-Based Awards and Option-Based Awards as at December 31, 2013 - Directors

The following table sets forth all outstanding awards held by the non-executive directors of the Corporation as at December 31, 2013. Awards under the Stock Option Plan are considered "option-based awards" under applicable securities laws.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options	Option exercise price	Option exercise date[1]	Value of unexercised in-the-money options	Number of share or units of shares that have not vested	Market or payout value of share-based awards that have not vested	Market or payout value of vested share-based awards not paid out or distributed
	(#)[2]	($)[2][3]	(D-M-Y)	($)[4]	(#)[2]	($)[4]	
Gary R. King	22,000	4.70	12-May-14	-	-	-	-
	28,000	6.90	15-Sept-14	-			
	20,000	4.00	6-Dec-16	-			
	100,000	4.11	18-Nov-18	-			
Manoj N. Madnani	22,000	4.70	12-May-14	-	-	-	-
	28,000	6.90	15-Sept-14	-			
	51,000	6.20	25-May-15	-			
	20,000	4.00	6-Dec-16	-			
	100,000	4.11	18-Nov-18	-			
Michael A. McVea	10,000	4.70	12-May-14	-	-	-	-
	20,000	6.90	15-Sept-14	-			
	20,000	4.00	6-Dec-16	-			
	30,000	4.30	13-Aug-17	-			
	100,000	4.11	18-Nov-18	-			
Dariusz Mioduski	50,000	6.90	15-Sept-14	-	-	-	-
	51,000	6.20	25-May-15	-			
	20,000	4.00	6-Dec-16	-			
	100,000	4.11	18-Nov-18	-			
Stephen C. Akerfeldt	51,000	6.00	16-Mar-16	-	-	-	-
	20,000	4.00	6-Dec-16	-			
	100,000	4.11	18-Nov-18	-			
Helmut J. Langanger	50,000	4.00	6-Dec-16	-	-	-	-
	100,000	4.11	18-Nov-18	-			
Bruce Libin[5]	100,000	4.11	18-Nov-18	-	-	-	-
Evgenij Iorich[5]	100,000	4.11	18-Nov-18	-	-	-	-

Notes:

(1) Reflects the extension of the expiry date granted for the number of days between the date of the delisting of the Shares from trading on the TSX-V (December 19, 2008) and the date of the listing and admission to trading of the Shares on the WSE (May 25, 2010).

(2) On June 24, 2013, the Corporation consolidated its Shares on the basis of one post-consolidation share for every ten pre-consolidation shares. The number of securities underlying unexercised options, option exercise price, and number of Units that have not vested outlined in the table above are on a post-consolidation basis. Pursuant to the terms of the Stock Option Plan, appropriate adjustments in the number of

Shares optioned and in the option price per Share regarding options granted or to be granted may be made by the Compensation & Corporate Governance Committee in its discretion to give effect to adjustments in the number of Shares of the Corporation resulting subsequent to the approval of the Stock Option Plan from consolidations of Shares.

(3) In October 2009, the Corporation adjusted the exercise price of all share purchase options issued and outstanding as of December 10, 2008 to 82% of the previous exercise price to reflect the effect of the implementation of the plan of arrangement in December 2008 to which the Corporation was a party, and concurrent therewith, changed the currency of the exercise price from Canadian to United States dollars using the exchange rate in effect at September 15, 2009. The Corporation was not listed on any exchange during 2009.

(4) Calculated based on the difference between the closing price of the Shares of $3.74 on the TSX as at December 31, 2013 (based on a closing price of CAD$3.98 per share and a currency exchange rate of 0.9402) and the exercise price of the option, multiplied by the number of Shares underlying the options.

(5) Mr. Libin and Mr. Iorich joined the board of directors on June 24, 2013.

Incentive Plan Awards – Value Vested or Earned During the Most Recently Completed Financial Year

During the financial year ended December 31, 2013, 343.660 option based awards having an aggregate value of $1,440,973 vested to non-executive directors of the Corporation and no non-equity incentive plan compensation was paid to non-executive directors of the Corporation.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER SECURITIES COMPENSATION PLANS

The following table sets out information concerning the number and price of securities to be issued under equity compensation plans as at December 31, 2013. The compensation plan of the Corporation in effect as of December 31, 2013 under which Shares are authorized for issuance is the Stock Option Plan.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans
Equity compensation plans approved by securityholders.	7,089,900	$4.69 per Share	771,244
Equity compensation plans not approved by securityholders.	Nil	N/A	N/A
Total	7,089,900	$4.69 per Share	771,244

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Aggregate Indebtedness to the Corporation

As at the date hereof no executive officer, director, employee or former executive officer, director or employee of the Corporation or of any of its subsidiaries is: (a) indebted to the Corporation or any of its subsidiaries for any purpose or (b) is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding granted by the Corporation or any of its subsidiaries.

Indebtedness of Directors and Officers to the Corporation

No person that is or was, at any time since the beginning of the Corporation's most recently completed financial year: (i) a director or executive officer of the Corporation, (ii) a proposed nominee for election as a director of the Corporation (iii) or an associate of any such director, executive officer or proposed nominee:

(a) is, or at any time since the beginning of the Corporation's most recently completed financial year has been, indebted to the Corporation or any of its subsidiaries; or

(b) is, or at any time since the beginning of the most recently completed financial year has been, the subject of a debt guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as set forth below, no informed person of the Corporation, proposed director of the Corporation, or any associate or affiliate (as such terms are defined in applicable Canadian securities law and securities instruments) of any informed person or proposed director, has had any direct or indirect material interest in any transaction since the commencement of the Corporation's most recently completed financial year, or in any proposed transaction, that has materially affected or would materially affect the Corporation or any of its subsidiaries.

Dutco Strategic Relationship and Dutco Loan

In July 2013, Serinus and Dutco Energy Limited ("**Dutco**") announced the formalization of a strategic relationship. As part of this new strategic relationship and pursuant to various agreements entered into by Serinus, Kulczyk Oil Brunei Limited ("**KOV Brunei**") and Dutco:

(a) Serinus granted Dutco an option to acquire between 5% and 15% of the Brunei Block L oil exploration block in Brunei (the "**Brunei Option**") in consideration of US$1 million per percentage point of interest acquired by Dutco. If there are amounts outstanding from Serinus to Dutco under the Dutco Loan (as defined below) then Dutco may elect to set-off the price of the Brunei Option against those amounts. A decision to exercise the right to acquire an interest is to be made within 31 days of the test results of a discovery well being announced in Brunei Block L;

(b) Serinus granted Dutco a right to convert up to US$5 million of Serinus' debt under the newly established Dutco Loan into Shares based on the trading price of Shares on the TSX; and

(c) Serinus and Dutco agreed that for a period of one year, commencing July 17, 2013, they will jointly explore opportunities to collaborate on oil and gas investments in Tunisia.

As part of this transaction, the Corporation, as borrower, Dutco, as lender, and KOV Brunei entered into a credit facility under which the Corporation could borrow up to $15 million to fund drilling in Brunei (the "**Dutco Loan**"). The term of the Dutco Loan is 12 months with interest calculated on outstanding amounts at a rate of 12% per annum and paid monthly. Dutco may convert up to $5 million, unless the loan is in default in which case up to $15 million, of the amounts outstanding under the Dutco Loan into Shares, subject to TSX approval. The loan is convertible into Shares based on the trading price at the time of the conversion of the Corporation on the TSX. As at December 31, 2013, $15 million had been drawn on this facility. Gary King, a director of the Corporation, is Chief Executive Officer of Dutco Natural Resources Investments Ltd., an affiliate of Dutco.

Arrangement

On June 24, 2013, Serinus completed its acquisition (the "**Acquisition**") of Winstar. The Acquisition was implemented by way of a court-approved plan of arrangement under the *Business Corporations Act* (Alberta) involving the Corporation, KI, Winstar and holders of Winstar common shares (the "**Arrangement**"), and resulted in Serinus acquiring all of the issued and outstanding common shares of Winstar. In connection with closing of the Arrangement, the Corporation changed its name from "Kulczyk Oil Ventures Inc." to "Serinus Energy Inc." and consolidated its common shares on the basis of one post-consolidation Share for every ten pre-consolidation Shares. Pursuant to the Arrangement, holders of Winstar common shares were entitled, at their election, to receive, for each Winstar share held, 7.555 pre-consolidation Shares or CAD$2.50 in cash, subject to a maximum of CAD$35 million, with such cash provided by KI, the major shareholder of the Corporation. The maximum cash consideration was elected, resulting in KI acquiring 14,000,000 Winstar shares at closing, which were then exchanged for Shares in accordance with the terms of the Arrangement. A total of 27,252,496 Shares (on a post-consolidation basis) were issued to Winstar shareholders pursuant to the Arrangement, of which 10,577,000 Shares were issued to KI. Pursuant to the terms of the Arrangement Agreement dated April 24, 2013 amongst the Corporation, KI and Winstar, the Shares received by KI were subject to a hold period of 180 days following closing of the Arrangement (on June 24, 2013); this hold period has now expired.

As outlined in "*Voting Securities and Principal Shareholders*", KI is the Corporation's largest Shareholder. KI's headquarters are located at: 65, boulevard Grande Duchesse Charlotte, L-1331 Luxembourg, Luxembourg. In addition, upon closing of the 2013 Arrangement, Mr. Libin and Mr. Iorich, directors of Winstar, became directors of Serinus.

KI Loan

On June 22, 2012, the Corporation finalized an arrangement with KI for the provision of up to $12.0 million in funding to the Corporation to fund the Corporation's ongoing working capital requirements (the "**KI Loan**"). KI agreed to provide funding by way of the KI Loan to the Corporation for the principal amount of up to $12 million with a term ending December 31, 2012. Interest was payable at a rate of 15.0% per annum, and the Corporation could at any time prepay the loan in whole or in part.

On December 11, 2012, the Corporation and KI entered into an amended and restated loan agreement to, among other things, extend the term of the KI Loan by one year from December 31, 2012 to December 31, 2013 and make amounts owing under the KI Loan convertible into Shares. The Corporation received formal notice from KI on May 8, 2013 of its intention to convert, conditional upon the closing of the Arrangement, $13,369,726 owing thereunder (comprised of $12,000,000 of principal and $1,369,726 accrued and unpaid interest up to and including June 20, 2013) into Shares. Based upon the volume weighted average trading price of Shares on the WSE during the five trading days immediately prior to but excluding May 8, 2013, the date of the conversion election notice, the Corporation issued 3,183,268 Shares (on a post-consolidation basis) to KI upon closing of the Arrangement. After giving effect to the Arrangement and the conversion of the KI Loan, as of June 24, 2013, Serinus had 78,611,437 Shares issued and outstanding (on a post-consolidation basis), of which KI owned 37,840,987 Shares (representing 48.1% of the issued and outstanding Shares).

DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES

Board of Directors

The board of directors of the Corporation is currently comprised of ten directors. Five of the Corporation's ten directors, being Mr. Akerfeldt, Mr. Iorich, Mr. King, Mr. Langanger and Mr. McVea, are "independent" (as defined in National Instrument 58-101 – *Corporate Governance Disclosure*). The board has concluded that Mr. Elliott and Mr. Holton, as Executive Officers of the Corporation, Mr. Libin, as the former Chairman of Winstar Resources Ltd., and Mr. Mioduski and Mr. Madnani, as executive officers of KI (which owns approximately 50.77% of the issued and outstanding Shares of the Corporation), are not independent. Likewise, Sebastian Kulczyk, an executive officer of KI, if elected to the board of directors at the Meeting, would not be considered independent. As of the date of this Information Circular, the number of independent directors (5) is equal to the number of non-independent directors (5). Subsequent to the Meeting, if the director nominees proposed by the Corporation are elected (and whereas the number of proposed directors will have been reduced from ten to nine), a majority (5) of the directors on the board of directors will be independent.

To facilitate the exercise of independent judgment in carrying out its responsibilities, the board has ensured that all of its committees are comprised of independent directors or, in the case of Mr. Madnani's membership on the Compensation & Corporate Governance Committee, that he is independent of management of the Corporation.

Directorships

The following table sets forth the directors of the Corporation who currently hold directorships with other reporting issuers, together with the name of such issuer and the exchange upon which it trades:

Director	Issuer
Timothy M. Elliott	Jura Energy Corporation (TSX) Loon Energy Corporation (TSX-V)
Norman W. Holton	Loon Energy Corporation (TSX-V)
Gary R. King	Parker Drilling Company (New York

Director	Issuer
	Stock Exchange)
Manoj N. Madnani	Loon Energy Corporation (TSX-V)
Michael A. McVea	Loon Energy Corporation (TSX-V)
Stephen C. Akerfeldt	Jura Energy Corporation (TSX)
Helmut J. Langanger	Schoeller-Bleckmann Oilfield Equipment AG (Vienna Stock Exchange) EnQuest plc (London Stock Exchange)
Bruce Libin	None
Evgenij Iorich	None

Independence of Directors

For each committee on which the independent directors sit, they hold regularly scheduled *in camera* sessions at which non-independent directors and members of management are not in attendance. The current independent members of the board have been selected on the basis of their knowledge and years of industry experience and actively participate in board discussions and decisions; the board meets on a regular basis, as do committees of the board to fulfill their respective mandates.

At the board level, open and candid discussion of the independent directors is facilitated through regularly scheduled *in camera* sessions at which non-independent directors and members of management are not in attendance.

The current Chairman of the board, Mr. Mioduski, is not an independent director. The board of directors has no lead director nor other formal procedures in place to provide leadership for its independent directors. However, the Chairman endeavours to work with the independent directors to ensure that they understand their responsibilities and those of management and to ensure that *in camera* sessions are held. Where warranted, independent directors have the ability to engage outside advisors at the Corporation's expense to assist in the fulfilment of their duties. As Mr. Mioduski is retiring from the board as of the date of the Meeting, the Company expects to appoint one of the independent directors elected at the Meeting to be the new Chairman of the board.

Attendance Record

The following table reflects the attendance record for each of the Corporation's current directors at meetings of the board and committee meetings since January 1, 2013 up to the date of this Information Circular.

		Committees[1]		
Name	**Board (7 meetings)**	**Audit (4 meetings)**	**Reserves (1 meeting)**	**Compensation & Corporate Governance (4 meetings)**
Timothy M. Elliott	7	4	1	1
Norman W. Holton	7	4	1	1
Gary R. King	7	4	1	4
Manoj N. Madnani	7	N/A	N/A	4
Michael A. McVea	7	4	1[2]	4
Dariusz Mioduski	7	N/A	N/A	N/A
Stephen C. Akerfeldt	7	4	N/A	N/A
Helmut J. Langanger	7	N/A	1	N/A

Name	Board (7 meetings)	Committees[1] Audit (4 meetings)	Reserves (1 meeting)	Compensation & Corporate Governance (4 meetings)
Bruce Libin[3]	4	1	N/A	N/A
Evgenij Iorich[3]	4	N/A	N/A	N/A

Note:

(1) Mr. Elliott and Mr. Holton are executive directors of the Corporation who attend most committee meetings but are not members of the committees.

(2) Mr. McVea was a member of the Reserves Committee prior to August 12, 2013.

(3) Mr. Libin and Mr. Iorich joined board of directors on June 24, 2013. Mr. Libin joined the Audit Committee and the Reserves Committee on August 12, 2013.

Board Mandate

A copy of the mandate for the board of directors of the Corporation is attached as Appendix "II" to this Information Circular.

Position Descriptions

In addition to the general position descriptions respecting the Chairman, Vice Chairman, President and Vice President offices of the Corporation established in the by-laws of the Corporation, the officers act under the direction of the board and in accordance with applicable law, including the ABCA.

The Corporation has terms of reference for the Chief Executive Officer, which set out his or her general and specific duties and responsibilities.

The duties and responsibilities of the chairs of the Corporation's committees are set out in the committees' terms of reference.

Orientation and Continuing Education

The board ensures that prospective candidates fully understand the role of the board and its committees and the contribution that individuals are expected to make. No formal continuing education measures are currently in place for the directors. However, all directors are encouraged to participate in educational opportunities for directors that are available through third parties.

Ethical Business Conduct

The board has adopted a Code of Business Conduct and Ethics (the "**Code**") for its directors, officers and employees which is designed to provide guidance on the conduct of the Corporation's business in accordance with high ethical standards. The Code provides that certain personnel of the Corporation may be asked to certify their review of, and compliance with, the Code from time to time. A hard copy of the Code may be requested by contacting R. Yaniw at the Corporation's Calgary office address.

In 2013, the board of directors adopted an Anti-Corruption Compliance Policy, which is intended to ensure that the Corporation and its majority owned subsidiaries do not receive an improper advantage in its business dealings and to ensure that all payments and expenses are properly recorded in our financial books and records. The Anti-Corruption Compliance Policy confirms the Corporation's commitment to a zero tolerance of bribery or any other form of corrupt behaviour on the part of any member, director, officer or employee of the Corporation and any third party which conducts business with or on behalf of the Corporation.

In addition, the board believes that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation, the common law and the restrictions placed by applicable corporate and securities legislation on an individual director's participation in decisions of the board in which the director has an interest

have been sufficient to ensure that the board operates independently of management and in the best interests of the Corporation.

Audit Committee

Details concerning the Audit Committee of the Corporation and external auditor service fees are contained in the Annual Information Form of the Corporation for the year ended December 31, 2013 under the heading "Audit Committee", as filed on the SEDAR website at www.sedar.com.

Nomination of Directors

All members of the board are cognizant of the potential need to identify prospective new board members. Due to the current size of the board and the fact that there are no mandatory terms or term limits, the Corporation expects that, in most circumstances, it will receive adequate notice to replace any current member of the board who should wish to retire. The Compensation & Corporate Governance Committee, as a part of its mandate, has the responsibility of identifying and recommending potential nominees and the majority of members of the Compensation & Corporate Governance Committee are independent directors.

Compensation

The Corporation has established a Compensation & Corporate Governance Committee, of which two of the three members, being Mr. King and Mr. McVea, are independent directors. The third member, Mr. Madnani, is a member of the Management Board of KI, which owns approximately 50.77% of the issued and outstanding Shares, and is independent of the management of the Corporation. With respect to compensation matters, the Compensation & Corporate Governance Committee considers the appropriate compensation for members of the board including the chairman of any committee of the board on an annual basis by evaluating general industry marketplace practices, the roles and responsibilities required by the members of the board and by benchmarking the compensation of board members in comparison with the compensation of suitable peer groups and makes recommendations to the board regarding same. The Compensation & Corporate Governance Committee's duties and responsibilities respecting compensation matters also include, but are not limited to, the following:

(1) recommending for approval to the board the annual salary, bonus and other benefits, direct and indirect, of the Chief Executive Officer, with reference to corporate goals and objectives, and to approve compensation for all other designated officers of the Corporation after considering the recommendations of the Chief Executive Officer, all within the human resources and compensation policies and guidelines approved by the board;

(2) establishing procedures to ensure that no individual is directly involved in deciding his or her own compensation;

(3) implementing and administering human resources and compensation policies approved by the board concerning:

- executive compensation, contracts, stock option and other incentive plans; and
- proposed personnel changes involving officers reporting to the Chief Executive Officer;

(4) considering, on an annual basis, the Corporation's incentive compensation plans and equity compensation plans; and

(5) reviewing with the Chief Executive Officer the Corporation's broad policies on compensation for all employees.

In addition to the compensation and nomination arms of this committee, the purpose of the corporate governance component to this committee is to assist the board in implementing and administering a system of corporate governance which reflects acceptable standards of corporate governance practices.

Other Board Committees

In addition to the Audit Committee and the Compensation & Corporate Governance Committee, the board has established the Reserves Committee, which has the general responsibility of overseeing the evaluation of the Corporation's petroleum and natural gas reserves. Messrs. King, Libin and Langanger are the current members of this committee.

Assessments

The Compensation & Corporate Governance Committee is responsible by its terms of reference for evaluation of the effectiveness of the board of directors, committees of the board and individual directors. The committee evaluates board effectiveness through both its formal and informal communications with members of the board. The Compensation & Corporate Governance Committee, with the participation of the senior executive officers of the Corporation, may recommend changes to enhance board performance based in relation to current industry and regulatory expectations. This methodology has been both responsible and practical.

AUDITOR

The auditor of the Corporation is KPMG LLP, Chartered Accountants, with offices at 3100, 205 – 5th Avenue S.W., Calgary, Alberta, Canada. KPMG LLP was appointed as the Corporation's auditor on December 31, 2003.

MANAGEMENT CONTRACTS

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

ADDITIONAL INFORMATION

Additional information relating to the Corporation is on the SEDAR website at www.sedar.com and on the Corporation's website at www.serinusenergy.com. Financial information is provided in the Corporation's consolidated financial statements and management's discussion and analysis ("**MD&A**") for its most recently completed financial year. A copy of the Corporation's consolidated financial statements, together with the MD&A, will be provided to any Shareholder upon request to the Vice Chairman of the Corporation, Mr. Norman W. Holton, at Suite 1170, 700 - 4th Avenue S.W., Calgary, Alberta, Canada, T2P 3J4, or by telephone at +1-403-264-8877.

APPENDIX "I"
BLACKLINE OF AMENDMENTS TO BY-LAW NO. 1

See attached.

SERINUS ENERGY INC.

BY-LAW NO. 1

(as amended and restated April 10, 2014)

A by-law relating generally to the conduct of the business and affairs of SERINUS ENERGY INC. (hereinafter called the "Corporation").

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SERINUS ENERGY INC.

BY-LAW NO. 1

A by-law relating generally to the conduct of the business and affairs of SERINUS ENERGY INC. (hereinafter called the "Corporation").

IT IS HEREBY ENACTED as a by-law of the Corporation as follows:

DEFINITIONS

1. In this by-law and all other by-laws of the Corporation, unless the context otherwise specifies or requires:

(a) "Act" means the *Business Corporations Act* (Alberta) and the regulations made thereunder, as from time to time amended, and in the case of such amendment any reference in the by-laws shall be read as referring to the amended provisions thereof;

(b) "board" means the board of directors of the Corporation;

(c) "by-laws" means the by-laws of the Corporation from time to time in force and effect;

(d) all terms contained in the by-laws which are defined in the Act shall have the meanings given to such terms in the Act;

(e) words importing the singular number only shall include the plural and vice versa; words importing the masculine gender shall include the feminine and neuter genders; and

(f) the headings used in the by-laws are inserted for reference purposes only and are not to be considered or taken into account in construing the terms or provisions thereof or to be deemed in any way to clarify, modify or explain the effect of any such terms or provisions.

REGISTERED OFFICE

2. The Corporation shall at all times have a registered office within Alberta. Subject to subsection (4) of section 20 of the Act, the directors of the Corporation may at any time:

(a) change the address of the registered office within Alberta;

(b) designate, or revoke or change a designation of, a records office within Alberta; or

(c) designate, or revoke or change a designation of, a post office box within Alberta as the address for service by mail of the Corporation.

SEAL

3. The corporate seal of the Corporation shall be such as the directors may by resolution from time to time adopt.

DIRECTORS

4. Number. The number of directors shall be the number fixed by the articles, or where the articles specify a variable number, the number shall be not less than the minimum and not more than the maximum number so specified and shall be determined from time to time within such limits by resolution of the board of directors. At least one-quarter of the directors shall be resident Canadians.

5. Vacancies. Subject to section 111 of the Act, a quorum of directors may fill a vacancy among the directors, except a vacancy resulting from an increase in the number or minimum number of directors or from a failure to elect

the number or minimum number of directors required by the articles. If there is not a quorum of directors, or if there has been a failure to elect the number or minimum number of directors required by the articles, the directors then in office shall forthwith call a special meeting of shareholders to fill the vacancy and, if they fail to call a meeting or if there are no directors then in office, the meeting may be called by any shareholder. Subject to section (4) of section 106 of the Act, if the shareholders have adopted an amendment to the articles to increase the number or minimum number of directors, and have not, at the meeting at which they adopted the amendment, elected an additional number of directors authorized by the amendment, the directors then in office shall forthwith call a special meeting of shareholders to fill the vacancy.

A director appointed or elected to fill a vacancy holds office for the unexpired term of his predecessor.

6. Powers. Subject to any unanimous shareholder agreement, the directors shall manage the business and affairs of the Corporation and may exercise all such powers and do all such acts and things as may be exercised or done by the Corporation and are not by the Act, the articles, the by-laws, any special resolution of the Corporation, a unanimous shareholder agreement or by statute expressly directed or required to be done in some other manner.

7. Duties. Every director and officer of the Corporation in exercising his powers and discharging his duties shall:

(a) act honestly and in good faith with a view to the best interests of the Corporation; and

(b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

8. Qualification. The following persons are disqualified from being a director of the Corporation:

(a) anyone who is less than 18 years of age;

(b) anyone who

(i) is a dependent adult as defined in the Dependent Adults Act or is the subject of a certificate of incapacity under that Act,

(ii) is a formal patient as defined in the Mental Health Act, 1972,

(iii) is the subject of an order under the Mentally Incapacitated Persons Act appointing a committee of his person or estate or both, or

(iv) has been found to be a person of unsound mind by a court elsewhere than in Alberta;

(c) a person who is not an individual; and

(d) a person who has the status of bankrupt.

Unless the articles otherwise provide, a director of the Corporation is not required to hold shares issued by the Corporation.

9. Term of Office. A director's term of office (subject to the provisions, if any, of the Corporation's articles or any unanimous shareholder agreement, and subject to his election for an expressly stated term) shall be from the date of the meeting at which he is elected or appointed until the close of the first annual meeting of shareholders following his election or appointment or until his successor is elected or appointed.

10. Election. Subject to section 107 of the Act, shareholders of the Corporation shall, by ordinary resolution at the first meeting of shareholders and at each succeeding annual meeting at which an election of directors is required, elect directors to hold office for a term expiring not later than the close of the third annual meeting of shareholders following the election. A director not elected for an expressly stated term ceases to hold office at the close of the

first annual meeting of shareholders following his election but, if qualified, is eligible for re-election. If directors are not elected at a meeting of shareholders, the incumbent directors continue in office until their successors are elected.

If a meeting of shareholders fails to elect the number or the minimum number of directors required by the articles by reason of the disqualification or death of any candidate, the directors elected at that meeting may exercise all the powers of the directors if the number of directors so elected constitutes a quorum.

11. Consent to Election. A person who is elected or appointed a director is not a director unless he was present at the meeting when he was elected or appointed and did not refuse to act as a director or, if he was not present at the meeting when he was elected or appointed, he consented to act as a director in writing before his election or appointment or within 10 days after it or he has acted as a director pursuant to the election or appointment.

12. Removal. Subject to sections 107(g) and 109 of the Act, the shareholders of the Corporation may by ordinary resolution at a special meeting remove any director from office before the expiration of his term of office and may, by a majority of votes cast at the meeting, elect any person in his stead for the remainder of his term.

13. Vacation of Office. A director of the Corporation ceases to hold office when:

(a) he dies or resigns;

(b) he is removed from office; or

(c) he becomes disqualified.

A resignation of a director becomes effective at the time a written resignation is sent to the Corporation, or at the time specified in the resignation, whichever is later.

14. Validity of Acts. An act of a director or officer is valid notwithstanding an irregularity in his election or appointment or a defect in his qualification.

MEETINGS OF DIRECTORS

15. Place of Meeting. Unless the articles otherwise provide, meetings of directors and of any committee of directors may be held at any place. A meeting of directors may be convened by the Chairman of the Board (if any), the President or any director at any time and the Secretary shall upon direction of any of the foregoing convene a meeting of directors.

16. Notice. Notice of the time and place for the holding of any meeting of directors or any committee of directors shall be sent to each director not less than two (2) days (exclusive of the day on which the notice is sent but inclusive of the day for which notice is given) before the date of the meeting; provided that the meetings of directors or of any committee of directors may be held at any time without notice if all the directors are present (except where a director attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called) or if all the absent directors have waived notice. The notice of a meeting of directors shall specify any matter referred to in subsection (2) of section 110 of the Act that is to be dealt with at the meeting, but need not specify the purpose or the business to be transacted at the meeting.

For the first meeting of directors to be held following the election of directors at an annual or special meeting of the shareholders or for a meeting of directors at which a director is appointed to fill a vacancy in the board, no notice of such meeting need be given to the newly elected or appointed director or directors in order for the meeting to be duly constituted, provided a quorum of the directors is present.

17. Waiver of Notice. Notice of any meeting of directors or of any committee of directors or the time for the giving of any such notice or any irregularity in any meeting or in the notice thereof may be waived by any director in writing or by telegram, cable or telex addressed to the Corporation or in any other manner, and any such waiver may be validly given either before or after the meeting to which such waiver relates. Attendance of a director at any meeting of directors or of any committee of directors is a waiver of notice of the meeting, except when a director attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the

meeting is not lawfully called.

18. Omission of Notice. The accidental omission to give notice of any meeting of directors or of any committee of directors to or the non-receipt of any notice by any person shall not invalidate any resolution passed or any proceeding taken at such meeting.

19. Telephone Participation. A director may participate in a meeting of directors or of any committee of directors by means of telephone or other communication facilities that permit all persons participating in the meeting to hear each other, and a director participating in a meeting by those means is deemed for the purposes of the Act to be present at that meeting.

20. Adjournment. Any meeting of directors or of any committee of directors may be adjourned from time to time by the chairman of the meeting, with the consent of the meeting, to a fixed time and place. Notice of an adjourned meeting of directors or committee of directors is not required to be given if the time and place of the adjourned meeting is announced at the original meeting. Any adjourned meeting shall be duly constituted if held in accordance with the terms of the adjournment and a quorum is present thereat. The directors who formed a quorum at the original meeting are not required to form the quorum at the adjourned meeting. If there is no quorum present at the adjourned meeting, the original meeting shall be deemed to have terminated forthwith after its adjournment. Any business may be brought before or dealt with at the original meeting in accordance with the notice calling the same.

21. Quorum and Voting. Subject to the articles, a majority of the number of directors constitutes a quorum at any meeting of directors and, notwithstanding any vacancy among the directors, a quorum of directors may exercise all the powers of the directors. Questions arising at any meeting of directors shall be decided by a majority of votes. In the case of an equality of votes, the chairman of the meeting in addition to his original vote shall have a second or casting vote.

22. Resolution in Lieu of Meeting. Subject to the articles or a unanimous shareholder agreement, a resolution in writing, signed by all the directors entitled to vote on that resolution at a meeting of directors or committee of directors, is as valid as if it had been passed at a meeting of directors or committee of directors.

COMMITTEES OF DIRECTORS

23. General. The directors may from time to time appoint from their number a managing director, who must be a resident Canadian, or a committee of directors, at least one-quarter of whom shall be resident Canadians, and may delegate to the managing director or such committee any of the powers of the directors, except that no managing director or committee shall have the authority to:

(a) submit to the shareholders any question or matter requiring the approval of the shareholders;

(b) fill a vacancy among the directors or in the office of auditor;

(c) issue securities except in the manner and on the terms authorized by the directors;

(d) declare dividends;

(e) purchase, redeem or otherwise acquire shares issued by the Corporation, except in the manner and on the terms authorized by the directors;

(f) pay a commission referred to in section 42 of the Act;

(g) approve a management proxy circular;

(h) approve any annual financial statements to be placed before the shareholders of the Corporation; or

(i) adopt, amend or repeal by-laws of the Corporation.

24. Audit Committee. Subject to subsection 3 of section 171 of the Act, if any of the issued shares of the Corporation, or securities of the Corporation which may or might be exchanged for or converted into shares of the Corporation, were part of a distribution to the public and the Corporation has more than fifteen shareholders, the directors shall elect annually from among their number an audit committee to be composed of not fewer than three directors, a majority of whom are not officers or employees of the Corporation or any of its affiliates.

Each member of the audit committee shall serve during the pleasure of the board of directors and, in any event, only so long as he shall be a director. The directors may fill vacancies in the audit committee by election from among their number.

The audit committee shall have power to fix its quorum at not less than a majority of its members and to determine its own rules of procedure subject to any regulations imposed by the board of directors from time to time and to the following paragraph.

The auditor of the Corporation is entitled to receive notice of every meeting of the audit committee and, at the expense of the Corporation, to attend and be heard thereat, and, if so requested by a member of the audit committee, shall attend every meeting of the committee held during the term of office of the auditor. The auditor of the Corporation or any member of the audit committee may call a meeting of the committee.

The audit committee shall review the financial statements of the Corporation prior to approval thereof by the board and shall have such other powers and duties as may from time to time by resolution be assigned to it by the board.

REMUNERATION OF DIRECTORS, OFFICERS AND EMPLOYEES

25. Subject to the articles or any unanimous shareholder agreement, the directors of the Corporation may fix the remuneration of the directors of the Corporation and such remuneration shall be in addition to the salary paid to any officer or employee of the Corporation who is also a director. The directors may also by resolution award special remuneration to any director in undertaking any special services on the Corporation's behalf other than the routine work ordinarily required of a director of the Corporation. The confirmation of any such resolution by the shareholders shall not be required. The directors, officers and employees shall also be entitled to be paid their travelling and other expenses properly incurred by them in connection with the affairs of the Corporation.

The aggregate remuneration paid to the directors and the aggregate remuneration paid to the five highest paid officers and shareholders, other than directors, shall be disclosed to the shareholders at every annual meeting.

SUBMISSION OF CONTRACTS OR TRANSACTIONS TO SHAREHOLDERS FOR APPROVAL

26. The directors in their discretion may submit any contract, act or transaction for approval, ratification or confirmation at any annual meeting of the shareholders or at any special meeting of the shareholders called for the purpose of considering the same and any contract, act or transaction that shall be approved, ratified or confirmed by resolution passed by a majority of the votes cast at any such meeting (unless any different or additional requirement is imposed by the Act or by the Corporation's articles or any other by-law) shall be as valid and as binding upon the Corporation and upon all the shareholders as though it had been approved, ratified and/or confirmed by every shareholder of the Corporation.

CONFLICT OF INTEREST

27. A director or officer of the Corporation who is a party to a material contract or proposed material contract with the Corporation, or is a director or an officer of or has a material interest in any person who is a party to a material contract or proposed material contract with the Corporation shall disclose the nature and extent of his interest at the time and in the manner provided in the Act. Except as provided in the Act, no such director of the Corporation shall vote on any resolution to approve such contract. If a material contract is made between the Corporation and one or more of its directors or officers, or between the Corporation and another person of which a director or officer of the Corporation is a director or officer or in which he has a material interest, (i) the contract is neither void nor voidable by reason only of that relationship, or by reason only that a director with an interest in the contract is present at or is counted to determine the presence of a quorum at a meeting of directors or committee of

directors that authorized the contract, and (ii) a director or officer or former director or officer of the Corporation to whom a profit accrues as a result of the making of the contract is not liable to account to the Corporation for that profit by reason only of holding office as a director or officer, if the director or officer disclosed his interest in accordance with the provisions of the Act and the contract was approved by the directors or the shareholders and it was reasonable and fair to the Corporation at the time it was approved. This paragraph is subject to any unanimous shareholder agreement.

FOR THE PROTECTION OF DIRECTORS AND OFFICERS

28. No director or officer for the time being of the Corporation shall be liable for the acts, receipts, neglects or defaults of any other director or officer or employee or for joining in any receipt or act for conformity or for any loss, damage or expense happening to the Corporation through the insufficiency or deficiency of title to any property acquired by the Corporation or for or on behalf of the Corporation or for the insufficiency or deficiency of any security in or upon which any of the monies of or belonging to the Corporation shall be placed out or invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or corporation including any person, firm or corporation with whom or which any monies, securities or effects shall be lodged or deposited or for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any monies, securities or other assets belonging to the Corporation or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of his respective office of trust or in relation thereto, unless the same shall happen by or through his failure to exercise the powers and to discharge the duties of his office honestly, in good faith with a view to the best interests of the Corporation, and in connection therewith to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, provided that nothing herein contained shall relieve a director or officer from the duty to act in accordance with the Act or relieve him from liability under the Act. The directors for the time being of the Corporation shall not be under any duty or responsibility in respect of any contract, act or transaction whether or not made, done or entered into in the name or on behalf of the Corporation, except such as shall have been submitted to and authorized or approved by the directors. If any director or officer of the Corporation shall be employed by or shall perform services for the Corporation otherwise than as a director or officer or shall be a member of a firm or a shareholder, director or officer of a body corporate which is employed by or performs services for the Corporation, the fact of his being a shareholder, director or officer of the Corporation or body corporate or member of the firm shall not disentitle such director or officer or such firm or body corporate, as the case may be, from receiving proper remuneration for such services.

INDEMNITIES TO DIRECTORS AND OTHERS

29. Subject to section 124 of the Act, except in respect of an action by or on behalf of the Corporation or body corporate to procure a judgment in its favour, the Corporation shall indemnify a director or officer of the Corporation, a former director or officer of the Corporation or a person who acts or acted at the Corporation's request as a director or officer of a body corporate of which the Corporation is or was a shareholder or creditor, and his heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him in respect of any civil, criminal or administrative action or proceeding to which he is made a party by reason of being or having been a director or officer of the Corporation or body corporate, if:

(a) he acted honestly and in good faith with a view to the best interests of the Corporation; and

(b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he had reasonable grounds for believing that his conduct was lawful.

OFFICERS

30. Appointment of Officers. Subject to the articles or any unanimous shareholder agreement, the directors annually or as often as may be required may appoint from among themselves a Chairman of the Board or Vice Chairman of the Board and shall appoint a President and a Secretary and if deemed advisable may appoint one or more Vice-Presidents, a Treasurer and one or more Assistant Secretaries and/or one or more Assistant Treasurers. None of such officers except the Chairman of the Board need be a director of the Corporation although a director may be appointed to any office of the Corporation. Two or more offices of the Corporation may be held by the same

person. In case and whenever the same person holds the offices of Secretary and Treasurer he may but need not be known as the Secretary-Treasurer. The directors may from time to time appoint such other officers, employees and agents as they shall deem necessary who shall have such authority and shall perform such functions and duties as may from time to time be prescribed by resolution of the directors. The directors may from time to time and subject to the provisions of the Act, vary, add to or limit the duties and powers of any officer.

31. Removal of Officers and Vacation of Office. Subject to the articles or any unanimous shareholder agreement, all officers, employees and agents, in the absence of agreement to the contrary, shall be subject to removal by resolution of the directors at any time, with or without cause.

An officer of the Corporation ceases to hold office when he dies, resigns or is removed from office. A resignation of an officer becomes effective at the time a written resignation is sent to the Corporation, or at the time specified in the resignation, whichever is later.

32. Vacancies. If the office of President, Vice-President, Secretary, Assistant Secretary, Treasurer, Assistant Treasurer, or any other office created by the directors pursuant to paragraph 30 hereof shall be or become vacant by reason of death, resignation or in any other manner whatsoever, the directors shall, in the case of the President and Secretary, and may, in the case of any other officers, appoint an individual to fill such vacancy.

33. Chairman of the Board. The Chairman of the Board (if any) shall, if present, preside as chairman at all meetings of the board and of shareholders. He shall sign such contracts, documents or instruments in writing as require his signature and shall have such other powers and shall perform such other duties as may from time to time be assigned to him by resolution of the directors.

34. Vice Chairman of the Board. The Vice Chairman of the Board (if any) shall, if present, or if requested to do so by the Chairman of the Board, preside as chairman of all meetings of the board and of shareholders. He shall sign such contracts, documents or instruments in writing as require his signature and shall have such other powers and shall perform such other duties as may from time to time be assigned to him by resolution of the directors.

35. President. The President shall be the chief executive officer of the Corporation (except as may otherwise be specified by the board of directors) and shall, subject to the direction of the board of directors, exercise general supervision and control over the business and affairs of the Corporation. In the absence of the Chairman of the Board or Vice Chairman of the Board (if any), and if the President is also a director of the Corporation, the President shall, when present, preside as chairman at all meetings of directors and shareholders. He shall sign such contracts, documents or instruments in writing as require his signature and shall have such other powers and shall perform such other duties as may from time to time be assigned to him by resolution of the directors or as are incident to his office.

36. Vice-President. The Vice-President or, if more than one, the Vice-Presidents in order of seniority, shall be vested with all the powers and shall perform all the duties of the President in the absence or inability or refusal to act of the President, provided, however, that a Vice-President who is not a director shall not preside as chairman at any meeting of directors or shareholders. The Vice-President or, if more than one, the Vice-Presidents shall sign such contracts, documents or instruments in writing as require his or their signatures and shall also have such other powers and shall perform such other duties as may from time to time be assigned to him or them by resolution of the directors.

37. Secretary. The Secretary shall give or cause to be given notices for all meetings of directors, any committee of directors and shareholders when directed to do so and shall, subject to the provisions of the Act, maintain the records referred to in subsections (1), (3) and (5) of section 20 of the Act. He shall sign such contracts, documents or instruments in writing as require his signature and shall have such other powers and shall perform such other duties as may from time to time be assigned to him by resolution of the directors or as are incident to his office.

38. Treasurer. Subject to the provisions of any resolution of the directors, the Treasurer shall have the care and custody of all the funds and securities of the Corporation and shall deposit the same in the name of the Corporation in such bank or banks or with such other depositary or depositaries as the directors may by resolution direct. He shall prepare and maintain adequate accounting records. He shall sign such contracts, documents or instruments in writing as require his signature and shall have such other powers and shall perform such other duties as may from

time to time be assigned to him by resolution of the directors or as are incident to his office. He may be required to give such bond for the faithful performance of his duties as the directors in their uncontrolled discretion may require and no director shall be liable for failure to require any such bond or for the insufficiency of any such bond or for any loss by reason of the failure of the Corporation to receive any indemnity thereby provided.

39. Assistant Secretary and Assistant Treasurer. The Assistant Secretary or, if more than one, the Assistant Secretaries in order of seniority, and the Assistant Treasurer or, if more than one, the Assistant Treasurers in order of seniority, shall be vested with all the powers and shall perform all the duties of the Secretary and Treasurer, respectively, in the absence or inability or refusal to act of the Secretary or Treasurer as the case may be. The Assistant Secretary or, if more than one, the Assistant Secretaries and the Assistant Treasurer or, if more than one, the Assistant Treasurers shall sign such contracts, documents or instruments in writing as require his or their signatures respectively and shall have such other powers and shall perform such other duties as may from time to time be assigned to him or them by resolution of the directors.

40. Managing Director. The directors may from time to time appoint from their number a Managing Director who must be a resident Canadian and may delegate to the Managing Director any of the powers of the directors subject to the limits on authority provided by subsection (3) of section 115 of the Act. The Managing Director shall conform to all lawful orders given to him by the directors of the Corporation and shall at all reasonable times give to the directors or any of them all information they may require regarding the affairs of the Corporation. Any agent or employee appointed by the Managing Director shall be subject to discharge by the directors.

41. Duties of Officers may be Delegated. In case of the absence or inability or refusal to act of any officer of the Corporation or for any other reason that the directors may deem sufficient, the directors may delegate all or any of the powers of such officer to any other officer or to any director for the time being.

SHAREHOLDERS' MEETINGS

42. Annual Meeting. Subject to section 131 of the Act, the annual meeting of shareholders shall be held at the registered office of the Corporation or at a place elsewhere within Alberta determined by the directors on such day in each year and at such time as the directors may determine.

43. Special Meetings. The directors of the Corporation may at any time call a special meeting of shareholders to be held on such day and at such time and, subject to section 131 of the Act, at such place within Alberta as the directors may determine.

44. Meeting on Requisition of Shareholders. The holders of not less than five percent (5%) of the issued shares of the Corporation that carry the right to vote at a meeting sought to be held may requisition the directors to call a meeting of shareholders for the purposes stated in the requisition. The requisition shall state the business to be transacted at a meeting and shall be sent to each director and to the registered office of the Corporation. Subject to subsection (3) of section 142 of the Act, upon receipt of the requisition, the directors shall call a meeting of shareholders to transact the business stated in the requisition. If the directors do not within twenty-one days after receiving the requisition call a meeting, any shareholder who signed the requisition may call the meeting.

45. Notice. A printed, written or typewritten notice stating the day, hour and place of meeting and if special business is to be transacted thereat, stating (i) the nature of that business in sufficient detail to permit the shareholder to form a reasoned judgment on that business and (ii) the text of any special resolution to be submitted to the meeting, shall be sent to each shareholder entitled to vote at the meeting, who on the record date for notice is registered on the records of the Corporation or its transfer agent as a shareholder, to each director of the Corporation and to the auditor of the Corporation not less than 21 days and not more than 50 days (exclusive of the day of mailing and of the day for which notice is given) before the date of every meeting; provided that a meeting of shareholders may be held for any purpose on any day and at any time and, subject to section 131 of the Act, at any place without notice if all the shareholders and all other persons entitled to attend such meeting are present in person or represented by proxy at the meeting (except where a shareholder or other person attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called) or if all the shareholders and all other persons entitled to attend such meeting and not present in person nor represented by proxy thereat waive notice of the meeting.

A director of the Corporation is entitled to receive notice of and to attend and be heard at every meeting of shareholders of the Corporation.

The auditor of the Corporation is entitled to receive notice of every meeting of shareholders of the Corporation and, at the expense of the Corporation, to attend and be heard at every meeting on matters relating to his duties as auditor.

46. Waiver of Notice. Notice of any meeting of shareholders or the time for the giving of any such notice or any irregularity in any meeting or in the notice thereof may be waived by any shareholder, the duly appointed proxy of any shareholder, any director or the auditor of the Corporation in writing or by telegram, cable or telex addressed to the Corporation or in any other manner, and any such waiver may be validly given either before or after the meeting to which such waiver relates. Attendance of a shareholder or any other person entitled to attend at a meeting of shareholders is a waiver of notice of the meeting, except when he attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

47. Omission of Notice. The accidental omission to give notice of any meeting of shareholders to or the non-receipt of any notice by any person shall not invalidate any resolution passed or any proceeding taken at any such meeting.

48. Record Dates. Subject to subsection (4) of section 133 of the Act, the directors may fix in advance a date as the record date for the determination of shareholders (i) entitled to receive payment of a dividend, (ii) entitled to participate in a liquidation distribution or (iii) for any other purpose except the right to receive notice of or to vote at a meeting of shareholders, but such record date shall not precede by more than 50 days the particular action to be taken.

Subject to subsection (4) of section 133 of the Act, the directors may also fix in advance a date as the record date for the determination of shareholders entitled to receive notice of a meeting of shareholders, but such record date shall not precede by more than 50 days or by less than 21 days the date on which the meeting is to be held.

If no record date is fixed,

(a) the record date for the determination of shareholders entitled to receive notice of a meeting of shareholders shall be

(v) at the close of business on the last business day preceding the day on which the notice is sent; or

(vi) if no notice is sent, the day on which the meeting is held; and

(b) the record date for the determination of shareholders for any purpose other than to establish a shareholder's right to receive notice of a meeting or to vote shall be at the close of business on the day on which the directors pass the resolution relating to that purpose.

49. Chairman of the Meeting. In the absence of the Chairman of the Board (if any), the President and any Vice-President who is a director, the shareholders present entitled to vote shall elect another director as chairman of the meeting and if no director is present or if all the directors present decline to take the chair then the shareholders present shall elect one of their number to be chairman.

50. Votes. Votes at meetings of shareholders may be given either personally or by proxy. Every question submitted to any meeting of shareholders shall be decided on a show of hands except when a ballot is required by the chairman of the meeting or is demanded by a shareholder or proxy holder entitled to vote at the meeting. A shareholder or proxy holder may demand a ballot either before or on the declaration of the result of any vote by show of hands. At every meeting at which he is entitled to vote, every shareholder present in person and every proxy holder shall have one (1) vote on a show of hands. Upon a ballot at which he is entitled to vote every shareholder present in person or by proxy shall (subject to the provisions, if any, of the articles) have one (1) vote for every share registered in his name. In the case of an equality of votes the chairman of the meeting shall not, either on a show of hands or on a ballot, have a second or casting vote in addition to the vote or votes to which he may be entitled as a

shareholder or proxy holder.

At any meeting, unless a ballot is demanded by a shareholder or proxy holder entitled to vote at the meeting, either before or after any vote by a show of hands, a declaration by the chairman of the meeting that a resolution has been carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of or against the resolution.

If at any meeting a ballot is demanded on the election of a chairman or on the question of adjournment or termination, the ballot shall be taken forthwith without adjournment. If a ballot is demanded on any other question or as to the election of directors, the ballot shall be taken in such manner and either at once or later at the meeting or after adjournment as the chairman of the meeting directs. The result of a ballot shall be deemed to be the resolution of the meeting at which the ballot was demanded. A demand for a ballot may be withdrawn.

51. Right to Vote. Unless the articles otherwise provide, each share of the Corporation entitles the holder of it to one vote at a meeting of shareholders.

Where a body corporate or association is a shareholder of the Corporation, any individual authorized by a resolution of the directors or governing body of the body corporate or association to represent it at meetings of shareholders of the Corporation is the person entitled to vote at all such meetings of shareholders in respect of the shares held by such body corporate or association.

Where a person holds shares as a personal representative, such person or his proxy is the person entitled to vote at all meetings of shareholders in respect of the shares so held by him.

Where a person mortgages, pledges or hypothecates his shares, such person or his proxy is the person entitled to vote at all meetings of shareholders in respect of such shares so long as such person remains the registered owner of such shares unless, in the instrument creating the mortgage, pledge or hypothec, he has expressly empowered the person holding the mortgage, pledge or hypothec to vote in respect of such shares, in which case, subject to the articles, such holder or his proxy is the person entitled to vote in respect of the shares.

Where two or more persons hold shares jointly, one of those holders present at a meeting of shareholders may in the absence of the others vote the shares, but if two or more of those persons who are present, in person or by proxy, vote, they shall vote as one on the shares jointly held by them.

52. Proxies. Every shareholder, including a shareholder that is a body corporate, entitled to vote at a meeting of shareholders may by means of a proxy appoint a proxy holder and one or more alternate proxy holders, who are not required to be shareholders, to attend and act at the meeting in the manner and to the extent authorized by the proxy and with the authority conferred by the proxy.

An instrument appointing a proxy holder shall be in written or printed form and shall be executed by the shareholder or by his attorney authorized in writing and is valid only at the meeting in respect of which it is given or any adjournment of that meeting.

An instrument appointing a proxyholder may be in the following form or in any other form which complies with the requirements of the Act;

> The undersigned shareholder of SERINUS ENERGY INC. hereby appoints _____ of _____, whom failing, _____ of _____ as the nominee of the undersigned to attend and act for and on behalf of the undersigned at the meeting of the shareholders of the said Corporation to be held on the_____ day of _____, 19____ and at any adjournment thereof in the same manner, to the same extent and with the same power as if the undersigned were personally present at the said meeting or such adjournment thereof.
>
> Dated the _____day of _____, 19___

_____
Signature of Shareholder

The directors may specify in a notice calling a meeting of shareholders a time not exceeding 48 hours, excluding Saturdays and holidays, preceding the meeting or an adjournment of the meeting before which time proxies to be used at the meeting must be deposited with the Corporation or its agent.

The chairman of the meeting of shareholders may in his discretion accept telegraphic, telex, cable or written communication as to the authority of anyone claiming to vote on behalf of and to represent a shareholder notwithstanding that no instrument of proxy conferring such authority has been deposited with the Corporation, and any votes given in accordance with such telegraphic, telex, cable or written communication accepted by the chairman of the meeting shall be valid and shall be counted.

53. Telephone Participation. A shareholder or any other person entitled to attend a meeting of shareholders may participate in the meeting by means of telephone or other communication facilities that permit all persons participating in the meeting to hear each other and a person participating in such a meeting by those means is deemed for the purposes of the Act to be present at the meeting.

54. Adjournment. The chairman of the meeting may with the consent of the meeting adjourn any meeting of shareholders from time to time to a fixed time and place and if the meeting is adjourned by one or more adjournments for an aggregate of less than thirty (30) days it is not necessary to give notice of the adjourned meeting other than by announcement at the time of an adjournment. If a meeting of shareholders is adjourned by one or more adjournments for an aggregate of thirty (30) days or more, notice of the adjourned meeting shall be given as for an original meeting but, unless the meeting is adjourned by one or more adjournments for an aggregate of more than ninety (90) days, subsection (1) of section 148 of the Act does not apply.

Any adjourned meeting shall be duly constituted if held in accordance with the terms of the adjournment and a quorum is present thereat. The persons who formed a quorum at the original meeting are not required to form the quorum at the adjourned meeting. If there is no quorum present at the adjourned meeting, the original meeting shall be deemed to have terminated forthwith after its adjournment. Any business may be brought before or dealt with at any adjourned meeting which might have been brought before or dealt with at the original meeting in accordance with the notice calling the same.

55. Quorum. Two (2) persons present and each holding or representing by proxy at least one (1) issued share of the Corporation shall be a quorum of any meeting of shareholders for the election of a chairman of the meeting and for the adjournment of the meeting to a fixed time and place but not for the transaction of any other business; for all other purposes two (2) persons present and holding or representing by proxy one-twentieth of the shares entitled to vote at the meeting shall be a quorum. If a quorum is present at the opening of a meeting of shareholders, the shareholders present may proceed with the business of the meeting, notwithstanding that a quorum is not present throughout the meeting.

Notwithstanding the foregoing, if the Corporation has only one shareholder, or only one holder of any class or series of shares, the shareholder present in person or by proxy constitutes a meeting and a quorum for such meeting.

56. Resolution in Lieu of Meeting. A resolution in writing signed by all the shareholders entitled to vote on that resolution is as valid as if it had been passed at a meeting of the shareholders.

SHARES AND TRANSFERS

57. Issuance. Subject to the articles, any unanimous shareholder agreement and to section 27 of the Act, shares in the Corporation may be issued at the times and to the persons and for the consideration that the directors determine; provided that a share shall not be issued until the consideration for the share is fully paid in money or in property or past service that is not less in value than the fair equivalent of the money that the Corporation would have received if the share had been issued for money.

58. Security Certificates. A security holder is entitled at his option to a security certificate that complies with

the Act or a non-transferable written acknowledgment of his right to obtain a security certificate from the Corporation in respect of the securities of the Corporation held by him. Security certificates shall (subject to compliance with section 48 of the Act) be in such form as the directors may from time to time by resolution approve and such certificates shall be signed manually by at least one director or officer of the Corporation or by or on behalf of the registrar, transfer agent or branch transfer agent of the Corporation, or by a trustee who certifies it in accordance with a trust indenture, and any additional signatures required on a security certificate may be printed or otherwise mechanically reproduced thereon. If a security certificate contains a printed or mechanically reproduced signature of a person, the Corporation may issue the security certificate, notwithstanding that the person has ceased to be a director or an officer of the Corporation, and the security certificate is as valid as if he were a director or an officer at the date of its issue.

59. Agent. The directors may from time to time by resolution appoint or remove (i) one or more trust companies registered under the Trust Companies Act as its agent or agents to maintain a central securities register or registers or (ii) an agent or agents to maintain a branch securities register or registers for the Corporation.

60. Dealings with Registered Holder. Subject to the Act, the Corporation may treat the registered owner of a security as the person exclusively entitled to vote, to receive notices, to receive any interest, dividends or other payments in respect of the security, and otherwise to exercise all the rights and powers of an owner of the security.

61. Surrender of Security Certificates. Subject to the Act, no transfer of a security issued by the Corporation shall be registered unless or until the security certificate representing the security to be transferred has been presented for registration or, if no security certificate has been issued by the Corporation in respect of such security, unless or until a duly executed transfer in respect thereof has been presented for registration.

62. Defaced, Destroyed, Stolen or Lost Security Certificates. In case of the defacement, destruction, theft or loss of a security certificate, the fact of such defacement, destruction, theft or loss shall be reported by the owner to the Corporation or to an agent of the Corporation (if any), on behalf of the Corporation, with a statement verified by oath or statutory declaration as to the defacement, destruction, theft or loss and the circumstances concerning the same and with a request for the issuance of a new security certificate to replace the one so defaced, destroyed, stolen or lost. Upon the giving to the Corporation (or if there be an agent, hereinafter in this paragraph referred to as the "Corporation's agent", then to the Corporation and Corporation's agent) of a bond of a surety company (or other security approved by the directors) in such form as is approved by the directors or by the Chairman of the Board (if any), the President, a Vice-President, the Secretary or the Treasurer of the Corporation, indemnifying the Corporation (and the Corporation's agent if any) against all loss, damage or expense, which the Corporation and/or the Corporation's agent may suffer or be liable for by reason of the issuance of a new security certificate to such shareholder, and provided the Corporation or the Corporation's agent does not have notice that the security has been acquired by a bona fide purchaser and before a purchaser described in section 64 of the Act has received a new, reissued or re-registered security, a new security certificate may be issued in replacement of the one defaced, destroyed, stolen or lost, if such issuance is ordered and authorized by any one of the Chairman of the Board (if any), the President, a Vice-President, the Secretary or the Treasurer of the Corporation or by resolution of the directors.

63. Enforcement of Lien for Indebtedness. If the articles of the Corporation provide that the Corporation has a lien on the shares registered in the name of a shareholder or his legal representative for a debt of that shareholder to the Corporation, the directors of the Corporation may sell any such shares in such manner as they think fit until the debt has been paid in full. No sale shall be made until such time as the debt ought to be paid and until a demand and notice in writing stating the amount due and demanding payment and giving notice of intention to sell in default shall have been served on the holder or his legal representative of the shares subject to the lien and default shall have been made in payment of such debt for seven days after service of such notice. Upon any such sale, the proceeds shall be applied, firstly, in payment of all costs of such sale, and, secondly, in satisfaction of the debt of the shareholders of the Corporation and the residue (if any) shall be paid to the shareholder or as he shall direct. Upon any such sale, the directors may enter or cause to be entered the purchaser's name in the securities register of the Corporation as holder of the shares, and the purchaser shall not be bound to see to the regularity or validity of, or be affected by, any irregularity or invalidity in the proceedings, or be bound to see to the application of the purchase money, and after his name or the name of his legal representative has been entered in the securities register, the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the same shall be in damages only and against the Corporation exclusively.

DIVIDENDS

64. The directors may from time to time by resolution declare and the Corporation may pay dividends on its issued shares, subject to the provisions (if any) of the Corporation's articles.

The directors shall not declare and the Corporation shall not pay a dividend if there are reasonable grounds for believing that:

(a) the Corporation is, or would be after the payment be, unable to pay its liabilities as they become due; or

(b) the realizable value of the Corporation's assets would thereby be less than the aggregate of its liabilities and stated capital of all classes.

The Corporation may pay a dividend by issuing fully paid shares of the Corporation and, subject to section 43 of the Act, the Corporation may pay a dividend in money or property.

65. In case several persons are registered as the joint holders of any securities of the Corporation, any one of such persons may give effectual receipts for all dividends and payments on account of dividends, principal, interest and/or redemption payments in respect of such securities.

VOTING SECURITIES IN OTHER BODIES CORPORATE

66. All securities of any other body corporate carrying voting rights held from time to time by the Corporation may be voted at all meetings of shareholders, bondholders, debenture holders or holders of such securities, as the case may be, of such other body corporate and in such manner and by such person or persons as the directors of the Corporation shall from time to time determine and authorize by resolution. The duly authorized signing officers of the Corporation may also from time to time execute and deliver for and on behalf of the Corporation proxies and arrange for the issuance of voting certificates or other evidence of the right to vote in such names as they may determine without the necessity of a resolution or other action by the directors.

NOTICES, ETC.

67. Service. Any notice or document required by the Act, the articles or the by-laws to be sent to any shareholder or director of the Corporation may be delivered personally to or sent by mail addressed to:

(a) the shareholder at his latest address as shown in the records of the Corporation or its transfer agent; and

(b) the director at his latest address as shown in the records of the Corporation or in the last notice filed under section 106 or 113 of the Act.

With respect to every notice or document sent by mail it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly addressed and put into a post office or into a post office letter box.

68. If the Corporation sends a notice or document to a shareholder and the notice or document is returned on three consecutive occasions because the shareholder cannot be found, the Corporation is not required to send any further notices or documents to the shareholder until he informs the Corporation in writing of his new address.

69. Shares Registered in More than one Name. All notices or documents shall, with respect to any shares in the capital of the Corporation registered in more than one name, be sent to whichever of such persons is named first in the records of the Corporation and any notice or document so sent shall be sufficient notice of delivery of such document to all the holders of such shares.

70. Persons Becoming Entitled by Operation of Law. Every person who by operation of law, transfer or by any other means whatsoever shall become entitled to any shares in the capital of the Corporation shall be bound by every notice or document in respect of such shares which prior to his name and address being entered on the records of the Corporation in respect of such shares shall have been duly sent to the person or persons from whom he derives his

title to such shares.

71. Deceased Shareholder. Any notice or document sent to any shareholder in accordance with paragraph 67 shall, notwithstanding that such shareholder be then deceased and whether or not the Corporation has notice of his decease, be deemed to have been duly sent in respect of the shares held by such shareholder (whether held solely or with other persons) until some other person be entered in his stead in the records of the Corporation as the holder or one of the holders thereof and shall be deemed to have been duly sent to his heirs, executors, administrators and legal representatives and all persons (if any) interested with him in such shares.

72. Signatures to Notices. The signature of any director or officer of the Corporation to any notice may be written, stamped, typewritten or printed or partly written, stamped, typewritten or printed.

73. Computation of Time. Where a given number of days' notice or notice extending over any period is required to be given under any provisions of the articles or by-laws of the Corporation, the day the notice is sent shall, unless it is otherwise provided, be counted in such number of days or other period and such notice shall be deemed to have been sent on the day of personal delivery or mailing.

74. Proof of Service. A certificate of any officer of the Corporation in office at the time of the making of the certificate or of an agent of the Corporation as to facts in relation to the sending of any notice or document to any shareholder, director, officer or auditor or publication of any notice or document shall be conclusive evidence thereof and shall be binding on every shareholder, director, officer or auditor of the Corporation, as the case may be.

CHEQUES, DRAFTS, NOTES, ETC.

75. All cheques, drafts or orders for the payment of money and all notes, acceptances and bills of exchange shall be signed by such officer or officers or other person or persons, whether or not officers of the Corporation, and in such manner as the directors may from time to time designate by resolution.

CUSTODY OF SECURITIES

76. All securities (including warrants) owned by the Corporation shall be lodged (in the name of the Corporation) with a chartered bank or a trust company or in a safety deposit box or, if so authorized by resolution of the directors, with such other depositaries or in such other manner as may be determined from time to time by the directors.

All securities (including warrants) belonging to the Corporation may be issued and held in the name of a nominee or nominees of the Corporation (and if issued or held in the names of more than one nominee shall be held in the names of the nominees jointly with right of survivorship) and shall be endorsed in blank with endorsement guaranteed in order to enable transfer thereof to be completed and registration thereof to be effected.

EXECUTION OF CONTRACTS, ETC.

77. Contracts, documents or instruments in writing requiring the signature of the Corporation may be signed by the Vice Chairman, Chief Executive Officer or President alone and all contracts, documents or instruments in writing so signed shall be binding upon the Corporation without any further authorization or formality. The directors are authorized from time to time by resolution to appoint any officer or officers or any other person or persons on behalf of the Corporation either to sign contracts, documents or instruments in writing generally or to sign specific contracts, documents or instruments in writing.

The corporate seal of the Corporation may, when required, be affixed by the Vice Chairman, Chief Executive Officer or President to contracts, documents or instruments in writing signed by him as aforesaid or by an officer or officers, person or persons appointed as aforesaid by resolution of the board of directors.

The term "contracts, documents or instruments in writing" as used in this by-law shall include deeds, mortgages, hypothecs, charges, conveyances, transfers and assignments of property, real or personal, immovable or movable, agreements, releases, receipts and discharges for the payment of money or other obligations, conveyances, transfers and assignments of securities and all paper writings.

In particular, without limiting the generality of the foregoing, the President alone is authorized to sell, assign, transfer, exchange, convert or convey all securities owned by or registered in the name of the Corporation and to sign and execute (under the seal of the Corporation or otherwise) all assignments, transfers, conveyances, powers of attorney and other instruments that may be necessary for the purpose of selling, assigning, transferring, exchanging, converting or conveying any such securities.

The signature or signatures of any officer or director of the Corporation and/or of any other officer or officers, person or persons appointed as aforesaid by resolution of the directors may, if specifically authorized by resolution of the directors, be printed, engraved, lithographed or otherwise mechanically reproduced upon all contracts, documents or instruments in writing or bonds, debentures or other securities of the Corporation executed or issued by or on behalf of the Corporation and all contracts, documents or instruments in writing or securities of the Corporation on which the signature or signatures of any of the foregoing officers, directors or persons shall be so reproduced, by authorization by resolution of the directors, shall be deemed to have been manually signed by such officers, directors or persons whose signature or signatures is or are so reproduced and shall be as valid to all intents and purposes as if they had been signed manually and notwithstanding that the officers, directors or persons whose signature or signatures is or are so reproduced may have ceased to hold office at the date of the delivery or issue of such contracts, documents or instruments in writing or securities of the Corporation.

FISCAL PERIOD

78. The fiscal period of the Corporation shall terminate on such day in each year as the board of directors may from time to time by resolution determine.

~~SHAREHOLDER APPROVAL OF PRIVATE PLACEMENTS~~

~~79. Shareholder approval shall be obtained by the Corporation prior to completion of private placements:~~

~~(a) of an aggregate number of securities of the Corporation listed on an exchange (including the Warsaw Stock Exchange) that is greater than 25% of the number of listed securities of the Corporation which are outstanding, on a non-diluted basis, prior to the date of closing of the private placement if the price per security is less than the market price; or~~

~~(b) of an aggregate number of listed securities or options, rights or other entitlements to listed securities during any six month period to insiders that is greater than 10% of the number of listed securities of the Corporation which are outstanding, on a non-diluted basis, prior to the date of closing of the first private placement to an insider during the six month period.~~

~~For the purposes of Subsection 79(a), "market price" shall mean the volume weighted average trading price on the Warsaw Stock Exchange, or another stock exchange where the majority of the trading volume and value of the Corporation's listed securities occurs, for the five trading days immediately preceding the date of the binding agreement obligating the Corporation to issue the securities or the date the private placement is publically announced or otherwise disclosed for price protection purposes.~~

~~80. For the purposes of Subsection 79(b), the insiders participating in the private placement are not eligible to vote their securities in respect of such shareholder approval.~~

~~81. If shareholder approval is required pursuant to Section 79, the resolution to be voted upon must relate specifically to the private placement in question, rather than an unspecified private placement that may take place in the future. Such shareholder approval shall be obtained by the Corporation from either:~~

~~(a) a majority of the shareholders at a duly called meeting of shareholders; or~~

~~(b) written evidence that holders of more than 50% of the shareholders are familiar with the terms of the proposed private placement and are in favour of it. If the Corporation relies on this Subsection 81(b), the Corporation shall issue a press release at least five (5) business days in advance of the closing of the private placement disclosing the material terms of the private placement.~~

~~82. Notwithstanding Section 79, no shareholder approval shall be required pursuant to Section 79 if a committee of board members, free from any interest in the private placement and unrelated to the parties involved in the private placement, have determined that the:~~

~~(a) Corporation is in serious financial difficulty;~~

~~(b) private placement is designed to improve the Corporation's financial situation; and~~

~~(c) private placement is reasonable for the Corporation in the circumstances.~~

~~If no shareholder approval is required pursuant to this Section 82, the Corporation will issue a press release at least five (5) business days in advance of the closing of the private placement disclosing the material terms of the private placement.~~

~~83. Notwithstanding Section 79, no shareholder approval shall be required pursuant to Section 79 where at least ninety percent (90%) of the Corporation's equity and outstanding voting securities are held by one person or company, together with its associates and affiliates. If no shareholder approval is required pursuant to this Section 83, the Corporation will issue a press release at least ten (10) business days in advance of the closing of the private placement disclosing the material terms of the private placement."~~

AMENDED AND RESTATED the 10th day of April, 2014.

(signed)	*(signed)*
Vice Chairman	Secretary

APPENDIX "II"
MANDATE OF THE BOARD OF DIRECTORS

Adopted by the Board of Directors on December 21, 2006.

PURPOSE

The Board of Directors (the "**Board**") of the Corporation has the responsibility to oversee the business of the Corporation and the activities of the Corporation's management, which is responsible for the day-to-day conduct of the Corporation's business. The Board's fundamental objectives are to enhance and preserve long-term shareholder value, to ensure the Corporation meets its obligations on an ongoing basis and that the Corporation operates in a reliable, safe and ethical manner. In performing its functions, the Board should also consider the legitimate interests of its other stakeholders, such as employees, customers and communities may have in the Corporation. In overseeing the conduct of the business, the Board, through the Chief Executive Officer, shall set the standards of conduct for the enterprise.

PROCEDURES AND ORGANIZATION

The Board operates by delegating certain of its authorities to management and by preserving certain powers to itself. The Board retains the responsibility for managing its own affairs including selecting its Chair, nominating candidates for election to the Board and constituting committees of the full Board. Subject to the Articles and By-Laws of the Corporation and the Business Corporations Act (Alberta), the Board may constitute, seek the advice of and delegate its powers, duties and responsibilities to committees of the Board.

DUTIES AND RESPONSIBILITIES

The Board's principal duties and responsibilities fall into a number of categories, which are outlined below.

1. Legal Requirements

(a) The Board has the responsibility to ensure that legal requirements have been met and documents and records have been properly prepared, approved and maintained.

(b) The Board has the statutory responsibility to:

(i) manage the business and affairs of the Corporation;

(ii) act honestly and in good faith with a view to the best interests of the Corporation;

(iii) exercise the care, diligence and skill that reasonable, prudent people would exercise in comparable circumstances; and

(iv) act in accordance with its obligations contained in the Business Corporations Act (Alberta) and the regulations thereto, the Corporation's Articles and By-Laws, the Securities Act of each province and territory of Canada, and other relevant legislation, regulations and regulatory authorities.

(c) The following matters may not be delegated to management or to a committee of the Board and must be considered by the full Board:

(i) The submission to the shareholders of a question or matter requiring the approval of the shareholders.

(ii) The filling of a vacancy among the Directors or in the office of auditor.

(iii) The issuance of securities of the Corporation, other than options to purchase securities of the Corporation.

(iv) The declaration of dividends.

(v) The purchase, redemption or any other form of acquisition of securities issued by the Corporation.

(vi) The payment of a commission to any person in consideration of that person purchasing or agreeing to purchase shares of the Corporation from the Corporation or from any other person, or procuring or agreeing to procure purchasers for any such shares.

(vii) The approval of management proxy circulars.

(viii) The approval of any take-over bid circular or directors' circular.

(ix) The approval of financial statements of the Corporation.

(x) The adoption, amendment or repeal of By-Laws of the Corporation.

2. Independence

The Board has the responsibility to ensure that appropriate structures and procedures are in place to permit the Board to function independently of management. To this end, the Board shall be comprised of a majority of members who would be considered “independent” within the meaning of applicable securities laws.

The independent directors shall meet regularly at which non-independent directors and members of management are not in attendance.

3. Strategy Determination

The Board has the responsibility to ensure there are long-term goals and a strategic planning process in place for the Corporation and to participate with management directly or through its committees in developing and approving the strategy by which it proposes to achieve its goals.

4. Managing Risk

The Board has the responsibility to understand the principal risks of the business in which the Corporation is engaged, to achieve a proper balance between risks undertaken and the potential return to shareholders, and to ensure that there are systems in place which effectively monitor and manage those risks with a view to the long-term viability of the Corporation.

5. Appointment Training and Monitoring Senior Management

The Board has the responsibility to:

(a) appoint the Chief Executive Officer (the “**CEO**”), to monitor and assess CEO performance, to determine CEO compensation, and to provide advice and counsel in the execution of the CEO's duties;

(b) approve the appointment and remuneration of all corporate officers, acting upon the advice of the CEO; and

(c) ensure that adequate provision has been made to train and develop management and for the orderly succession of management.

6. Policies Procedures and Compliance

The Board has the responsibility to:

(a) ensure that the Corporation operates at all times within applicable laws and regulations and to the highest ethical and moral standards;

(b) approve and monitor compliance with significant policies and procedures by which the Corporation is operated;

(c) ensure the Corporation sets high environmental standards in its operations and is in compliance with environmental laws and legislation; and

(d) ensure the Corporation has in place appropriate programs and policies for the health and safety of its employees in the workplace.

7. Reporting and Communication

The Board has the responsibility to:

(a) ensure the Corporation has in place policies and programs to enable the Corporation to communicate effectively with its shareholders, other stakeholders and the public generally;

(b) ensure that the financial performance of the Corporation is adequately reported to shareholders, other security holders and regulators on a timely and regular basis;

(c) ensure that the financial results are reported fairly and in accordance with generally accepted accounting standards;

(d) ensure the timely reporting of any other developments that have a significant and material impact on the value of the Corporation; and

(e) report annually to shareholders on its stewardship of the affairs of the Corporation for the preceding year.

8. Monitoring and Acting

The Board has the responsibility to:

(a) monitor the Corporation's progress towards it goals and objectives and to revise and alter its direction through management in response to changing circumstances;

(b) take action when performance falls short of its goals and objectives or when other special circumstances warrant; and

(c) ensure that the Corporation has implemented adequate control and information systems which ensure the effective discharge of its responsibilities.