



**GREENFIELDS PETROLEUM CORPORATION**

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**To Be Held on August 10, 2017**

**and**

**MANAGEMENT INFORMATION CIRCULAR**

**June 30, 2017**

**GREENFIELDS PETROLEUM CORPORATION**

**NOTICE OF ANNUAL GENERAL MEETING  
OF THE HOLDERS OF COMMON SHARES  
TO BE HELD ON AUGUST 10, 2017**

**NOTICE IS HEREBY GIVEN** that an annual general meeting (together with any and all adjournments and postponements thereof, the “**Meeting**”) of the holders (the “**Shareholders**”) of common shares (the “**Common Shares**”) in the capital of Greenfields Petroleum Corporation (“**Greenfields**” or the “**Company**”) will be held in the Company’s offices at 211 Highland Cross Drive, Suite 250, Houston, Texas 77073, U.S.A. on August 10, 2017 at 10:00 a.m. (CST) for the following purposes:

1. to receive the audited consolidated financial statements of Greenfields as at and for the financial year ended December 31, 2016, together with the notes thereto and the independent auditor’s report thereon;
2. to fix the number of directors to be elected at the Meeting at six;
3. to elect the directors of the Company;
4. to appoint independent auditors and to authorize the directors of the Company to fix their remuneration;
5. to consider and, if deemed appropriate, to pass, with or without amendment, an ordinary resolution approving the stock option plan of the Company, as more particularly described in the management information circular (the “**Circular**”) accompanying this Notice of Meeting of Shareholders; and
6. to transact such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

**Information relating to the matters to be brought before the Meeting is set forth in the Circular which accompanies this Notice of Meeting of Shareholders.**

Dated this 30<sup>th</sup> day of June 2017.

**BY ORDER OF THE BOARD OF DIRECTORS  
OF GREENFIELDS PETROLEUM  
CORPORATION**

(signed) “John W. Harkins”

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John W. Harkins  
President, Chief Executive Officer and Director  
Greenfields Petroleum Corporation

**IMPORTANT**

Only Shareholders of record at 5:00 p.m. (MST) on June 30, 2017 (the “**Record Date**”) are entitled to notice of and to participate at the Meeting and only such persons or those who become holders of Common Shares after the Record Date and comply with the provisions as

set forth in the Circular are entitled to vote at the Meeting. If you are unable to attend in person, kindly complete, sign and return the enclosed proxy in the envelope provided for that purpose.

**In order to be effective, the form of proxy, together with the power of attorney or other authority, if any, under which it was signed or a notarially certified copy thereof, must be mailed or faxed so as to be deposited at the office of the Company's registrar and transfer agent, Alliance Trust Company, Suite 1010, 407 – 2nd Street S.W., Calgary, Alberta, T2P 2Y3; Fax: (403) 237-6181; not later than 10:00 a.m. (CST) on the second to last business day preceding the day of the Meeting or with the Chairman of the Meeting on the day of the Meeting.**

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## GREENFIELDS PETROLEUM CORPORATION

### MANAGEMENT INFORMATION CIRCULAR

#### FOR THE ANNUAL GENERAL MEETING OF THE HOLDERS OF COMMON SHARES OF GREENFIELDS PETROLEUM CORPORATION TO BE HELD ON AUGUST 10, 2017

Dated: June 30, 2017

#### PURPOSE OF SOLICITATION

This management information circular (the “Circular”) is furnished in connection with the solicitation of proxies by and on behalf of the management of Greenfields Petroleum Corporation (“Greenfields” or the “Company”) for use at an annual general meeting (together with any and all adjournments and postponements thereof, the “Meeting”) of the holders (the “Shareholders”) of common shares (the “Common Shares”) in the capital of Greenfields to be held in the Company’s offices at 211 Highland Cross Drive, Suite 250, Houston, Texas 77073, U.S.A. on August 10, 2017 at 10:00 a.m. (CST) for the purposes set forth in the notice of annual general meeting (the “Notice of Meeting”) accompanying this Circular. No person has been authorized to give any information or make any representation in connection with any matters to be considered at the Meeting other than those contained in this Circular and, if given or made, any such information or representation must not be relied upon as having been authorized.

#### RECORD DATE

The Shareholders of record at 5:00 p.m. (MST) on June 30, 2017 (the “Record Date”) are entitled to notice of, and to attend and vote at, the Meeting except to the extent that:

1. such person transfers his or her Common Shares after the Record Date; and
2. the transferee of those Common Shares produces properly endorsed share certificates or otherwise establishes his or her ownership to the Common Shares and makes a demand to the registrar and transfer agent of the Company, not later than 10 days before the Meeting, that his or her name be included on the shareholders’ list for the Meeting.

Any registered Shareholder at the close of business on the Record Date who either personally attends the Meeting or who completes and delivers a proxy will be entitled to vote or have his or her Common Shares voted at the Meeting. However, a person appointed under a form of proxy will be entitled to vote the Common Shares represented by that form only if it is effectively delivered in the manner set out under the heading “*General Proxy and Meeting Matters – Appointment and Revocation of Proxies*”.

#### GENERAL PROXY AND MEETING MATTERS

##### *Solicitation of Proxies*

This Circular is furnished in connection with the solicitation of proxies by the management of Greenfields to be used at the Meeting. Solicitations of proxies will be primarily by mail, but may also be by newspaper publication, in person or by telephone, fax or

oral communication by directors, officers, employees or agents of Greenfields. All costs of the solicitation will be borne by the Company.

### ***Appointment and Revocation of Proxies***

Accompanying this Circular is a form of proxy (the “**Form of Proxy**”) that affords Shareholders or intermediaries an opportunity to specify that the Common Shares registered in their name shall be voted for or against or withheld from voting in respect of certain matters as specified in the accompanying Notice of Meeting. Beneficial holders of Common Shares should read the information under “*General Proxy and Meeting Matters – Advice for Beneficial Holders*” below.

**The persons named in the enclosed Form of Proxy are directors and/or officers of Greenfields. A Shareholder desiring to appoint a person (who need not be a Shareholder) to represent such Shareholder at the Meeting in the place of the persons designated in the accompanying Form of Proxy may do so by crossing out the names of the persons designated in the Form of Proxy and by inserting such person’s name in the blank space provided in the Form of Proxy, or completing another appropriate proxy, and delivering the completed proxy to the offices of Alliance Trust Company, Suite 1010, 407 – 2nd Street S.W., Calgary, Alberta, T2P 2Y3 or by facsimile at (403) 237-6181.**

A Form of Proxy must be received by Alliance Trust Company no later than 10:00 a.m. (CST) on the second to last business day preceding the day of the Meeting or with the Chairman of the Meeting on the day of the Meeting. The time limit for the deposit of proxies may be waived by the Board of Directors (the “**Board**”) of Greenfields in its discretion, without notice. Failure to so deposit a Form of Proxy may result in its invalidation.

A Shareholder who has given a Form of Proxy may revoke it as to any matter on which a vote has not already been cast pursuant to its authority by an instrument in writing executed by such Shareholder or by his attorney duly authorized in writing or, if the Shareholder is a corporation, by an officer or attorney thereof duly authorized, and deposited either at the above mentioned office of Alliance Trust Company on or before the last business day in Calgary, Alberta preceding the day of the Meeting or any adjournment or postponement thereof or with the Chairman of the Meeting on the day of the Meeting or any adjournment or postponement thereof.

### ***Signature of Proxy***

The Form of Proxy must be executed by the Shareholder, or if the Shareholder is a corporation, the Form of Proxy should be signed in its corporate name and its corporate seal must be affixed to the Form of Proxy or the Form of Proxy must be signed by an authorized officer whose title should be indicated. A proxy signed by a person acting as attorney, executor, administrator or trustee, or in some other representative capacity, should reflect such person’s full title as such and should be accompanied by the appropriate instrument evidencing qualification and authority to act (unless such instrument has been previously filed with the Company).

### ***Voting of Proxies***

The persons named in the accompanying Form of Proxy in respect of the Meeting will vote the Common Shares in respect of which they are appointed in accordance with the directions, if any, of the Shareholder appointing them. **In the absence of such directions, such Common Shares will be voted FOR the approval of each of the resolutions.**

### ***Exercise of Discretion of Proxy***

The Form of Proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the accompanying Notice of Meeting and this Circular and with respect to other matters that may properly come before the Meeting. At the date of this Circular, management of Greenfields knows of no amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice of Meeting.

### ***Notice-and-Access***

The Company has elected to use the “notice-and-access” provisions (the “**Notice-and-Access Provisions**”) under National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) for the Meeting in respect of mailings to its Beneficial Shareholders (as defined below) and in respect of mailings to the registered holders of Common Shares (“**Registered Shareholders**”). The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that reduce the volume of materials that must be physically mailed to shareholders by allowing a reporting issuer to post an information circular in respect of a meeting of its shareholders and related materials online. Unless requested in the manner described below, Registered Shareholders and Beneficial Shareholders will only receive a notice-and-access notification and a Form of Proxy or voting instruction form, as applicable.

The Company anticipates that notice-and-access will directly benefit the Company through substantial reductions in postage and printing costs. The Company believes that notice-and-access is also environmentally responsible to the extent that it decreases the large volume of paper documents generated by printing proxy-related materials.

The Company will be delivering proxy-related materials to non-objecting beneficial owners of its Common Shares directly with the assistance of Alliance Trust Company. Please note that the Company’s management does not intend to pay for intermediaries to forward, under NI 54-101, the notice-and-access notification and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary* to those Beneficial Shareholders who have objected to their intermediary disclosing ownership information about them pursuant to Canadian securities legislation (“**Objecting Beneficial Shareholders**”). Consequently, if you are an Objecting Beneficial Shareholder, you will not receive these materials unless the intermediary holding Common Shares on your account assumes the cost of delivery.

Shareholders with questions about notice-and-access can call Alliance Trust Company at 403-237-6111 or toll free at 1-877-537-6111.

In order to receive a paper copy of this Circular and other relevant information, requests by Shareholders may be made up to one year from the date the Circular was filed on the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) by: (i) mailing a request to the Company at 211 Highland Cross Drive, Suite 250, Houston, Texas 77073, U.S.A, Attention: Investor Relations; (ii) calling Alliance Trust Company at 403-237-6111 or toll free at 1-877-537-6111; or (iii) emailing a request to [inquiries@alliancetrust.ca](mailto:inquiries@alliancetrust.ca). The Company estimates that a Shareholder’s request for paper copies of the Circular and other relevant information will need to be received prior to July 26, 2017 in order for such Shareholder to have sufficient time to receive and review the materials requested and return the completed Form of Proxy by the due date set out under the heading “*General Proxy and Meeting Matters* –



*Appointment and Revocation of Proxies*” in this Circular. A copy of the Circular and other relevant information is also available online at the following websites: [www.greenfields-petroleum.com](http://www.greenfields-petroleum.com) or [www.alliancetrust.ca/shareholders/](http://www.alliancetrust.ca/shareholders/).

### **Advice for Beneficial Shareholders**

***The information set forth in this section is provided to beneficial holders of Common Shares who do not hold their Common Shares in their own name (“Beneficial Shareholders”).***

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

In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as the nominee for many Canadian brokerage firms). Common Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, the broker or nominees are prohibited from voting Common Shares for their clients. Therefore, Beneficial Shareholders cannot be recognized at the Meeting for the purposes of voting the Common Shares in person or by way of proxy except as set forth below.

Applicable regulatory policy requires intermediaries or brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. Every intermediary or broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the Form of Proxy provided to Registered Shareholders. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“BFS”).

BFS typically provides a scannable voting request form or applies a special sticker to the proxy forms, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the voting request forms or proxy forms to BFS. Often Beneficial Shareholders are alternatively provided with a toll free telephone number to vote their shares. BFS then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **A Beneficial Shareholder receiving a voting instruction or proxy from BFS cannot use that proxy to vote Common Shares directly at the Meeting because the completed instruction or proxy must be returned as directed by BFS well in advance of the Meeting in order to have the Common Shares voted.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxy-holder for the Registered Shareholder and vote Common Shares in that capacity. Beneficial Shareholders who wish to

attend the Meeting and indirectly vote their Common Shares as proxy-holder for the Registered Shareholder should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent) well in advance of the Meeting.

**IF YOU ARE A BENEFICIAL SHAREHOLDER AND WISH TO VOTE IN PERSON AT THE MEETING, PLEASE CONTACT YOUR BROKER OR AGENT WELL IN ADVANCE OF THE MEETING TO DETERMINE HOW YOU CAN DO SO.**

#### **VOTING OF COMMON SHARES AND PRINCIPAL HOLDERS THEREOF**

The Company's authorized share capital consists of (i) 499,900,000 Common Shares; and (ii) 100,000 preferred shares. As of the date hereof, there are 177,516,011 Common Shares issued and outstanding and nil preferred shares outstanding. Each issued Common Share carries the right to one vote.

The amended and restated memorandum and articles of association of the Company provide that a quorum for the purposes of conducting a shareholders' meeting is constituted if one or more Shareholders holding at least 5% of the paid up voting share capital of the Company are present in person or by proxy and are entitled to vote at the Meeting.

Any Registered Shareholder as at the Record Date who either personally attends the Meeting or who completes and delivers a Form of Proxy will be entitled to vote or have his or her Common Shares voted at the Meeting. However, a person appointed under the Form of Proxy will be entitled to vote the Common Shares represented by that form only if it is effectively delivered in the manner set out in the heading "*General Proxy and Meeting Matters – Appointment and Revocation of Proxies*".

To the best of the knowledge of the directors and executive officers of the Company, as of the date of this Circular, there are no persons who beneficially own, directly or indirectly, or exercise control or direction over 10% or more of the voting rights attached to the voting securities of the Company other than as set out in the table below.

<b>Name and Municipality</b>	<b>Number of Common Shares Owned or Controlled</b>	<b>Percentage of Class</b>
Vitol Energy (Bermuda) Ltd. <i>Hamilton, Bermuda</i>	77,014,802 Common Shares	43.4%

#### **PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING**

At the Meeting, the Shareholders will receive the audited consolidated financial statements (the "**Financial Statements**") of Greenfields as at and for the financial year ended December 31, 2016, together with the notes thereto and the independent auditor's report thereon, and will be asked to consider and, if deemed appropriate:

1. to fix the number of directors to be elected at the Meeting at six;
2. to elect the directors of the Company;
3. to appoint independent auditors and authorize the directors of the Company to fix their remuneration;

4. to approve the Company's stock option plan (the "**Stock Option Plan**") for the ensuing year; and
5. to transact such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

Additional detail regarding each of the matters to be acted on at the Meeting is set forth below.

### ***Receipt of the Consolidated Financial Statements***

The Financial Statements will be placed before the Meeting. No formal action will or is required to be taken in respect of the Financial Statements at the Meeting. The Financial Statements are also available on the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).

### ***Fixing Number of Directors***

At the Meeting, the Shareholders will be asked to pass an ordinary resolution that the number of directors to be elected at the Meeting to hold office until the next annual meeting of the Shareholders or until their successors are elected or appointed, subject to the memorandum and articles of association of the Company, be set at six.

**In the absence of contrary instructions, the persons named in the Form of Proxy intend to vote the Common Shares represented thereby in favour of setting the number of directors to be elected at the Meeting at six.**

### ***Election of Directors***

The Shareholders will be asked to pass an ordinary resolution at the Meeting to elect, as directors, the nominees whose names are in the table below. Each nominee elected will hold office until the next annual meeting of the Shareholders or until his successor is duly elected or appointed, unless his office is vacated earlier in accordance with the Company's memorandum and articles of association.

The Board has adopted an individual voting standard, otherwise known as a "majority voting policy", for the election of directors at the Meeting. Under the individual voting standard, any nominee for director who receives a greater number of "withheld" votes than "for" votes for his or her election as a director shall submit his or her resignation to the Board for consideration promptly following the Meeting. This policy applies only to uncontested elections, where the number of nominees for directors is equal to the number of directors to be elected. The Board will consider the resignation and determine whether to accept the resignation within ninety days of the applicable meeting and a news release will be issued by the Company announcing the Board's determination. A director who tenders his or her resignation will not participate in deliberations or meetings with respect to whether the resignation shall be accepted. The Board may fill any vacancy created by any such resignation or determine to leave the resulting vacancy unfilled.

The information below relating to the nominees as directors is based partly on the records of the Company and partly on information received by the Company from the nominees, and sets forth the name and municipality of residence of the individuals proposed to be nominated for election as directors, all other positions and offices within the Company now held by them, their principal occupations or employment, the periods during which they have served as directors of the

Company and the number of Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised by each of them as at the date hereof.

<b>Name and Municipality of Residence</b>	<b>Position(s) Presently Held</b>	<b>Director Since</b>	<b>Principal Occupation During the Past 5 Years</b>	<b>Number and Percentage of Common Shares Beneficially Owned or over which Control or Direction, Directly or Indirectly, is Exercised<sup>(1)</sup></b>
Michael J. Hibberd <sup>(2)(3)(4)(5)</sup> Calgary, Alberta Canada	Chairman of the Board, Director	February 23, 2010	Chairman and President of MJH Services Inc., a corporate finance advisory business established in 1995. Chairman of Canacol Energy Ltd., former Chairman of Heritage Oil Plc. and Heritage Oil Corporation, and Executive Vice-Chairman of Sunshine Oilsands Ltd., Director of Montana Exploration Corp., PetroFrontier Corp. and Pan Orient Energy Corp., all public oil and gas exploration companies.	200,421 (0.11%)
John W. Harkins <sup>(3)(5)</sup> The Woodlands, Texas U.S.A.	President, Chief Executive Officer, Director	October 1, 2008	President and Chief Executive Officer of the Company since February 11, 2010. Director of Strategic Oil & Gas Ltd., Petro Phoenix Resources Corp. and Petro Phoenix Oil Corp.	4,806,089 (2.71%)
Garry P. Mihaichuk <sup>(2)(3)(4)</sup> Calgary, Alberta Canada	Director	February 23, 2010	Mr. Mihaichuk is a corporate director who has served as a director on 14 public and private companies since 1996. Mr. Mihaichuk is currently a Director of Badger Daylighting Ltd., Director of Nordic Petroleum AS, Director and President of Nordic America's Inc., Director of RLG International and Director of Friends of the Calgary Philharmonic Orchestra. Mr. Mihaichuk holds a B.Sc. Mechanical Engineering from Queen's University, a Global Leadership diploma from Michigan University, a PMD diploma from Harvard University and an ICD.D designation from the Institute of Corporate Directors	51,998 (0.03%)
Gerald F. Clark <sup>(2)(5)</sup> Houston, Texas, U.S.A.	Director	September 4, 2012	Business, financial and general management consultant since January 2012. Prior thereto, Chief Executive Officer and Chief Financial Officer of Ciris Energy, Inc. from September 2009 to November 2011.	13,921 (0.01%)
Geir Sagemo <sup>(4)</sup> Tonbridge, U.K.	Director	October 13, 2016	Mr. Sagemo is a member of the finance and investment group at Vitol Group. Prior to joining Vitol in 2007, Mr. Sagemo spent 13 years in the energy teams of various investment banks, including Dresdner Kleinwort Benson and JPMorgan. Mr. Sagemo is a board member of New Age (Africa Global Energy) Ltd. He holds a B.Sc. in Economics from the Wharton School.	Nil (0%)

Name and Municipality of Residence	Position(s) Presently Held	Director Since	Principal Occupation During the Past 5 Years	Number and Percentage of Common Shares Beneficially Owned or over which Control or Direction, Directly or Indirectly, is Exercised <sup>(1)</sup>
David Fransen Geneva, Switzerland	Director	October 13, 2016	Mr. Fransen has served as the Managing Director of Vitol SA Geneva since 2002, and is a member of the board of directors of Vitol Group. He has a wide range of experience within the Vitol Group, from gasoline trading and various management positions to the creation of Vitol's central management information system. Prior to joining Vitol in 1986, Mr. Fransen was with British Petroleum. He holds a BSC (Hons.) in Mathematics and Computer Science from Royal Holloway College, London.	Nil (0%)

**Notes:**

- (1) Does not include Common Shares issuable on the exercise of Options (as defined herein). As at June 30, 2017, the directors as a group held **563,000** Options. See "Statement of Executive Compensation" below.
- (2) Member of the Audit Committee.
- (3) Member of the Reserves Committee.
- (4) Member of the Compensation Committee.
- (5) Member of the Corporate Governance and Nominating Committee.

As of the date hereof, the directors of the Company and its subsidiaries, as a group, own or control, directly or indirectly, an aggregate of 5,072,429 Common Shares representing approximately 2.86% of the issued and outstanding Common Shares.

Other than as described below, no proposed director:

- (a) is at the date of the Circular, or has been, within ten years before the date of the Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that, while that person was acting in that capacity:
  - (i) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than thirty consecutive days; or
  - (ii) was subject to an event that resulted, after the director, chief executive officer or chief financial officer ceased to be a director, chief executive officer or chief financial officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than thirty consecutive days;
- (b) is at the date of the Circular, or has been, within ten years before the date of the Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity or within one 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;
- (c) has, within the ten years before the date of the 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; or
  - (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority, or has entered into a settlement agreement with a securities regulatory authority or 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.

Mr. Hibberd was an independent director of Challenger Energy Corp. ("**Challenger**") from December 1, 2005 until September 16, 2009. Challenger obtained a creditor protection order under the *Companies' Creditors Arrangement Act* (Canada), on February 27, 2009. On June 19, 2009, Challenger announced that it had entered into an arrangement agreement in respect of the acquisition of Challenger by Canadian Superior Energy Inc. ("**Canadian Superior**"). On September 17, 2009, all of the common shares of Challenger were exchanged for shares of Canadian Superior and all creditor claims of Challenger were fully honoured.

Mr. Hibberd was formerly a director of Skope Energy Inc. (a Toronto Stock Exchange listed oil and gas company), which commenced proceedings in the Court of Queen's Bench of Alberta under the *Companies' Creditors Arrangement Act* (Canada) to implement a restructuring in November 2012, which was completed on February 19, 2013.

**A Shareholder can vote for all of the nominees set forth above, vote for some of them and withhold for others, or withhold for all of them.**

**In the absence of contrary instructions, the persons named in the Form of Proxy intend to vote the Common Shares represented thereby in favour of the election to the Board of those nominees set forth above. The Board does not contemplate that any of such nominees will be unable to serve as a director. However, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, proxies in favour of management designees will be voted for another nominee in their discretion unless the Shareholder has specified in its proxy that its Common Shares are to be withheld from voting on the election of directors.**

#### ***Appointment of Auditors***

The Shareholders will be asked to pass an ordinary resolution at the Meeting to appoint Pannell Kerr Forster of Texas, P.C. ("**PKF**") as the independent auditors of the Company to hold office until the next annual meeting of the Shareholders, at a remuneration to be determined by the Board. PKF has acted as the independent auditors of the Company since February 21, 2017.

On February 21, 2017, the Company filed a change of auditor notice advising of the replacement of its previous auditors, Calvetti Ferguson, P.C. ("**Calvetti**"), with PKF. The change was initiated after Calvetti gave notice to the Board that Calvetti would no longer perform audits for Canadian registrants and Form 10-K filers. Additional documents related to the change of auditor, being the change of auditor notice and the acknowledgements of that notice by PFK and Calvetti, are set out in Schedule "D" to this Circular. There were no "reportable events" within the meaning of National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**").

**In the absence of contrary instructions, the persons named in the Form of Proxy intend to vote the Common Shares represented thereby in favour of the appointment of PKF as the independent auditors of the Company at a remuneration to be determined by the Board.**

### ***Approval of Stock Option Plan***

The Stock Option Plan, as amended and restated on July 15, 2013, was first approved by Shareholders on August 11, 2011, and, pursuant to the policies of the TSXV, has been approved at each subsequent annual general meeting of the Shareholders. At the Meeting, Shareholders will be asked to consider and, if thought fit, to pass an ordinary resolution to ratify and approve the Stock Option Plan.

The Stock Option Plan provides that the Board, or a committee thereof, may, from time to time, in its discretion, award to directors, officers, employees and consultants of the Company, or its subsidiaries, non-transferable options ("**Options**") to purchase Common Shares, provided that the number of Common Shares reserved for issuance under such plan shall not exceed 10% of the issued and outstanding Common Shares, exercisable for a period of up to ten years. In addition, the number of Common Shares reserved for issuance to any one person shall not exceed 5% of the issued and outstanding Common Shares and the number of Common Shares reserved for issuance to all consultants or employees conducting Investor Relations Activities (as such term is defined in TSXV policies) will not exceed 2% of the issued and outstanding Common Shares in any twelve month period.

As of the date hereof, Options to purchase a total of 1,770,000 Common Shares have been granted and remain outstanding to directors, officers, employees and consultants of the Company.

The Compensation Committee determines the price per Common Share and the number of Common Shares which may be allotted to each director, officer, employee and consultant and all other terms and conditions of the options, subject to the rules of TSXV. If the holder ceases to be a director, officer, employee or consultant of the Company, such holder's options will expire if not exercised within a reasonable period of time from the date of termination of employment or cessation of position with the Company, unless if by reason of death, in which case such holder's options will expire if not exercised within twelve months from the date of death.

The price per Common Share set by the Compensation Committee shall not be less than the last closing price of the Common Shares on TSXV prior to the date on which such option is awarded, less the applicable discount permitted (if any) by TSXV. If, prior to the exercise of an option, the holder ceases to be a director, officer, employee or consultant of the Company, or its subsidiaries, the option of the holder shall be limited to the number of Common Shares

purchasable by him/her immediately prior to the time of his/her cessation of office or employment and he/she will have no right to purchase any other shares under the option.

**The directors of the Company believe that the passing of the following resolution is in the best interests of the Company and recommend that Shareholders vote in favor of the resolution.**

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

**“BE IT RESOLVED THAT:**

- (a) the amended and restated stock option plan of the Greenfields Petroleum Corporation (the “**Company**”), as described in and attached as Appendix “A” to the management information circular of the Company dated June 30, 2017, be and is hereby ratified and approved;
- (b) any one director or officer of the Company be authorized to make all such arrangements, to do all acts and things and to sign and execute all documents and instruments in writing, whether under the corporate seal of the Company or otherwise, as may be considered necessary or advisable to give full force and effect to the foregoing; and
- (c) the directors of the Company may revoke this resolution before it is acted upon without further approval of the Shareholders.”

**In the absence of contrary instructions, the persons named in the Form of Proxy intend to vote the Common Shares represented thereby in favour of the approval of the Stock Option Plan as set forth in the resolutions above.**

***Other Business***

Management of the Company does not currently know of any matters to be brought before the Meeting other than those set forth in the Notice of Meeting accompanying this Circular.

**STATEMENT OF EXECUTIVE COMPENSATION**

For the purpose of this section, a “**CEO**” or “**CFO**” means each individual who served as Chief Executive Officer or Chief Financial Officer, respectively, of the Company or acted in a similar capacity during the most recently completed financial year. A “**Named Executive Officer**” or “**NEO**” means each CEO, each CFO, the Company’s most highly compensated officer, other than the CEO and CFO, who was serving as an officer at the end of the most recently completed financial year and whose total compensation was more than CAD\$150,000, and any additional individuals who would be a Named Executive Officer but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of the financial year.

Based on the foregoing definitions, the Company’s Named Executive Officers in respect of the year ended December 31, 2016 were: John W. Harkins, President and Chief Executive Officer and Director; A. Wayne Curzadd, Senior Vice President, Chief Financial Officer and Treasurer; and Norman G. Benson, Senior Vice President Operations and Chief Operating Officer. Mr. Curzadd stepped down as Senior Vice President, Chief Financial Officer and Treasurer to



assume an advisory role with the Company effective May 31, 2017, and Mr. Jose Perez-Bello assumed those positions.

### ***Composition of the Compensation Committee***

Until October 13, 2016, the Compensation Committee was composed of three members: Messrs. Mihaichuk (Chairman), Hibberd and Warmath. After Mr. Warmath resigned from the Board, Mr. Sagemo assumed his responsibilities on the Compensation Committee. Messrs. Mihaichuk and Hibberd are considered to be independent under section 1.4 of National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”). Mr. Warmath was not considered to be independent as he was formerly an executive officer and contractor of the Company. Mr. Sagemo is not considered independent by virtue of his affiliation with Vitol Energy (Bermuda) Ltd. (“**Vitol**”), which is an “affiliated entity” of the Company (as defined in NI 52-110) due to its ownership of approximately 43.4% of the issued and outstanding Common Shares.

All of the members of the Compensation Committee have direct experience that is relevant to their responsibilities regarding executive compensation of the Company. Specifically, Messrs. Mihaichuk and Hibberd have previously acted as executive officers of either privately held or publicly traded natural resource sector issuers and also have extensive experience acting as directors of other publicly traded oil and gas issuers and are currently members of the compensation committees of other public issuers.

Because of this collective experience, the Compensation Committee has knowledge of typical day to day responsibilities and challenges faced by the Company’s management team, the role of a board of directors in reviewing the executive compensation of a reporting issuer, and first-hand knowledge regarding executive compensation policies and practices in the natural resources sector, all of which are beneficial to the Compensation Committee in the context of its review of the Company’s compensation policies and practices.

### ***Responsibility of the Compensation Committee***

The Compensation Committee exercises general responsibility regarding overall compensation of executive officers and employees of the Company. It is responsible for the annual review and recommendation to the Board of: (i) executive compensation policies, practices and overall compensation philosophy; (ii) total compensation packages for all executive officers; (iii) bonuses and awards of Options under the Stock Option Plan and of share-based awards; and (iv) major changes in benefit plans. Final approval of all compensation items rests with the Board.

### ***Compensation Philosophy and Objectives***

The objectives of the Company’s executive compensation policy are to attract and retain individuals of high caliber to serve as officers of the Company, to motivate their performance in order to achieve the Company’s strategic objectives and to align the interests of executive officers with the long term interests of the Shareholders. These objectives are designed to ensure that the Company continues to grow on an absolute basis as well as to grow net cash flow and earnings per Common Share. The Company’s primary compensation policy is to pay for performance. Accordingly, the performance of the Company and executive officers as individuals are both examined by the Compensation Committee.

The Compensation Committee does not set specific performance objectives in assessing the performance of the Chief Executive Officer and other executive officers; rather the Compensation Committee uses its experience and judgment in determining an overall compensation package for the Chief Executive Officer and other executive officers. Some of the factors looked at by the Compensation Committee in assessing the performance of the Company and its executive officers are as follows: (a) effective implementation of the Company's growth strategy; (b) overall and per share oil and gas reserve changes, looking at both proven and probable reserves; (c) operating costs and the change in operating costs per barrel of oil equivalent in the context of the overall market (for both current and longer periods); (d) the overall performance of the Common Shares on the TSXV; (e) general and administrative cost control; and (f) the Company's performance for all of the above relative to its goals and objectives and in relation to the performance of its industry peer group.

The Compensation Committee also looks at critical individual performance objectives for the Chief Executive Officer and the other executive officers including protecting the Company's interest in the Bahar Gas Field and the Gum Deniz Oil Field by successfully managing partners and government relations, securing funding in challenging financial markets and attaining and growing positive cash flow through cost containment and production increases.

The Compensation Committee's reviews include a comparison group consisting of publicly traded companies engaged in the international oil and gas exploration and production industry, with similarities in related business activities, scope of operations and geographic regions, and organization size.

The comparison group of companies is made up of:

Africa Oil Corp, Antrim Energy Inc., Calvalley Petroleum Inc., Condor Petroleum Inc., Falcon Oil & Gas Ltd., Pan Orient Energy Corp., Petrodorado Energy Ltd., Petromanas Energy Inc. and TAG Oil Ltd.

The Compensation Committee annually reviews the composition of the comparison group of companies and updates the compensation data taken from such group and other sources. The Compensation Committee annually reviews the total compensation package of the Company's executive officers within the context of the comparison group to ensure that the compensation of the Company's directors and executive officers remains appropriate, particularly in view of the evolution of the comparison group's compensation practices and the market in general.

### ***Executive Compensation Analysis***

The Company's executive compensation program has three principal components: base salary, incentive bonus plan and long-term incentives in the form of options and share-based awards.

#### ***Base Salaries***

The base salary of each executive officer is determined by an assessment of his or her sustained performance as well as consideration of the particular skills and experience of the individual and of the competitive compensation levels in the industry and geographic markets in which the Company operates.

The Compensation Committee compares the base salaries of the executive officers of the Company with those of the executive officers at peer-surveyed companies in the oil and gas

industry and expects to set the executive officer's pay level at approximately the 50<sup>th</sup> percentile level of the industry average for such positions while attempting to adjust for the Company's size, at the start of the year. Factors looked at in assessing peer companies include average daily production on a barrel of oil equivalent basis, total revenue, total assets, funds from operations, total level of capital expenditures, total operating and general and administrative expenses and number of employees.

### *Bonuses*

As a primary short term incentive and as a means of tying compensation to the Company's performance, the Company has established a bonus plan for its executive officers, employees and consultants based and dependent upon, among other things, the financial performance of the Company for the applicable period. The bonus award is based upon a number of factors, including growth in reserves, production and cash flow per debt adjusted share. Bonus details are reviewed annually by the Committee and approved by the Board.

### *Long-Term Incentive Compensation Program: Options and Share-Based Awards*

The Stock Option Plan is designed to provide an incentive to the optionees to achieve the longer-term objectives of the Company. Options are awarded to provide an incentive to the directors, officers, employees and consultants of the Company to achieve the longer-term objectives of the Company, to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Company, and to attract and retain persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Company. Previous awards of options are taken into account when considering new awards. For a description of the Stock Option Plan, please see "*Incentive Plan Awards – Stock Option Plan*" below.

The Company also has a restricted cash bonus program (the "**Restricted Cash Bonus Program**") designed to provide an incentive bonus to directors, officers, employees and consultants of the Company to achieve the longer-term objectives of the Company. Awards under the Restricted Cash Bonus Program are sometimes based on the value of Common Shares on a specified date, or based in reference to the appreciation value of a Common Share over a specified period of time. For a description of the Restricted Cash Bonus Program, please see "*Incentive Plan Awards – Restricted Cash Bonus Program*" below.

Administration of the Stock Option Plan and the Restricted Cash Bonus Program are the responsibility of the Compensation Committee.

### ***Currency***

Unless otherwise noted, all monetary amounts disclosed under the heading "*Statement of Executive Compensation*" are in United States dollars, which is the same functional currency that is used by the Company in preparing its consolidated financial statements.

### ***Summary Compensation Table***

The table below provides a summary of compensation earned during the two most recently completed financial years, as applicable, by the Company's Named Executive Officers and directors.

<b>Name and Position</b>	<b>Year</b>	<b>Salary, consulting fee, retainer or commission (US\$)<sup>(1)</sup></b>	<b>Bonus (US\$)<sup>(2)</sup></b>	<b>Committee or Meeting Fees (US\$)<sup>(3)</sup></b>	<b>Value of Perquisites (US\$)</b>	<b>Value of All Other Compensation (US\$)<sup>(4)</sup></b>	<b>Total Compensation (US\$)</b>
John W. Harkins <i>President and Chief Executive Officer and Director</i> <sup>(5)</sup>	2016	290,000	Nil	Nil	Nil	7,250	297,250
	2015	290,000	Nil	Nil	Nil	7,950	297,950
A. Wayne Curzadd <i>Senior Vice President, Chief Financial Officer and Treasurer</i>	2016	215,000	Nil	Nil	Nil	5,500	220,500
	2015	215,000	Nil	Nil	Nil	6,450	221,450
Norman G. Benson <i>Senior Vice President Operations and Chief Operating Officer</i>	2016	549,677	Nil	Nil	Nil	7,250	556,927
	2015	565,830	Nil	Nil	Nil	7,950	573,780
Michael J. Hibberd <i>Director</i>	2016	Nil	Nil	29,813	Nil	Nil	29,813
	2015	Nil	Nil	18,810	Nil	Nil	18,810
Garry P. Mihaichuk <i>Director</i>	2016	Nil	Nil	29,813	Nil	Nil	29,813
	2015	Nil	Nil	20,378	Nil	Nil	20,378
Alex T. Warmath <i>Director</i>	2016	Nil	Nil	13,500	Nil	Nil	13,500
	2015	Nil	Nil	10,500	Nil	Nil	10,500
Gerald F. Clark <i>Director</i>	2016	Nil	Nil	25,500	Nil	Nil	25,500
	2015	Nil	Nil	16,500	Nil	Nil	16,500
Richard E. MacDougal <i>Director</i>	2016	Nil	Nil	12,000	Nil	Nil	12,000
	2015	Nil	Nil	12,000	Nil	Nil	12,000
Geir Sagemo <i>Director</i>	2016	Nil	Nil	Nil	Nil	Nil	Nil
David Fransen <i>Director</i>	2016	Nil	Nil	Nil	Nil	Nil	Nil

**Notes:**

- (1) Includes the dollar value of cash and deferred base salary earned during the financial year. The voluntary deferral of base salaries has been in the range of 12% during 2015 and 15%-17% during 2016.
- (2) Management bonuses for 2015 were deferred through the use of share grants that vested January 1, 2016. There were no bonuses awarded in 2016.
- (3) The payment of director meeting fees for 2015 and 2016 have been deferred and such payment, when made, will be settled in cash.
- (4) Includes all compensation relating to defined benefit or defined contribution plans. These amounts consist of contributions by the Company to the 401(k) plan in the United States.
- (5) No amounts paid to Mr. John W. Harkins related to his role as a director of the Company.

**Stock Options and Other Compensation Securities**

The Company did not grant or issue compensation securities to any director or Named Executive Officer of the Company during the most recently completed financial year.

### ***Exercise of Compensation Securities***

None of the directors or Named Executive Officers exercised any compensation securities during the most recently completed financial year.

### ***Incentive Plan Awards***

#### ***Stock Option Plan***

The Stock Option Plan is one of the Company's long term incentive compensation programs. The Stock Option Plan, as amended and restated on July 15, 2013, was first approved by Shareholders on August 11, 2011, and, pursuant to the policies of the TSXV, has been approved at each subsequent annual general meeting of the Shareholders. The purpose of the Stock Option Plan is to allow the Company to award to directors, officers, employees and consultants of the Company, or its subsidiaries, non-transferable options to purchase Common Shares, provided that the number of Common Shares reserved for issuance under the Stock Option Plan shall not exceed 10% of the issued and outstanding Common Shares. In addition, the number of Common Shares reserved for issuance to any one person shall not exceed 5% of the issued and outstanding Common Shares and the number of Common Shares reserved for issuance to any one consultant or employee conducting Investor Relations Activities (as such term is defined by TSXV) will not exceed 2% of the issued and outstanding Common Shares in any 12 month period.

The Compensation Committee determines the price per Common Share and the number of Common Shares which may be allotted to each director, officer, employee and consultant and all other terms and conditions of the options, subject to the rules of the TSXV. If the holder ceases to be a director, officer, employee or consultant of the Company, such holder's options will expire if not exercised within a reasonable period of time from the date of termination of employment or cessation of position with the Company, unless if by reason of death, in which case such holder's options will expire if not exercised within 12 months from the date of death.

The price per Common Share set by the Compensation Committee shall not be less than the last closing price of the Common Shares on TSXV prior to the date on which such option is awarded, less the applicable discount permitted (if any) by TSXV. If prior to the exercise of an option, the holder ceases to be a director, officer, employee or consultant of the Company, or its subsidiaries, the option of the holder shall be limited to the number of Common Shares purchasable by him or her immediately prior to the time of his or her cessation of office or employment and he/she will have no right to purchase any other Common Shares.

#### ***Restricted Cash Bonus Program***

The Company also has the Restricted Cash Bonus Program. The purposes of this Restricted Cash Bonus Program are to provide an incentive bonus to the directors, officers, employees and consultants of the Company or any of its subsidiaries to achieve the longer-term objectives of the Company; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Company; and to attract to and retain in the employ of the Company or any of its subsidiaries, persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Company.

The Restricted Cash Bonus Program is administered by the Compensation Committee which holds full and final discretion to interpret the provisions of the Restricted Cash Bonus Program

and to prescribe, amend, rescind and waive rules and regulations to govern the administration and operation of the Restricted Cash Bonus Program.

Pursuant to the Restricted Cash Bonus Program, the Compensation Committee may grant bonuses, on such terms and at such times as the Compensation Committee may determine based on the value of a Common Share on a specified date, or may be based on the appreciation in value of a Common Share over a specified period of time.

The Company will enter into written agreements with grantees which agreements set out: (i) the number of nominal units awarded for the purpose of calculating the amount of the bonus; (ii) the method for calling on the bonus; (iii) the method for calculating the value of the bonus; (iv) the applicable vesting period; and (v) any other terms and conditions approved by the Compensation Committee. The Compensation Committee may also determine that a bonus does not become due prior to the expiration of a vesting period.

#### *Fair Value Director Cash Bonus Program*

On October 13, 2016, the Company established a Fair Value Director Cash Bonus Program (“**FVDCB**”) for the Board consisting of cash settled incentives awarded in bonus units. The Company subsequently awarded 1,250,000 FVDCB units with the cash settlement value of a bonus unit equal to the average Canadian dollar denominated value of a Common Share for the five trading days prior to filing a call notice under the FVDCB. A Director is required to file a call notice with the Company to redeem a vested unit. In the case of a Monetization Event (as defined below), the FVDCB unit will equal the same amount a shareholder receives for a Common Share. A Monetization Event means: (i) the acquisition by a third party of all or substantially all of the shares of the Company; (ii) an amalgamation, arrangement, merger or other consolidation of the Company with another company; (iii) a liquidation, dissolution or winding-up of the Company; or (iv) a sale, lease or other disposition of all or substantially all of the assets of the Company. Notwithstanding the provisions of the FVDCB, payment of vested units will be deferred until after the director ceases to be a director of Greenfields.

The FVDCB program does not grant any entitlement to Common Shares or other equity interest in the Company. The FVDCB units vest as to 25% at the date of grant and as to 25% on each of the first, second and third anniversaries of the grant date. In the event of a change of control of the Company, involuntary removal from the Board, death or a Monetization Event, the FVDCB units will immediately vest.

#### ***Key Employee Contingent Incentive Plan Award***

On October 13, 2016, the Company established a Key Employee Contingent Incentive Plan Award (“**KECIP**”) for the employees of the Company and certain employees of Bahar Energy Operating Company Limited (“**BEOC**”), consisting of cash settled incentives awarded in KECIP units. The Company subsequently awarded 11,755,000 KECIP units with the cash settlement value of a KECIP unit equal to the same amount a shareholder receives for a Common Share if a Monetization Event occurs.

The KECIP program does not grant any entitlement to Common Shares or other equity interest in the Company. The KECIP units vest as to 25% at the date of grant and as to 25% on each of the first, second and third anniversaries of the grant date.

### *Pension Plan Benefits*

The Company does not have a pension plan that provides for payments or benefits at, or in connection with retirement. The Company also does not have a defined benefits pension plan. The Company does contribute an amount equal to 3% of the employee's salary to the employee's 401(k) plan in the United States up to a maximum of \$7,950 for the calendar year 2016.

### ***Employment Agreements***

As at the date hereof, each of Mr. John W. Harkins, President and Chief Executive Officer, Mr. A. Wayne Curzadd, as the former Senior Vice President, Chief Financial Officer and Treasurer, and Mr. Norman G. Benson, Senior Vice President Operations (each, an "**Executive**") has entered into an employment agreement with the Company pursuant to which each is entitled to receive an annual base salary as set out above. These base salaries are reviewed annually and may be increased to reflect the respective Executive's performance, the Company's performance and other relevant factors as determined by the Compensation Committee.

Each Executive is entitled to certain payments ("**Termination Payments**") if his employment is terminated without cause, or if, within six months after the occurrence of a change of control of the Company, there is any action which at common law constitutes constructive dismissal, including, but not limited to:

- (a) a material decrease in the title, position, responsibility or powers of the Executive;
- (b) a requirement to relocate to another city state, or country;
- (c) any material reduction in the value of the Executive's benefits, salary, plans and programs;
- (d) the Company ceases to operate as a going concern; or
- (e) the Company fails to pay, when due, a material amount payable by it to the Executive pursuant to the Executive's employment agreement.

A Termination Payment includes, depending on the Executive:

- (a) payment ranging from eighteen times (in the case of Mr. Curzadd) or twenty four times (in the case of Messrs. Harkins and Benson) the monthly base salary;
- (b) an additional 10% of the annual base salary for the loss of group benefits; and
- (c) the sum of bonuses paid over the previous two calendar years multiplied by 50%.

In the event a Termination Payment is required to be paid by the Company to an Executive, all stock and stock options held by such Executive, whether vested or unvested, shall immediately vest and be held by such Executive.

A "**change of control**" is defined in each of the Executive's employment agreements as any of the following events:

- (a) the acquisition of:
  - (i) shares of the Company; and/or
  - (ii) securities convertible into, exercisable for or carrying the right to purchase shares of the Company (“**Convertible Securities**”),

as a result of which a person, group of persons or persons acting jointly or in concert, or persons associated or affiliated with any person, group of persons or any of such persons (collectively, the “**Acquirers**”), beneficially own shares of the Company or Convertible Securities such that, assuming only the conversion or exercise of Convertible Securities beneficially owned by the Acquirers, the Acquirers would beneficially own shares which would entitle them to cast more than 50% of the votes attaching to all shares in the capital of the Company which may be cast to elect directors of the Company;

- (b) approval by the Shareholders of:
  - (i) an amalgamation, arrangement, merger or other consolidation of the Company with another corporation pursuant to which the Shareholders immediately prior thereto do not immediately thereafter own shares of the successor continuing corporation which entitle them to cast more than 50% of the votes attaching to all shares in the capital of the successor or continuing corporation which may be cast to elect directors of that corporation; or
  - (ii) a liquidation, dissolution or winding up of the Company; or
  - (iii) such other transaction or event as the Board deems, in its sole discretion, to constitute a change of control.

Each Executive that resigns must give the Company 30 days prior written notice.

There are no significant conditions or obligations that apply to receiving payments or benefits. This includes, but is not limited to, non-compete, non-solicitation (except as provided in the executive employment agreements), non-disparagement or confidentiality agreements.

Amounts payable to Mr. Harkins, had he been terminated on December 31, 2016, would have been \$580,000 for his twenty-four times monthly base salary, \$29,000 for the loss of group benefits and \$60,375 for the sum of bonuses paid over the previous two calendar years multiplied by 50%. Amounts payable to Mr. Curzadd, had he been terminated on December 31, 2016, would have been \$322,500 for his eighteen times monthly base salary, \$21,500 for the loss of group benefits and \$39,470 for the sum of bonuses paid over the previous two calendar years multiplied by 50%. Amounts payable to Mr. Benson, had he been terminated on December 31, 2016, would have been \$580,000 for his twenty-four times monthly base salary, \$29,000 for the loss of group benefits and \$57,126 for the sum of bonuses paid over the previous two calendar years multiplied by 50%.



## Director Compensation

The Compensation Committee, after referring to compensation paid to directors of other comparable companies, makes a recommendation to the Board as to appropriate compensation for the directors of the Company. Director compensation is reviewed annually by the Compensation Committee. The Board discusses the Compensation Committee's recommendations and provides the final approval.

The Company's overall policy regarding compensation of directors, other than those directors who are also Named Executive Officers, is structured to provide competitive levels of total compensation and to attract and retain suitable and qualified directors with commitment to the Company. The Company also looks at the compensation of the boards of other comparable publicly traded companies.

The Board compensation program includes two elements. The first is fees that include remuneration for active participation in regular board meetings, board committees, and teleconference board meetings (there are separate retainers for the board chairman and committee chairs). The second element is a long term incentive, which is in the form of stock options and share based awards similar in concept to deferred share units.

Directors of the Company are reimbursed for expenses incurred in carrying out their duties, including expenses incurred to attend directors' meetings and meetings of committees of directors.

## EQUITY COMPENSATION PLAN INFORMATION

The table below sets forth information with respect to compensation plans under which equity securities are authorized for issuance as at December 31, 2016, aggregated for all compensation plans previously approved by the Shareholders and all compensation plans not previously approved by the Shareholders.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options <sup>(1)</sup> , Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c)
Equity Compensation Plans Approved by Security Holders	1,120,000	CAD\$2.09	14,565,918
Equity Compensation Plans Not Approved by Security Holders	Nil	Nil	Nil
<b>Total</b>	<b>1,120,000</b>	<b>CAD\$2.09</b>	<b>14,565,918</b>

**Note:**

- (1) The Company has in place a "rolling" Stock Option Plan whereby the maximum number of Common Shares that may be reserved for issuance pursuant to the Stock Option Plan will not exceed 10% of the issued and outstanding Common Shares at the time of an Option award.

## CORPORATE GOVERNANCE PRACTICES

Effective June 30, 2005, National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) and National Policy 58-201 – *Corporate Governance Guidelines* (“**NP 58-201**”) were adopted in each of the provinces and territories of Canada. NI 58-101 requires issuers to disclose the corporate governance practices that they have adopted. NP 58-201 provides guidance on corporate governance practices.

The Board is responsible for the governance of the Company. The Board and the Company's management consider good corporate governance to be central to the effective and efficient operation of the Company. Attached as Appendix "B" is a discussion of the Company's approach to corporate governance.

### **AUDIT COMMITTEE DISCLOSURE**

The Company is subject to NI 52-110, which has been adopted in various Canadian provinces and territories and which prescribes certain requirements in relation to audit committees. Attached as Appendix "C" is the Company's audit committee charter.

#### ***Composition of the Audit Committee***

The Audit Committee is comprised of three individuals, all of whom are "financially literate" and all of whom are considered to be "independent" within the meanings given to such terms in NI 52-110. The current members of the Audit Committee are Mr. Gerald F. Clark (Chairman), Mr. Michael J. Hibberd and Mr. Garry P. Mihaichuk.

#### ***Relevant Education and Experience***

Each member of the Audit Committee has served in senior positions within their respective organizations and/or served as directors of public and private companies, which has afforded them the opportunity to gain familiarity with financial matters relevant to Greenfields. See "*Particulars of Matters to be Acted upon at the Meeting – Election of Directors*".

#### ***Each member of the Audit Committee has:***

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements;
- (b) the ability to assess the general application of those principles in connection with the accounting for estimates, accruals and reserves;
- (c) experience in preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising individuals engaged in such activities; and
- (d) an understanding of internal controls and procedures for financial reporting.

#### ***Audit Committee Oversight***

The Board has adopted all recommendations of the Audit Committee with respect to the nomination or compensation of an external auditor.

#### ***Reliance on Certain Exemptions***

The Company is relying upon the exemption in section 6.1 of NI 52-110 with respect to compliance with the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

### ***Pre-Approval Policies and Procedures***

Any proposed audit and permitted non-audit services (as identified by the Audit Committee at the time the annual audit engagement is approved) to be provided by the external auditor to the Company or its subsidiaries must receive prior approval from the Audit Committee. The Company has not adopted specific policies and procedures for the engagement of non-audit services. The Audit Committee will review the engagement of non-audit services as may be required.

The Chief Financial Officer shall act as the primary contact to receive and assess any proposed engagements from the external auditor. Following receipt and initial review for eligibility by the primary contact, a proposal would then be forwarded to the Audit Committee for review and confirmation that a proposed engagement is permitted. In the majority of such instances, proposals may be received and considered by the Chair of the Audit Committee (or such other member of the Audit Committee who may be delegated authority to approve audit and permitted non-audit services), for approval of the proposal on behalf of the Audit Committee. The Audit Committee Chair will then inform the Audit Committee of any approvals granted at the next scheduled meeting.

### ***External Auditor Service Fees***

The fees paid to Calvetti, the Company's former external auditor, in each of the last two fiscal years are as follows:

<b>Fiscal Year Ending</b>	<b>Audit Fees<sup>(1)</sup></b>	<b>Audit-Related Fees<sup>(2)</sup></b>	<b>Tax Fees<sup>(3)</sup></b>	<b>All Other Fees<sup>(4)</sup></b>
December 31, 2016	\$123,874	\$129,961	\$Nil	\$Nil
December 31, 2015	\$136,370	\$62,660	\$Nil	\$Nil

**Notes:**

- (1) The aggregate fees billed by the Company's former auditor for audit fees.
- (2) The aggregate fees billed for assurance and related services by the Company's former auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not disclosed in the "Audit fees" column.
- (3) The aggregate fees billed for professional services rendered by the Company's former auditor for tax compliance, tax advice, and tax planning.
- (4) The aggregate fees billed for professional services rendered by the Company's former auditor in relation to private placements, and prospectus filings.

### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

As at the date of the Circular, none of the Company's directors or executive officers or nominees for election as a director, or their respective associates or affiliates, are indebted to the Company.

### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Except as disclosed below, no informed person (as defined in NI 51-102) of the Company, or any associate or affiliate of any informed person, has had any material interest, direct or indirect, in any transaction, or proposed transaction, which has materially affected or would materially affect the Company or any of its subsidiaries since the commencement of the most recently completed financial year of the Company.

Geir Sagemo and David B. Fransen, directors of the Company, are also executive officers of Vitol. On September 9, 2016, the Company issued to Vitol 75,404,975 Common Shares and 75,404,975 Common Share purchase warrants of the Company in consideration for agreeing to loan restructuring terms (the “**Vitol Share Issuance**”). Upon the issuance of such Common Shares, Vitol became a new control person of the Company. The Vitol Share Issuance was approved by the Shareholders on August 18, 2016.

#### **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

Other than as set forth herein, management of the Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who has been a director or executive officer of the Company at any time since the beginning of the Company’s last financial year, or of any associate or affiliate of any such persons, in any matter to be acted upon at the Meeting.

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available to the public free of charge on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information in respect of the Company and its affairs is provided in the Company’s annual audited consolidated financial statements for the year ended December 31, 2016 and the related management’s discussion and analysis. Copies of the Company’s financial statements and related management’s discussion and analysis are available upon request and without charge from the Company at Greenfields Petroleum Corporation, Suite 250, 211 Highland Cross Drive, Houston, Texas 77073, U.S.A. (Telephone: (832) 234-0800; Fax: (877) 644-6211).

#### **DIRECTORS’ APPROVAL**

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

(signed) “*John W. Harkins*”

John W. Harkins  
President, Chief Executive Officer and Director

**APPENDIX "A"**  
**GREENFIELDS PETROLEUM CORPORATION**  
**STOCK OPTION PLAN**

1. **Purpose.** The purpose of this Plan (as defined below) is to provide an incentive to the directors, officers, employees, consultants and other personnel of the Corporation or any of its subsidiaries to achieve the longer-term objectives of the Corporation; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Corporation; and to attract to and retain in the employ of the Corporation or any of its subsidiaries, persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Corporation.

2. **Definitions and Interpretation.**

(1) Definitions. When used in this Plan, unless there is something in the subject matter or context inconsistent therewith, the following words and terms shall have the respective meanings ascribed below:

(a) "affiliate" means an affiliated body corporate within the meaning of Section 2(b) hereof;

(b) "associate" when used to indicate a relationship with any person, means:

i. a body corporate of which that person beneficially owns or controls, directly or indirectly, shares or securities currently convertible into shares carrying more than 10% of the voting rights under all circumstances or under any circumstances that have occurred and are continuing, or a currently exercisable option or right to purchase those shares or those convertible securities;

ii. a partner of that person acting on behalf of the partnership of which they are partners;

iii. a trust or estate in which that person has a substantial interest or in respect of which that person serves as a trustee or in a similar capacity;

iv. a spouse or adult interdependent partner of that person; or

v. a relative of that person or of that person's spouse or adult interdependent partner if that relative has the same residence as that person;

(c) "Board of Directors" means the Board of Directors of the Corporation;

(d) "body corporate" includes a company or other body corporate wherever or however incorporated;

(e) "Change of Control" means:

i. the acquisition of:

- A. shares of the Corporation; and/or
- B. securities convertible into, exercisable for or carrying the right to purchase shares of the Corporation (“Convertible Securities”),

as a result of which a person, group of persons or persons acting jointly or in concert, or persons that are associates or affiliates with any such person, group of persons or any of such persons (collectively “Acquirors”), beneficially own shares of the Corporation or Convertible Securities such that, assuming only the conversion or exercise of Convertible Securities beneficially owned by the Acquirors, the Acquirors would beneficially own shares which would entitle them to cast more than 50% of the votes attaching to all shares in the capital of the Corporation which may be cast to elect directors of the Corporation; or

- ii. approval by the shareholders of the Corporation of:
    - A. an amalgamation, arrangement, merger or other consolidation of the Corporation with another corporation pursuant to which the shareholders of the Corporation immediately prior thereto do not immediately thereafter own shares of the successor continuing corporation which entitle them to cast more than 50% of the votes attaching to all shares in the capital of the successor or continuing corporation which may be cast to elect directors of that corporation; or
    - B. a liquidation, dissolution or winding-up of the Corporation;
    - C. a sale, lease or other disposition of all or substantially all of the assets of the Corporation; or
    - D. Incumbent Directors ceasing to constitute a majority of the Board of Directors of the Corporation; or
  - iii. or such other transaction or event as the Board of Directors deems, in its sole discretion, to constitute a change of control;
- (f) “Code” means the United States Internal Revenue Code of 1986, as amended;
  - (g) “Committee” means the Compensation Committee of the Board of Directors or such other committee of the Board of Directors as may be appointed by the Board to administer the Plan, or failing such appointment, the Board of Directors;
  - (h) “Common Shares” means the common stock, par value \$0.001 per share, of the Corporation and any shares or securities of the Corporation into which such common shares are changed, converted, subdivided, consolidated or reclassified;
  - (i) “Corporation” means Greenfields Petroleum Corporation and any successor corporation and any reference herein to action by the Corporation means action by or under the authority of its Board of Directors or a duly empowered committee appointed by the Board of Directors;

- (j) “Discounted Market Price” means the last per share closing price for the Common Shares on the Exchange before the date of grant of an Option, less any applicable discount under Exchange Policies;
  - (k) “Exchange” means the TSX Venture Exchange Inc. or any other stock exchange on which the Common Shares are listed;
  - (l) “Exchange Policies” means the policies of the Exchange, including those set forth in the Corporate Finance Manual of the Exchange;
  - (m) “Fair Market Value” means the closing sales price of a Common Share on the applicable date (or if there is no trading in the Common Shares on such date, on the next preceding date on which there was trading), as reported by the Exchange; provided, however, that in the event Common Shares are not publicly traded at the time a determination of fair market value is required to be made hereunder, the determination of fair market value shall be made in good faith by the Committee;
  - (n) “Incumbent Director” means any member of the board of directors of the Corporation who was a member of the board of directors of the Corporation immediately prior to the occurrence of the transaction, transactions, elections or appointments giving rise to a Change of Control and any successor to an Incumbent Director who was recommended or elected or appointed to succeed any Incumbent Director by the affirmative vote of the directors including a majority of the Incumbent Directors then on the board of directors of the Corporation.
  - (o) “Insider” has the meaning ascribed thereto in Exchange Policies;
  - (p) “Option” means an option granted by the Corporation to an Optionee entitling such Optionee to acquire a designated number of Common Shares at a price determined by the Committee;
  - (q) “Option Period” means the period determined by the Committee during which an Optionee may exercise an Option, not to exceed the maximum period of ten (10) years from the date the Option is granted;
  - (r) “Optionee” means a natural person who is (A) a director, officer, employee, consultant or other personnel of the Corporation, or a subsidiary of the Corporation, and (B) granted an Option pursuant to this Plan; and
  - (s) “Plan” shall mean the Corporation's incentive stock option plan as embodied herein and as from time to time amended.
- (2) (a) For the purposes of this Plan:
- i. one body corporate is affiliated with another body corporate if one of them is the subsidiary of the other or both are subsidiaries of the same body corporate or each of them is controlled by the same person; and
  - ii. if two bodies corporate are affiliated with the same body corporate at the same time, they are deemed to be affiliated with each other.

- (b) For the purposes of this Plan, a body corporate is controlled by a person if:
- i. securities of the body corporate to which are attached more than 50% of the votes that may be cast to elect directors of the body corporate are held, other than by way of security only, by or for the benefit of that person; and
  - ii. the votes are attached to those securities are sufficient, if exercised, to elect a majority of the directors of the body corporate.

(c) For the purposes of this Plan, a body corporate is the holding body corporate of another if that other body corporate is its subsidiary;

(d) For the purposes of this Plan, a body corporate is a subsidiary of another body corporate if:

i. it is controlled by:

A. that other;

B. that other and one or more bodies corporate, each of which is controlled by that other; or

C. two or more bodies corporate, each of which is controlled by that other;

or

ii. it is a subsidiary of a body corporate that is that other's subsidiary.

(3) **Other Defined Terms.** Capitalized terms in the Plan that are not otherwise defined herein shall have the meaning set out in the Exchange Policy, including without limitation "Consultant", "Employee", "Director", "Insider", "Investor Relations Activities" and "Management Company Employee".

(4) **Construction.** In this Plan, unless a clear contrary intention appears, (a) the words "herein," "hereof" and "hereunder" and other words of similar import refer to this Plan as a whole and not to any particular section or other subdivision; (b) reference to any section means such section hereof; (c) the words "including" (and with correlative meaning "include") means including, without limiting the generality of any description preceding such term; and (d) wherever the singular or masculine is used in this Plan, the same shall be construed as meaning the plural or feminine or body corporate and vice versa, where the context or the parties so require.

**3. Administration.** The Plan shall be administered by the Committee, which shall have full and final discretion to interpret the provisions of the Plan and to prescribe, amend, rescind and waive rules and regulations to govern the administration and operation of the Plan. All decisions and interpretations made by the Committee shall be binding and conclusive upon the Corporation and on all persons eligible to participate in the Plan, subject to stockholder approval if required by the Exchange.

**4. Eligibility.** The Committee may at any time and from time to time designate those Optionees. Subject to Exchange Policies and the limitations contained herein, the Committee is



authorized to provide for the grant and exercise of Options on such terms (which may vary as between Options and Optionees) as it shall determine. A person who has been granted an Option may, if he is otherwise eligible and if permitted by Exchange Policies, be granted an additional Option or Options if the Committee shall so determine. Subject to Exchange Policies, the Corporation shall represent that the Optionee is a bona fide Employee, Director, Consultant or Management Company Employee (as such terms are defined in Exchange Policies) in respect of Options granted to such Optionees.

#### **5. Participation and Limited Rights of Optionee.**

- (a) No Participation Requirement; No Right to Options. Participation in the Plan shall be entirely voluntary and any decision not to participate shall not affect an Optionee's relationship or employment with the Corporation. No person shall have any claim to be granted any Option under the Plan, and there is no obligation for uniformity of treatment of Optionees. The terms and conditions of Options need not be the same with respect to each Optionee.
- (b) No Service or Employment Right. Notwithstanding any express or implied term of this Plan or any Option to the contrary, the granting of an Option pursuant to the Plan shall in no way be construed as conferring on any Optionee any right to continue to serve as a director, officer, employee or consultant of the Corporation or any subsidiary of the Corporation.
- (c) Service to Corporation and Subsidiaries. Options shall not be affected by any change of employment of the Optionee or by the Optionee ceasing to be a director or officer of or a consultant to the Corporation or any of its subsidiaries, where the Optionee at the same time becomes or continues to be a director, officer or employee of or a consultant to the Corporation or any of its subsidiaries.
- (d) No Rights As Stockholder. No Optionee shall have any of the rights of a stockholder of the Corporation in respect to Common Shares issuable on exercise of an Option until such Common Shares shall have been paid for in full and issued by the Corporation on exercise of the Option, in each case, pursuant to this Plan.

#### **6. Common Shares Subject to Options.**

- (a) Number of Common Shares Subject to Plan. The number of authorized but unissued Common Shares that may be issued upon the exercise of Options granted under the Plan at any time plus the number of Common Shares reserved for issuance under outstanding incentive stock options otherwise granted by the Corporation shall not exceed 10% of the issued and outstanding Common Shares on a non-diluted basis at any time, and such aggregate number of Common Shares shall automatically increase or decrease as the number of issued and outstanding Common Shares changes. The Options granted under the Plan together with all of the Corporation's other previously established stock option plans or grants shall not result at any time in:
  - i) the number of Common Shares reserved for issuance pursuant to Options granted to Insiders exceeding 10% of the issued and outstanding Common Shares;
  - ii) the grant to Insiders within a 12 month period of a number of Options exceeding 10% of the issued and outstanding Common Shares;

- iii) the grant to all Optionees performing investor relations services, whether Consultants or Employees, of a number of Options exceeding 2% of the issued and outstanding Common Shares; or
  - iv) the number of Common Shares reserved for issuance pursuant to Options that qualify as incentive stock options under Section 422 of the Code and that are granted to Optionees resident in the United States exceeding 4,000,000 (the "US ISO Cap"); provided, however, that if the number of Common Shares reserved for issuance pursuant to the first sentence of this Section 6(a) (the "Plan Cap") is at any time less than 4,000,000, the US ISO Cap shall be reduced to such Plan Cap at such time.
- (b) Individual Grants. Unless disinterested stockholder approval is obtained, the aggregate number of Common Shares reserved for issuance to any one (1) Optionee under Options granted in any 12 month period shall not exceed 5% of the issued and outstanding Common Shares determined at the date of grant. The aggregate number of Common Shares reserved for issuance to an Optionee who is a Consultant shall not exceed 2% of the issued and outstanding Common Shares determined at the date of grant.
- (c) Certain Adjustments. Appropriate adjustments shall be made as set forth in Section 13, in both the number of Common Shares covered by individual grants and the total number of Common Shares authorized to be issued hereunder, to give effect to any relevant changes in the capitalization of the Corporation.
- (d) Re-use of Certain Common Shares. If any Option granted hereunder shall expire or terminate for any reason without having been exercised in full, the unpurchased Common Shares subject thereto shall again be available for the purpose of the Plan.

## 7. **Option Agreement and Option Terms**

- (a) Option Terms. A written agreement will be entered into between the Corporation and each Optionee to whom an Option is granted hereunder, which agreement will set out the (i) number of Common Shares subject to such Option, (ii) Option Period, (iii) exercise price therefor (the "Exercise Price"); any Vesting Period pursuant to Section 7(c) and (iv) any other terms and conditions approved by the Committee, all in accordance with the provisions of this Plan (a "Stock Option Agreement"). The Stock Option Agreement will be in such form as the Committee may from time to time approve, and may contain such terms as may be considered necessary in order that the Option will comply with any provisions respecting options in the income tax or other laws in force in any country or jurisdiction of which the Optionee may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Corporation.
- (b) Minimum Exercise Price. Subject to Exchange Policies, any limitations imposed by any relevant regulatory authority and Section 14(c), the Exercise Price of an Option granted under the Plan shall be as determined by the Committee when such Option is granted, shall be specified in the Stock Option Agreement therefor and shall be an amount at least equal to the Discounted Market Price of the Common Shares.
- (c) Vesting Period. The Committee may determine that an Option is subject to a vesting period (a "Vesting Period"), prior to the expiration of which the Option shall not be

exercisable. Subject to Exchange Policies, the Committee may, in its sole discretion, determine the time during which an Option shall vest and the method of vesting, or that no vesting restriction shall exist. Except as otherwise provided in the terms of the Stock Option Agreement, upon termination, for any reason prior to the date an Option becomes vested, of an Optionee's employment with or services to the Corporation and its subsidiaries or membership on the Board of Directors, whichever is applicable, all unvested Options shall be forfeited by the Optionee.

**8. Exercise of Options.**

- (a) Period for Exercise. An Optionee shall be entitled to exercise an Option granted to it at any time prior to the expiry of the Option Period, subject to Sections 9 and 10 and to any Vesting Period that may be imposed by the Committee at the time such Option is granted.
- (b) Manner of Exercise. The exercise of any Option will be conditional upon receipt by the Corporation at its head office of a written notice of exercise, specifying the number of Common Shares in respect of which the Option is being exercised, accompanied by cash payment, certified cheque or bank draft, the form of which shall be as specified by the Corporation, for an amount equal to the Exercise Price multiplied by the number of Common Shares with respect to which the Option is being exercised.
- (c) Compliance with Laws. Common Shares shall not be issued pursuant to the exercise of an Option unless the exercise of such Option and the issuance and delivery of such Common Shares pursuant thereto shall comply with all relevant provisions of applicable securities law, including the 1933 Act, the United States Securities and Exchange Act of 1934, as amended, applicable U.S. state laws, the rules and regulations promulgated thereunder, and the requirements of any stock exchange on which the Common Shares are listed or consolidated stock price reporting system on which prices for the Common Shares are quoted at any given time. As a condition to the exercise of an Option, the Corporation may require the person exercising such Option to represent and warrant at the time of any such exercise that the Common Shares are: (i) being purchased only for investment; (ii) without any present intention to sell or distribute such Common Shares; and (iii) such additional matters as requested by the Committee.
- (d) Legended Certificates. The certificates representing any Common Shares issued upon exercise of an Option shall be subject to such stop-transfer orders and other restrictions as the Committee may deem advisable under the Plan or the rules, regulations and other requirements of applicable regulatory body, any stock exchange upon which the Common Shares or other securities of the Corporation are then listed, and any applicable laws; the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.
- (e) Withholding. At the discretion of the Committee, Optionees may satisfy withholding obligations as provided in this paragraph. When an Optionee incurs tax liability in connection with an Option, which tax liability is subject to tax withholding under applicable tax laws (including income and payroll withholding taxes), and Optionee is obligated to pay the Corporation an amount required to be withheld under applicable tax laws, Optionee may satisfy the tax withholding obligation by one or some combination of the following methods: (i) by cash payment; (ii) out of Optionee's current compensation; (iii) if permitted by the Committee, in its discretion, by surrendering to the Corporation,

Common Share(s) that (A) have been owned by Optionee for more than six (6) months on the date of surrender or such other period as may be required to avoid a charge to the Corporation's earnings, and (B) have a Market Value on the date of surrender equal to (or less than, if other consideration is paid to the Corporation to satisfy the withholding obligation) Optionee's applicable tax rate times the ordinary income recognized, plus an amount equal to the Optionee's share of any applicable payroll withholding taxes; or (iv) if permitted by the Committee, in its discretion, by electing to have the Corporation withhold from the Common Share(s) to be issued upon exercise of the Option, if any, that number of Common Share(s) having a Market Value equal to the amount required to be withheld. For this purpose, the "Market Value" of the Common Share(s) to be withheld shall be determined on the date that the amount of tax to be withheld is to be determined (the "Tax Date"). In making its determination as to the type of consideration to accept, the Committee shall consider if acceptance of such consideration may be reasonably expected to benefit the Corporation or result in the recognition of compensation expense (or additional compensation expense) for financial reporting purposes.

- (f) Reduction in Exercise Price. Disinterested shareholder approval is required for any reduction in the Exercise Price if the Optionee is an Insider of the Corporation.

**9. Ceasing to be a Director, Officer, Employee or Consultant.** Unless otherwise determined by the Committee, and subject to the rules and policies of the Exchange, if an Optionee ceases to be a director, officer, employee or consultant of the Corporation or its subsidiaries for any reason other than death, the Optionee may, but only within a reasonable period, to be set out in the applicable Stock Option Agreement at the time of the grant, following the Optionee's ceasing to be a director, officer, employee or consultant (or 30 days in the case of an Optionee engaged in Investor Relations Activities) or prior to the expiry of the Option Period, whichever is earlier, exercise any Option held by the Optionee, but only to the extent that the Optionee was entitled to exercise the Option at the date of such cessation.

**10. Death of Optionee.** In the event of the death of an Optionee, the Option previously granted to him shall be exercisable within one (1) year following the date of the death of the Optionee or prior to the expiry of the Option Period, whichever is earlier, and then only (a) by the person or persons to whom the Optionee's rights under the Option shall pass by the Optionee's will or the laws of descent and distribution, or by the Optionee's legal personal representative; and (b) to the extent that the Optionee was entitled to exercise the Option at the date of the Optionee's death.

**11. Optionee's Rights Not Transferable.**

- (a) General. No right or interest of any Optionee in or under the Plan may be, in whole or in part, either directly or by operation of law or otherwise, assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by an Optionee and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Corporation or any of its affiliates; provided, however, that each Option may be assigned or transferred by bequeath or the laws of descent and distribution, subject also to compliance with the requirements of the Exchange.

- (b) Plan Binding on Corporation. Subject to the foregoing, the terms of the Plan shall bind the Corporation and its successors and assigns, and each Optionee and his heirs, executors, administrators and personal representatives.

**12. Change of Control.** The Committee shall have the power, in the event of a Change of Control to make such arrangements as it shall deem appropriate for the exercise of outstanding Options or continuance of outstanding Options, including to amend any Stock Option Agreement to permit the exercise of any or all of the remaining Options prior to the completion of any such transaction. If the Committee shall exercise such power, the Option shall be deemed to have been amended to permit the exercise thereof in whole or in part by the Optionee at any time or from time to time as determined by the Committee prior to the completion of such transaction.

**13. Anti-Dilution of the Option.**

- (a) Certain Adjustments. In the event of:

- i) any subdivision, redivision or change of the Common Shares at any time during the term of the Option into a greater number of Common Shares, the Corporation shall deliver, at the time of any exercise thereafter of the Option, such number of Common Shares as would have resulted from such subdivision, redivision or change if the exercise of the Option had been made prior to the date of such subdivision, redivision or change;
- ii) any consolidation or change of the Common Shares at any time during the term of the Option into a lesser number of Common Shares, the number of Common Shares deliverable by the Corporation on any exercise thereafter of the Option shall be reduced to such number of Common Shares as would have resulted from such consolidation or change if the exercise of the Option had been made prior to the date of such consolidation or change; or
- iii) any reclassification of the Common Shares at any time outstanding or change of the Common Shares into other shares, or in case of the consolidation, amalgamation or merger of the Corporation with or into any other corporation (other than a consolidation, amalgamation or merger which does not result in a reclassification of the outstanding Common Shares or a change of the Common Shares into other shares), or in case of any transfer of the assets of the Corporation as an entirety or substantially as an entirety to another corporation, at any time during the term of the Option, the Optionee shall be entitled to receive, and shall accept, in lieu of the number of Common Shares to which he was theretofore entitled upon exercise of the Option, the kind and amount of shares and other securities or property which such holder would have been entitled to receive as a result of such reclassification, change, consolidation, amalgamation, merger or transfer if, on the effective date thereof, he had been the holder of the number of Common Shares to which he was entitled upon exercise of the Option; or
- iv) upon the distribution by the Corporation to holders of the Common Shares of shares of any class (whether of the Corporation or another corporation, but other than Common Shares), rights, options or warrants, evidences of indebtedness or cash (other than dividends in the ordinary course), other securities or other assets, the Corporation will deliver upon exercise of an Options, in addition to the number of

Common Shares in respect of which the right to purchase is being exercised and without the Optionee making any additional payment, such other securities, evidence of indebtedness or assets as result from such distribution.

- (b) Successive Adjustments. Adjustments shall be made successively whenever any event referred to in this Section 13 shall occur. For greater certainty, the Optionee shall pay for the number of shares, other securities or property as aforesaid, the amount the Optionee would have paid if the Optionee had exercised the Option prior to the effective date of such subdivision, redivision, consolidation or change of the Common Shares or such reclassification, consolidation, amalgamation, merger or transfer, as the case may be.

**14. United States Matters.**

- (a) General Application. Each Option granted under the Plan to an Optionee who is a citizen or resident of the United States of America (including its territories, possessions and all areas subject to the jurisdiction) (a "U.S. Optionee") will be designated in the Stock Option Agreement as either a non-qualified stock option or an incentive stock option within the meaning of Section 422 of the Code and shall comply with this Section 14.
- (b) Incentive Stock Options. If not designated in the Stock Option Agreement, the Option shall be an incentive stock option. No provisions of the Plan, as it may be applied to a U.S. Optionee who has been granted an incentive stock option within the meaning of Section 422 of the Code, shall be construed so as to be inconsistent with any provision of Section 422 of the Code. Notwithstanding anything in the Plan contained to the contrary, the following provisions shall apply to each U.S. Optionee who is granted an incentive stock option within the meaning of Section 422 of the Code:
- i) Options shall only be granted to U.S. Optionees who are, at the time of grant, officers, employees or directors (provided, for purposes of this Section 14(b) only, such directors are then also officers or employees of the Corporation or a subsidiary);
  - ii) In the event of the death of a U.S. Optionee, the Option previously granted to him shall be exercisable within one (1) year following the date of the death of the U.S. Optionee or prior to the expiry of the Option Period, whichever is earlier, and then only (A) by the person or persons to whom the U.S. Optionee's rights under the Option shall pass by the U.S. Optionee's will or the laws of descent and distribution, or by the U.S. Optionee's legal personal representative; and (B) to the extent that the U.S. Optionee was entitled to exercise the Option at the date of the U.S. Optionee's death;
  - iii) In the event of the termination of the employment by the Corporation or its subsidiaries of a U.S. Optionee, the Option previously granted to him shall be exercisable within three (3) months following the date of the termination of the U.S. Optionee or prior to the expiry of the Option Period, whichever is earlier; provided, however, that if such termination is due to the disability of the U.S. Optionee, then such 3-month period shall be a 12-month period;

- iv) the aggregate Fair Market Value (determined as of the time the option is granted) of the Common Share(s) exercisable for the first time by a U.S. Optionee during any calendar year under the Plan and all other stock option plans, within the meaning of Section 422 of the Code, of the Corporation or any subsidiary shall not exceed US\$100,000;
- v) if any U.S. Optionee to whom an Option is to be granted under the Plan at the time of the grant of such Option is the owner of shares possessing more than ten percent (10%) of the total combined voting power of all classes of shares of the Corporation, then the following special provisions shall be applicable to the Option granted to such individual:
  - (1) the Exercise Price per Common Share subject to such option shall not be less than one hundred and ten percent (110%) of the Fair Market Value of one Common Share at the time of grant; and
  - (2) for the purposes of this Section 14(b) only, the Option Period shall not exceed five (5) years from the date of grant;
- vi) no Option granted to a U.S. Optionee under the Plan shall become exercisable unless and until the Plan shall have been approved by the stockholders of the Corporation;
- vii) Common Shares that are acquired pursuant to the exercise of an Option may not be sold by the U.S. Optionee within the two (2) year period following the date the Option was granted and the one (1) year period following the exercise date; and
- viii) no incentive stock options may be granted under the Plan after ten (10) years after the adoption of this Plan by the Board of Directors
  - provided, however, that should any Option granted pursuant to this Section 14(b) fail to meet in operation the standards and requirements of this Section 14(b), such Option shall be treated as a non-qualified stock option to the extent of such failure.
- (c) Section 409A of the Code. Notwithstanding any other provision of the Plan to the contrary, any Option granted under the Plan shall contain terms that (i) provide that the Exercise Price for each Common Share under each Option granted to a U.S. Optionee pursuant to the Plan shall be not less than the Fair Market Value at the time the Option is granted; and (ii) are (A) designed to avoid application of Section 409A of the Code to the Option or (B) are designed to avoid adverse tax consequences under Section 409A should that Code section apply to the Option. If any Plan provision or Option under the Plan would result in the imposition of an applicable tax under Section 409A of the Code and related regulations and pronouncements, that Plan provision or Option will be reformed to the extent reformation would avoid imposition of the applicable tax and no action taken to comply with Section 409A of the Code shall be deemed to adversely affect the U.S. Optionee's rights to an Option or to require the U.S. Optionee's consent.
- (d) Maximum Options Awarded in a Year. The aggregate number of Common Shares subject to one or more Options that are granted to any one Covered Employee in any calendar year shall not exceed 1,000,000 Common Shares. The term "Covered

Employee” means the Chief Executive Officer of the Corporation and, as of the most recent fiscal year, the four other highest paid officers of the Corporation.

**15. Termination and Amendment.**

- (a) Compliance with Law. The Board of Directors may amend or terminate this Plan or any outstanding Option granted hereunder at any time without the approval of the stockholders of the Corporation or any Optionee whose Option is amended or terminated, in order to conform this Plan or such Option, as the case may be, to applicable law or regulation or the requirements of the Exchange or any relevant regulatory authority, whether or not such amendment or termination would affect any accrued rights, subject to the approval of the Exchange or such regulatory authority.
- (b) Other Reasons. The Board of Directors may amend or terminate this Plan or any outstanding Option granted hereunder for any reason, other than the reasons set forth in Section 15(a), subject to the approval of the Exchange or any relevant regulatory authority and the approval of the stockholders of the Corporation if required by the Exchange or such regulatory authority. No such amendment or termination will, without the consent of an Optionee, alter or impair any rights which have accrued to him prior to the effective date thereof.
- (c) Initial Exchange Approval. The Plan, and any amendments thereto, shall be subject to acceptance and approval by the Exchange. Any Options granted prior to such approval and acceptance shall be conditional upon such approval and acceptance being given and no such Options may be exercised unless and until such approval and acceptance are given.

**16. Applicable Law.** The validity, construction, and effect of the Plan and any rules and regulations relating to the Plan shall be determined in accordance with the laws of the State of Delaware without regard to its conflict of laws principles.

**17. Effective Date.** This Plan shall become effective as of and from, and the effective date of the Plan shall be April 7, 2010, upon receipt of all necessary stockholder and regulatory approvals.

**18. General.**

- (a) Severability. If any provision of the Plan or any award is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction or as to any Optionee or Option, or would disqualify the Plan or any award under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to the applicable laws, or if it cannot be construed or deemed amended without, in the determination of the Committee, materially altering the intent of the Plan or the Option, such provision shall be stricken as to such jurisdiction, person or award and the remainder of the Plan and any such Option shall remain in full force and effect.
- (b) No Trust or Fund Created. Neither the Plan nor any award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Corporation and an Optionee or any other person. To the extent that any person acquires a right to receive payments from the Corporation pursuant to an Option, such



right shall be no greater than the right of any general unsecured creditor of the Corporation.

- (c) No Fractional Shares. No fractional Common Shares shall be issued or delivered pursuant to the Plan or any Option, and the Committee shall determine whether cash, other securities, or other property shall be paid or transferred in lieu of any fractional Common Shares or whether such fractional Common Shares or any rights thereto shall be cancelled, terminated or otherwise eliminated.
- (d) Headings. Headings are given to the Sections and subsections of the Plan solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of the Plan or any provision thereof.
- (e) No Guarantee of Tax Consequences. None of the Board of Directors, the Corporation, nor the Committee makes any commitment or guarantee that any federal, state or local tax treatment will apply or be available to any person participating or eligible to participate hereunder.

**APPENDIX “B”  
CORPORATE GOVERNANCE PRACTICES**

Below is a discussion of the Greenfields’ approach to corporate governance.

***Board of Directors***

The Board is presently comprised of six directors, three of whom, namely, Messrs. Michael J. Hibberd, Garry P. Mihaichuk and Gerald F. Clark, are considered to be independent for the purposes of National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”). The Company is examining the Board from an independence standpoint and will look for opportunities to add additional diversity and independence. Mr. Hibberd is the Chairman of the Board. Messrs. Sagemo and Fransen are not considered independent by virtue of their positions as executive officers of Vitol, which is an “affiliated entity” of the Company (as defined in NI 52-110) due to its ownership of approximately **43.4%** of the issued and outstanding Common Shares. Mr. Harkins is not considered independent because he is an executive officer of the Company. Pursuant to NI 58-101, a director is independent if he or she has no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgment. In addition, certain individuals are deemed, for the purposes of NI 58-101, to have material relationships with the Company, including any individual who is, or has recently been, an employee or executive officer of the Company, and an individual whose immediate family member is, or has recently been, an executive officer of the Company.

The size of the Company is such that all of its operations are conducted by a small management team. The Board considers that management is effectively supervised by the independent directors on an informal basis because the independent directors have regular and full access to each member of management. The independent directors are also able to meet at any time they consider necessary without any members of management (including the non-independent directors) being present.

Further supervision is performed through the Audit Committee, which is composed entirely of independent directors.

***Directorships***

Certain of the Company’s directors are also currently directors of other reporting issuers as follows:

<u>Name of Director</u>	<u>Name of Other Reporting Issuers</u>	<u>Position with Other Reporting Issuers</u>
Michael J. Hibberd	Canacol Energy Ltd.	Chairman
	Montana Exploration Corp.	Director
	Pan Orient Energy Corp.	Director
	Sunshine Oilsands Ltd.	Vice-Chairman
	PetroFrontier Corp	Director

<u>Name of Director</u>	<u>Name of Other Reporting Issuers</u>	<u>Position with Other Reporting Issuers</u>
John W. Harkins	Strategic Oil & Gas Ltd.	Director
	Petro Phoenix Resources Corp.	Director
	Petro Phoenix Oil Corp.	Director
Garry P. Mihaichuk	Badger Daylighting Ltd.	Director
	Nordic Petroleum AS (Norwegian Stock Exchange)	Director

The Board exercises its independent supervision over the Company's management through a combination of formal meetings of the Board as well as informal discussions amongst the Board members. The independent directors can also hold scheduled meetings at which non independent directors and members of management are not in attendance. Where matters arise at Board meetings which require decision making and evaluation that is independent of management and interested directors, the meeting breaks into an in camera session among the independent and disinterested directors.

The Chairman of the Board is Mr. Hibberd, an independent director. The role of the Chairman of the Board is to enhance the Board's effectiveness by ensuring that the responsibilities of the Board are understood by the Board members and management and ensuring the Board has adequate resources to support its decision making requirements. The Chairman ensures there is a process in place for monitoring legislation and best practices and to assess the effectiveness of the Board, the Board committees and individual directors on a regular basis. The Chairman also prepares agendas for Board meetings, consults with the Board on the effectiveness of Board committees, ensures that the independent directors have adequate opportunities to meet and discuss issues without management present, chairs Board meetings and communicates to other members of management as appropriate the results of private discussions among independent directors. The Chairman presides at meetings of the Board, provides leadership to the Board, assists the Board in reviewing and monitoring the strategy, goals, objectives and policies of the Company and conducts quarterly meetings where the Board meets to review and discuss operational and financial information presented to the Board by management.

### ***Board Mandate***

The Board has responsibility for the stewardship of the Company, which is detailed in its "Board of Directors Responsibilities". In carrying out this mandate, the Board meets regularly and a broad range of matters are discussed and reviewed for approval. These matters include selecting senior management, reviewing compensation, establishing standards of business conduct and ethical behaviour, evaluating senior management performance, succession planning, overseeing strategic management and planning, overseeing risk management, affirming an effective management control and internal control environment, overseeing capital management and overseeing the independent audits work.

The Board strives to ensure that actions taken by the Company correspond closely with the objectives of the Shareholders. The Board will meet at least once annually to review in depth the Company's strategic plan and it reviews the Company's resources which are required to carry out the Company's growth strategy and to achieve its objectives.

### ***Position Descriptions***

The Board has not developed written position descriptions for the Chairmen of the Board Committees.

The Chairman of the Board presides at meetings of the Board and the Shareholders, provides leadership to the Board and assists the Board in reviewing and monitoring the strategy, goals, objectives and policies of the Company, schedules meetings of the Board and organizes and presents agendas for regular or special Board meetings and communicates with the Board to keep it current on all material developments. The Chairman of each committee of the Board schedules meetings of his respective committee and organizes and presents agendas for such meetings.

The Board, in conjunction with management, sets the Company's annual objectives which become the objectives against which the Chief Executive Officer's performance is measured. The Board has plenary power therefore any responsibility which is not delegated to management or a Board committee remains with the Board.

### ***Orientation and Continuing Education of Board Members***

New members of the Board receive an orientation package which includes company policies and public disclosure filings by the Company. Board meetings are held at the Company's facilities and are combined with presentations by the Company's management and employees to give the directors additional insight into the Company's business. In addition, management of the Company makes itself available for discussion with all members of the Board.

### ***Measures to Encourage Ethical Business Conduct***

The Board has adopted a Code of Conduct that encourages and promotes a culture of ethical business conduct. In addition, the Board has implemented a Whistle Blowing Policy whereby employees are encouraged to report unethical behaviour directly to Board members.

### ***Nomination of Board Members***

The Board is responsible for nominating members for election to the Board and for filling vacancies on the Board that may occur between annual meetings of Shareholders based on the recommendations of the Corporate Governance and Nominating Committee. The Board shall identify and review possible candidates for Board membership consistent with criteria approved by the Board, and annually recommend qualified candidates for a slate of nominees to be proposed for election to the Board at the annual meeting of Shareholders.

The Board shall consider the appropriate size of the Board with a view to facilitating effective decision making. In the event of a vacancy on the Board between annual meetings of Shareholders, the Board may identify, review and recommend qualified candidates for Board membership to the Board for consideration to fill such vacancies, if the Board determines that such vacancies will be filled.

When formulating these recommendations, the Board shall seek and consider advice and recommendations from management, and may seek or consider advice and recommendations from consultants, outside counsel, independent accountants or other advisors as it or the Board may deem appropriate.

***Determination of Compensation of Directors and Chief Executive Officer***

The Compensation Committee is responsible for establishing an overall compensation policy for the Company. The compensation of the directors is determined by the Board as a whole on the recommendation of the Compensation Committee, and is based on industry specific compensation information of comparably sized companies.

The compensation of each of the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and the Chief Technical Officer (if any) of the Company is determined by the Board as a whole after receiving the recommendation of the Compensation Committee. The level of such officer's compensation will be determined by setting their base salaries at approximately the median for public companies of comparable size and complexity. The annual incentive and option grants are determined by the Board, upon the recommendation of the Compensation Committee, based on the Company's overall performance and other relevant factors. For further information see "*Statement of Executive Compensation*".

***Committees of the Board***

The Board has a Corporate Governance and Nominating Committee, a Reserves Committee, an Audit Committee and a Compensation Committee.

***Corporate Governance and Nominating Committee***

The Corporate Governance and Nominating Committee is currently comprised of Messrs. Michael J. Hibberd, John W. Harkins, and Gerald F. Clark. Mr. Hibberd is the Chairman of the Corporate Governance and Nominating Committee. The Corporate Governance and Nominating Committee's mandate includes: (i) identifying individuals qualified and suitable to become Board members and making recommendations to the Board in that regard; and (ii) assisting the Board in its oversight role with respect to the development of the Company's corporate governance policies, practices and processes, the effectiveness of the Board and its committees and the contributions of individual directors.

These responsibilities include reporting and making recommendations to the Board for their consideration and approval. In addition, the Corporate Governance and Nominating Committee will consider developing formal position descriptions for the Chairman and the Chief Executive Officer.

***Reserves Committee***

The Reserves Committee, is currently comprised of Mr. Garry P. Mihaichuk, Mr. Michael J. Hibberd, and Mr. John W. Harkins, and is responsible for reviewing and approving the annual independent evaluation of the Company's reserves. Mr. Mihaichuk is the Chairman of the Reserves Committee. The Reserves Committee's general mandate is to oversee and monitor the Company's process for calculating the reserves and the procedures for compliance with applicable legislation and conformity with industry standards and disclosure of information. It reviews, reports and, when appropriate, makes recommendations to the Board on the Company's policies and procedures related to the Company's reserve estimates.

***Audit Committee***

The Audit Committee is currently comprised of Messrs. Gerald F. Clark, Garry P. Mihaichuk and Michael J. Hibberd. Mr. Clark is the Chairman of the Audit Committee. For details in respect of the Audit Committee, please refer to the information under the heading “Audit Committee Disclosure” in the Circular.

***Compensation Committee***

The Compensation Committee is currently comprised of Messrs. Mihaichuk, Hibberd and Sagemo. Mr. Mihaichuk is the Chairman of the Compensation Committee. The Compensation Committee assists the Board in its oversight role with respect to: (i) the Company’s global human resources strategy, policies and programs; and (ii) all matters relating to proper utilization of human resources within the Company, with special focus on management succession, development and compensation.

The Compensation Committee shall also review and approve periodically all compensation arrangements with the senior executives of the Company; review succession and leadership plans and make appropriate recommendations to the Board periodically regarding the remuneration of the Company’s executive officers; and periodically review the assessment of the performance of executive officers as provided to the Compensation Committee by the Chief Executive Officer.

***Assessment of Directors, the Board and Board Committees***

The Board does not believe that formal assessments would be useful at this stage of the Company’s development. The Board conducts informal annual assessments of its effectiveness, the individual directors and each of its committees. The Chairman of the Board is charged with ensuring that the Board carries out its responsibilities and that these responsibilities are clearly understood by all of its members. The Chairman also ensures that the Board can function independently of management and that the necessary resources and procedures are available or in place to support its responsibilities and that the appropriate functions are delegated to the relevant committees. The Chairman is responsible for overseeing and setting the Board agenda, the quality of information sent to directors and the in camera sessions held without management. The Chairman is also responsible for ensuring a process is in place for an annual performance review of the President and Chief Executive Officer, which is conducted by the Board, and for senior management succession planning matters.

**APPENDIX “C”  
AUDIT COMMITTEE CHARTER**

**OVERALL ROLE AND RESPONSIBILITY**

The Audit Committee of Greenfields Petroleum Corporation (the “Company”) shall:

- (a) assist the Board of Directors in its oversight role with respect to:
  - (i) the quality and integrity of financial information;
  - (ii) the independent auditor’s performance, qualifications and independence;
  - (iii) the performance of the Company’s internal audit function, if applicable;
  - (iv) the Company’s compliance with legal and regulatory requirements; and
- (b) prepare such reports of the Audit Committee required to be included in the Annual Information Form in accordance with applicable laws or the rules of applicable securities regulatory authorities.

**MEMBERSHIP AND MEETINGS**

The Audit Committee shall consist of three or more directors appointed by the Board of Directors, all of whom shall be independent and unrelated to the Company and as such shall not be officers (other than a non-executive Chairman or Corporate Secretary who is not an employee of the Company) or employees of or have a meaningful business relationship with the Company or any of the Company’s affiliates or be an immediate family member of any of the foregoing. Each of the members of the Audit Committee shall satisfy the applicable independence and financial literacy requirements of the laws governing the Company, the applicable stock exchanges on which the Company’s securities are listed and applicable securities regulatory authorities.

The Board of Directors shall designate one member of the Audit Committee as the Committee Chair. Each member of the Audit Committee shall be financially literate within the meaning of applicable securities laws and as such qualification is interpreted by the Board of Directors in its business judgment.

**STRUCTURE AND OPERATIONS**

The affirmative vote of a majority of the members of the Audit Committee participating in any meeting of the Audit Committee is necessary for the adoption of any resolution. The Audit Committee shall meet as often as it determines, but not less frequently than quarterly.

The Committee shall report to the Board of Directors on its activities after each of its meetings at which time minutes of the prior Committee meeting shall be tabled for the Board.

The Audit Committee shall review and assess the adequacy of this Charter periodically and, where necessary, will recommend changes to the Board of Directors for its approval.

The Audit Committee is expected to establish and maintain free and open communication with management and the independent auditor and shall periodically meet separately with each of them.

## **SPECIFIC DUTIES**

### **Oversight of the Independent Auditor**

- Make recommendations to the board for the appointment and replacement of the independent auditor.
- Responsibility for the compensation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor shall report directly to the Audit Committee.
- Authority to pre-approve all audit services and permitted non-audit services (including the fees, terms and conditions for the performance of such services) to be performed by the independent auditor.
- Evaluate the qualifications, performance and independence of the independent auditor, including (i) reviewing and evaluating the lead partner on the independent auditor's engagement with the Company, and (ii) considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence.
- Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law (currently at least every 5 years).

### **Financial Reporting**

- Review and discuss with management and the independent auditor:
  - prior to the annual audit the scope, planning and staffing of the annual audit;
  - the annual audited financial statements;
  - the Company's annual and quarterly disclosures made in management's discussion and analysis;
  - approval of any reports for inclusion in the Company's Annual Report, as required by applicable legislation;
  - the Company's quarterly financial statements, including the results of the independent auditor's review of the quarterly financial statements and any matters required to be communicated by the independent auditor under applicable review standards;
  - significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements;
  - any significant changes in the Company's selection or application of accounting principles,
  - any major issues as to the adequacy of the Company's internal controls and any special steps adopted in light of material control deficiencies; and
  - other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.



- Discuss with the independent auditor matters relating to the conduct of the audit, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information and any significant disagreements with management.

### **AUDIT COMMITTEE'S ROLE**

The Audit Committee has the oversight role set out in this Charter. Management, the Board of Directors, the independent auditor and the internal auditor (if any) all play important roles in respect of compliance and the preparation and presentation of financial information. Management is responsible for compliance and the preparation of financial statements and periodic reports. Management is responsible for ensuring the Company's financial statements and disclosures are complete, accurate, in accordance with generally accepted accounting principles and applicable laws. The Board of Directors in its oversight role is responsible for ensuring that management fulfills its responsibilities. The independent auditor, following the completion of its annual audit, opines on the presentation, in all material respects, of the financial position and results of operations of the Company in accordance with Canadian generally accepted accounting principles.

### **FUNDING FOR THE INDEPENDENT AUDITOR AND RETENTION OF OTHER INDEPENDENT ADVISORS**

The Company shall provide for appropriate funding, as determined by the Audit Committee, for payment of compensation to the independent auditor for the purpose of issuing an audit report. The Audit Committee shall also have the authority to retain such other independent advisors as it may from time to time deem necessary or advisable for its purposes and the payment of compensation therefore shall also be funded by the Company.

### **APPROVAL OF AUDIT AND REMITTED NON-AUDIT SERVICES PROVIDED BY EXTERNAL AUDITORS**

Over the course of any year there will be two levels of approvals that will be provided. The first is the existing annual Audit Committee approval of the audit engagement and identifiable permitted non-audit services for the coming year. The second is in-year Audit Committee pre-approvals of proposed audit and permitted non-audit services as they arise.

Any proposed audit and permitted non-audit services to be provided by the external auditor to the Company or its subsidiaries must receive prior approval from the Audit Committee, in accordance with this Charter. The Chief Financial Officer shall act as the primary contact to receive and assess any proposed engagements from the external auditor.

Following receipt and initial review for eligibility by the primary contacts, a proposal would then be forwarded to the Audit Committee for review and confirmation that a proposed engagement is permitted.

In the majority of such instances, proposals may be received and considered by the Chair of the Audit Committee (or such other member of the Audit Committee who may be delegated authority to approve audit and permitted non-audit services), for approval of the proposal on behalf of the Audit Committee. The Audit Committee Chair will then inform the Audit Committee of any approvals granted at the next scheduled meeting.

**APPENDIX "D"**  
**CHANGE OF AUDITOR REPORTING PACKAGE**



Greenfields Petroleum Corporation  
211 Highland Cross Dr. • Suite 250  
Houston, TX 77073 USA  
Main 832.234.0800  
Fax 877.644.6211

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February 21, 2017

TO: Calvetti Ferguson, P.C.  
Pannell Kerr Forster of Texas, P.C.

AND TO: British Columbia Securities Commission  
Alberta Securities Commission  
Saskatchewan Financial Services Commission – Securities Division  
The Manitoba Securities Commission  
Ontario Securities Commission  
New Brunswick Securities Commission  
Nova Scotia Securities Commission  
Prince Edward Island Securities Office  
Securities Commission of Newfoundland and Labrador

Dear Sirs/Mesdames,

**Re: Notice of Change of Auditor – Greenfields Petroleum Corporation (the “Corporation”)**

Pursuant to National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”), the Corporation hereby gives notice as follows:

On February 9, 2017 Calvetti Ferguson (the “**Former Auditor**”) resigned as auditor of the Corporation and on February 10, 2017 Pannell Kerr Forster of Texas, P. C. (the “**Successor Auditor**”) was appointed as the new auditor of the Corporation.

The resignation of the Former Auditor and the appointment of the Successor Auditor have been approved by the board of directors of the Corporation (the “**Board**”), and the contents and filing of this notice have been approved by the Board.

No auditor’s reports prepared by the Predecessor Auditor in respect of the Corporation’s financial statements relating to the relevant period (beginning on January 1, 2016 and ending on the date of the Former Auditor’s resignation) expressed a modified opinion.

As of the date hereof, there were no “reportable events”, as such term is defined in NI 51- 102, involving the Corporation and the Former Auditor.

**GREENFIELDS PETROLEUM CORPORATION**

Per: (signed) "John W. Harkins"  
John W. Harkins  
President and Chief Executive Officer

February 21, 2017

British Columbia Securities Commission  
Alberta Securities Commission  
Saskatchewan Financial Services Commission – Securities Division  
The Manitoba Securities Commission  
Ontario Securities Commission  
New Brunswick Securities Commission  
Nova Scotia Securities Commission  
Prince Edward Island Securities Office  
Securities Commission of Newfoundland and Labrador  
Greenfields Petroleum Corporation

Dear Sirs/Mesdames:

Re: Greenfields Petroleum Corporation (the “Corporation”) – Change of Auditor

Pursuant to National Instrument 51-102, we have read the notice of change of auditor (the “Notice”) of the Corporation dated February 21, 2017 and are in agreement with the statements in such Notice.

Yours truly,

*Pannell Kerr Forster of Texas, P.C.*

Certified Public Accountants

February 21, 2017

British Columbia Securities Commission  
Alberta Securities Commission  
Saskatchewan Financial Services Commission – Securities Division  
The Manitoba Securities Commission  
Ontario Securities Commission  
New Brunswick Securities Commission  
Nova Scotia Securities Commission  
Prince Edward Island Securities Office  
Securities Commission of Newfoundland and Labrador  
Greenfields Petroleum Corporation

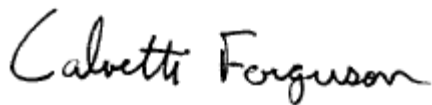
1201 Louisiana, Ste 800  
Houston, TX 77002  
Office: 713.957.2300  
Fax: 713.895.9393  
[www.calvettiferguson.com](http://www.calvettiferguson.com)

Re: Greenfields Petroleum Corporation (the “Corporation”) – Change of Auditor

Dear Sirs/Mesdames:

Pursuant to National Instrument 51-102, we have read the notice of change of auditor (the “Notice”) of the Corporation dated February 21, 2017 and are in agreement with the statements in such Notice.

Yours truly,



Calvetti Ferguson