



Corporate Disclosure Policy

Cequence Energy Ltd. (the "Corporation") is committed to providing appropriate and timely, accurate and balanced disclosure of material information about the Corporation, consistent with statutory and regulatory requirements.

This Policy confirms in writing the existing disclosure policies and practices of the Corporation. The goal of this Policy is to promote appropriate and consistent disclosure practices aimed at accurate, informative, timely and broadly disseminated disclosure of material information to the market and to raise awareness of the Corporation's approach to disclosure and promote compliance among the board of directors, officers, employees and consultants of the Corporation. As such, this Policy applies to the board of directors, officers, employees and consultants of the Corporation together with any person who may be authorized to speak on behalf of the Corporation and, to the extent possible, others who have access to non-public material information regarding the Corporation.

This Policy covers written disclosure in documents filed with the securities commissions and stock exchanges, written statements made in the Corporation's annual and quarterly reports, news releases, letters to shareholders and other documents released to the public, the content of which would reasonably be expected to affect the market price or value of the Corporation's securities or a reasonable investor's investment decisions, including information contained on the Corporation's website and other electronic communications. This Policy also extends to public oral statements made in meetings and telephone conversations with analysts and investors, interviews with the media, press conferences, conference calls and in other circumstances in which it is reasonable to expect that the information will become generally disclosed.

Disclosure Committee

The board of directors of the Corporation and the President and Chief Executive Officer of the Corporation (the "CEO") have established a Disclosure Committee (the "Committee") consisting of the CEO, the Executive Vice President and Chief Operating Officer (the "COO") and the Chief Financial Officer and Vice President, Finance ("CFO"), each of the Corporation.

The Committee will be governed by its terms of reference and will, among other things, determine when developments require public disclosure and will meet as conditions dictate. As the Corporation, its directors and officers can be liable for failure to make timely disclosure of material information as required by applicable laws or for misrepresentations contained in written or oral disclosure made by the Corporation, it is essential that the Committee be fully apprised of all material developments in order to evaluate and discuss those events to determine the appropriateness and timing for public release of information or whether the information should remain confidential and, if so, how that material information will be controlled so as to ensure its confidentiality. *All directors, officers, employees and consultants of the Corporation are required to alert any member of the Committee if they become aware of any development that might be material or of any misrepresentation contained in any of the Corporation's disclosure.*

Among other things, the Committee is responsible for implementing the Corporation's corporate disclosure policy and establishing procedures for the review and release of written and oral disclosure of the Corporation.

The Committee may designate one or more senior officers or employees of the Corporation to be responsible for all or any of these matters. The Committee will review this Policy on an annual basis to ensure the effectiveness of this Policy and its compliance with changing regulatory requirements. The Disclosure Committee will report to the Board quarterly with respect to the review procedures established and the effectiveness and compliance with this Policy and will disclose to the Board, as applicable, any dissent which occurred among the Committee on any disclosure matter.

Designated Spokespersons

The CEO shall be responsible for communication with the media, investors and analysts. The CEO shall be the official spokesperson for the Corporation. The CEO may, from time to time, designate the COO or CFO or another officer of the Corporation to speak on behalf of the Corporation in his place, or to respond to specific inquiries from the investment community or the media. The spokesperson may consult with the Corporation's legal counsel, Norton Rose Fulbright Canada LLP, or such other experts or consultants as he considers necessary in connection with this Policy.

Persons who are not authorized spokespersons must not respond under any circumstances to inquiries from the investment community or the media, and are prohibited from otherwise publicly communicating information about the Corporation unless specifically asked to do so by an authorized spokesperson. All such inquiries shall be referred to the CEO.

Although the CEO is responsible for communication with the media, investors and analysts on behalf of the Corporation, the Committee members will review all written and oral public disclosure of the Corporation prior to its release and, in addition, the Corporation's board of directors and/or certain of the committees of the board of directors will review certain public disclosure of the Corporation prior to its release. Therefore, prior to the release of any such information, the CEO shall ensure that the Committee and, as applicable, the board of directors and/or the appropriate committee of the board has reviewed and approved of such information being released.

Responsibility for Electronic Communications

The Committee shall be responsible for electronic communications. The Committee is responsible for monitoring all material information placed on the Corporation's website to ensure that it is not misleading. Material information is misleading if it is incomplete, incorrect or omits a fact so as to make another statement misleading. Information may also be misleading if it is out of date. Any changes in material information posted on the Corporation's website must be updated promptly.

The Corporation's website should include all publicly disclosed material information and such other investor relations information as may be determined appropriate by the Committee; provided that no document relating to an offering of securities shall be posted on such website without first consulting Norton Rose Fulbright Canada LLP, legal counsel to the Corporation. Information should be posted to the Corporation's website as soon as possible following its dissemination. All data posted to the website, including text and audio-visual material, shall show the date that such material was posted.

Disclosure on the website alone does not constitute adequate disclosure of material information. Therefore, any disclosure of material information on the website will be preceded by a widely disseminated news release and, if appropriate, a securities regulatory filing.

The CEO shall be responsible for responses to electronic inquiries from the investment community, security holders or the media. Only public information or information which could otherwise be disclosed in accordance with this Policy shall be utilized in responding to electronic inquiries.

Directors, officers, employees and consultants are prohibited from participating in internet chat room or news group discussions on matters pertaining to the Corporation's activities or its securities. Directors,

officers, employees or consultants who encounter a discussion pertaining to the Corporation on the internet should advise the Committee immediately, in order that the discussion may be monitored, if determined appropriate by the Committee.

Material Information

For the purposes of this disclosure policy, "material information" means any information relating to the business and affairs of the Corporation that results in, or would reasonably be expected to result in, a significant change in the market price or value of the Corporation's listed securities or affect a reasonable investor's investment decisions. Material information consists of both material facts and material changes relating to the Corporation's business and affairs and includes developments in the Corporation's business and affairs. Examples of some developments that may give rise to material information are as follows:

- a significant acquisition, disposition or merger;
- a new issue of securities or a significant change in capital structure;
- a significant change in financing arrangements;
- a significant change in expected earnings in the near future, such as in the next fiscal quarter;
- significant operational events or incidents;
- changes in share ownership that may affect control of the Corporation; or
- significant changes in the management or board of directors of the Corporation.

Announcements of an intention to proceed with a transaction or activity should not be made unless the Corporation has the ability to carry out the intent (although proceeding may be subject to contingencies) and a decision has been made to proceed with the transaction or activity by the board of directors of the Corporation or by the Corporation's senior management with the expectation of concurrence from the board of directors.

Principles of Disclosure of Material Information

In complying with the requirement under applicable laws and stock exchange rules to disclose material information forthwith upon the information becoming known to management or, in the case of information previously known, forthwith upon it becoming apparent that the information is material, the following basic disclosure rules will be observed:

- The determination of whether information is considered as material information will be made by the Committee. Material information will be publicly disclosed immediately, unless it is reasonably determined by the Committee that such disclosure would be unduly detrimental to the interests of the Corporation.
- If it is determined that the disclosure of material information will be delayed because such disclosure would be detrimental to the interests of the Corporation, complete confidentiality of the material information must be maintained. See "Maintaining Confidentiality" below.
- Announcements of material information should be factual and balanced. Unfavourable material information must be disclosed as promptly and completely as favourable material information.
- Disclosure must include all relevant information to ensure that the disclosure is not misleading.
- Previously undisclosed material information must not be disclosed selectively. If such information has been inadvertently disclosed to an analyst or any other person who is not subject to a

confidentiality agreement or this Policy, it must be generally disclosed immediately by news release.

- Disclosure must be updated or corrected if earlier disclosure has become misleading as a result of intervening events or if it contained a material error or misrepresentation.

Insider Trading

Securities laws prohibit insider trading and tipping. Insider trading occurs when a director, officer, employee or consultant of the Corporation or other person in a special relationship with the Corporation trades in securities of the Corporation or other affected securities while possessing material, non-public information. Tipping is when a director, officer, employee or consultant of the Corporation or other person in a special relationship with the Corporation passes on material, non-public information ("tips") to someone else, who then uses the information to trade in securities.

It is a policy of the Corporation that, in the event that the Corporation enters into a transaction with another entity, the directors and officers of the Corporation shall disclose their aggregate ownership interest in such other entity.

Refer to the Corporation's Policy on Trading in Securities by Directors, Officers, Employees and Consultants for further information on trading restrictions, trading windows and blackout periods.

News Releases

Once the Committee determines that material information exists, it will authorize the issuance of a news release, unless such material information must remain confidential for a certain time. See "Maintaining Confidentiality" below. Should non-public material information inadvertently be disclosed in a selective forum, a news release will be issued immediately in order to fully publicly disclose that information.

News releases will be disseminated through a news wire service that provides national simultaneous disclosure. News releases will be transmitted to all stock exchange members, relevant regulatory bodies, major national financial media and local media in areas where headquarters of the Corporation are located.

Regardless of when an announcement involving material information is released, the entity (the "market surveillance") which provides market surveillance services to the Toronto Stock Exchange (the "Exchange") should be advised of the content of the release and supplied with a copy in advance of its release. If the Exchange is open for trading at the time of a proposed announcement, prior notice by telephone should be provided to the market surveillance department of the Exchange, advising of the content of the news release and of the proposed method of dissemination, with a copy of the release to follow electronically or by fax. If the announcement is issued outside of normal trading hours, market surveillance will be notified where practicable before the market opens on the next trading day, with a copy of the release to follow electronically or by fax.

News releases will be posted on the Corporation's website after confirmation of dissemination of such news release over the news wire. The website will include a notice that advises the reader that the information posted was accurate at the time of posting, but may be superseded by subsequent disclosure.

Rumours

The Corporation adopts a "no comment" policy with respect to market rumours and, in that regard, authorized spokespersons for the Corporation shall respond to market rumours with a statement to the effect that "It is our policy not to comment on market rumours or speculation." The Corporation will not

respond to rumours on the internet. Should the Exchange request a definitive statement be issued in response to a market rumour that is causing volatility in the market value of the securities of the Corporation, the Committee will consider the matter and decide on an appropriate response.

Forward-Looking Information

Forward-looking information means all disclosure regarding possible events, conditions or results of operations that is based on assumptions about future economic conditions and courses of action and includes future oriented financial information with respect to prospective results of operations, financial position or cash flows that is presented as either a forecast or a projection. The Corporation may, if the Committee determines it to be advisable, provide guidance and forward-looking information with respect to production rates, cash flow, capital expenditures, operating and G&A expenses, royalties, debt and other information as well as significant developments and future plans to enable the investment community to better evaluate the Corporation and its prospects.

Forward-looking information provided in a disclosure document must contain disclosure that:

- identifies forward-looking information as such;
- cautions users of forward-looking information that actual results may vary from the forward-looking information and identifies material risk factors that could cause actual results to differ materially from the forward-looking information; and
- states the material factors or assumptions used to develop forward-looking information.

In the case of a public oral forward-looking statement, the person making such statement shall:

- make a cautionary statement that the oral statement contains forward-looking information; and
- state that (i) actual results could differ materially from a conclusion, forecast or projection in the forward-looking information, (ii) certain material factors or assumptions were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking information; and (iii) additional information about the material factors that could cause actual results to differ materially from the conclusion, forecast or projection as reflected in the forward-looking information and the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking information is contained in a readily available document that is identified.

Contacts with Analysts, Investors and the Media

The Corporation recognizes that analysts are important for disseminating corporate information to the investing public and play a key role in interpreting and clarifying existing public data, as well as providing investors with background information and details that cannot practically be put in public documents. Authorized representatives of the Corporation will meet with analysts and investors on an individual or small group basis as needed, and will initiate contacts or respond to analyst and investor calls in a timely, consistent and accurate fashion in accordance with this Policy. The Corporation will provide only non-material information or publicly disclosed information to such analysts or investors and will provide the same information that has been provided to analysts to individual investors who request it.

It is recognized that disclosure of non-public material information to analysts, investors or the media does not constitute adequate disclosure for the purposes of applicable securities laws. If material information is to be announced at an analyst or shareholder meeting, press conference or conference call, its announcement must be preceded by a widely disseminated public announcement of such information via news release.

The Corporation shall maintain a file which shall include any transcripts or tape recordings of meetings, debriefing notes and all other documents relating to the Corporation from all meetings with analysts, investors and the media and, where practicable, other public oral statements.

A review should be conducted after meetings with analysts, investors or the media and other public oral statements to ensure that selective disclosure of non-public material information has not been made and that the statements made do not contain a misrepresentation. If selective disclosure of non-public material information has been made, such information shall be promptly disclosed by a widely disseminated news release. If a misrepresentation has been made, it shall be promptly corrected.

Quiet Periods

In order to avoid the potential perception or appearance of selective disclosure, the Corporation will observe a quarterly quiet period, during which no meetings or telephone contacts with analysts and investors will be initiated and no earnings or other guidance provided. The quiet period will correspond with the quarterly blackout period which applies to all directors, officers, employees and consultants of the Corporation, beginning 10 days before a Board, Audit Committee or Reserves Committee meeting to approve quarterly financial statements reflecting operating results or annual reserves and oil and gas disclosure and ending with the widespread dissemination of the news release announcing such results.

Reviewing Analyst Draft Reports and Models

It is the Corporation's policy to review, upon request, analysts' draft research reports or models. If requested, the Corporation will review the report or model for the purpose of identifying publicly disclosed factual information that may affect the report or model or pointing out inaccuracies or omissions with reference to publicly available information about the Corporation. The Corporation will not confirm, provide guidance or attempt to influence, an analyst's opinions or conclusions and will not express comfort with the analyst's model and earnings estimates, including but not limited to, by confirming the analyst's estimate is "on target", "too high" or "too low".

Analyst reports are proprietary information belonging to the analyst's firm which will not be posted on or linked to the Corporation's website. A list of analysts covering the Corporation, and their contact numbers, may be posted on the Corporation's website and provided to anyone requesting such information.

Conference Calls

Conference calls may be held with members of the investment community to discuss financial and operating results or other significant developments following the widespread dissemination of the news release announcing such results or developments. The date and time of the call, the subject matter of the call and the means for accessing it shall be included in a news release (such news release to be disseminated in advance of the news release announcing the financial and operating results to be discussed) and may be announced on the Corporation's website. Conference calls shall be held in an open manner allowing members of the investment community and any other interested party to listen either by telephone and/or through a webcast. During the call, a spokesperson of the Corporation will provide appropriate cautionary language regarding any forward-looking information and direct participants to publicly available documents containing the assumptions, risks and uncertainties. A tape recording of the conference call will be made available for a period of one month following the call on either a toll-free number or an archived audio webcast on the internet.

Conference calls relating to the business developments of the Corporation and other material information likely to affect the Corporation's share price should, where possible, be scheduled outside trading hours, to avoid or minimize the risk of selective disclosure. To the extent it is determined reasonable by the Committee, non-material supplemental information will be posted on the website.

A review should be conducted after the conference call to ensure that selective disclosure of non-public material information has not been made and that the statements made do not contain a misrepresentation. If selective disclosure of non-public material information has been made, the Corporation will disclose such information promptly via widely disseminated news release. If a misrepresentation has been made, it shall be promptly corrected.

Retention Period for Disclosure Material

A file will be maintained containing all continuous disclosure documents, news releases, analysts' reports, transcripts or tape recordings of conference calls and where practicable, other public oral statements, debriefing notes and newspaper articles.

The minimum retention period for material corporate information posted on the website shall be one year. However, news releases, quarterly and annual reports and other material filed with securities commissions and stock exchanges shall be kept for a period of five years or such other period of time as may be established in the Corporation's Document Retention Policy, if any.

Maintaining Confidentiality

At any time when material information has not been disclosed, the Corporation is under a duty to take precautions to keep such information confidential. Efforts will be made to limit access to such confidential information to only those who need to know the information to perform their duties, and such persons will be advised that the information is to be kept confidential.

Material information should not be disclosed by directors, officers, employees or consultants to outside parties except in the necessary course of business. Outside parties privy to undisclosed material information concerning the Corporation will be told they must not divulge such information to anyone else, other than in the necessary course of business, and that they may not trade in securities of the Corporation until the information has been generally disclosed. The Corporation may, if deemed appropriate, require such outside parties to enter into a confidentiality agreement.

Communication and Enforcement

All directors, officers, employees and consultants of the Corporation will be advised of this Policy and its importance. This Policy will be brought to the attention of all employees and consultants on an annual basis.

An employee or consultant who violates this Policy may face disciplinary action up to and including termination of employment or the consulting contract, as the case may be, with the Corporation. Violation of this Policy may also cause violation of certain securities laws. If it is discovered that securities laws have been violated, this matter may be referred to the appropriate regulatory authorities.

Approval

This Policy was approved by the board of directors of the Corporation on July 31, 2009 and amended and restated on August 8, 2013.