

**BY-LAW NO. 2**  
**ADVANCE NOTICE BY-LAW**

**BIRCHCLIFF ENERGY LTD.**  
(the “**Corporation**”)

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**DEFINITIONS**

1. For the purposes of this Advance Notice By-Law (the “**By-Law**”):
  - (a) “**affiliate**” has the meaning ascribed to such term in the *Securities Act* (Alberta), as amended from time to time;
  - (b) “**Applicable Securities Laws**” means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission or similar regulatory authority of each relevant province and territory of Canada;
  - (c) “**associate**” has the meaning ascribed to such term in the *Securities Act* (Alberta), as amended from time to time;
  - (d) “**board**” means the board of directors of the Corporation;
  - (e) “**Business Corporations Act**” means the *Business Corporations Act* (Alberta), as amended from time to time;
  - (f) “**close of business**” means 5:00 p.m. (Calgary time) on a business day in Alberta, Canada; and
  - (g) “**public announcement**” means disclosure in a press release disseminated nationally through a news service in Canada or in a document publicly filed by or on behalf of the Corporation under its profile on the System for Electronic Document Analysis and Retrieval at [www.sedar.com](http://www.sedar.com).

**NOMINATIONS OF DIRECTORS**

2. Subject only to the provisions of the *Business Corporations Act*, Applicable Securities Laws and the articles of the Corporation, only persons who are nominated in accordance with the procedures set out in this By-Law shall be eligible for election as directors of the Corporation.
3. Nominations of persons for election to the board may only be made at an annual meeting of shareholders or at a special meeting of shareholders if one of the purposes for which the special meeting was called is the election of directors, as follows:
  - (a) by or at the direction of the board or an authorized officer of the Corporation, including pursuant to a notice of meeting;
  - (b) by or at the direction or request of one or more shareholders of the Corporation pursuant to a proposal made in accordance with the provisions of the *Business Corporations Act*, or a requisition of a shareholders’ meeting by one or more shareholders made in accordance with the provisions of the *Business Corporations Act*; or
  - (c) by any person (a “**Nominating Shareholder**”) who:

- (i) is, at the close of business on the date of the giving by the Nominating Shareholder of the notice provided for below in this By-Law and at the close of business on the record date for notice of such meeting, either entered in the securities register of the Corporation as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting and provides evidence of such beneficial ownership as is reasonably required by the Corporation; and
  - (ii) complies with the notice procedures set forth below in this By-Law.
- 4. In addition to any other requirements under applicable laws, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given notice thereof that is both timely (in accordance with paragraphs 5 and 7 below) and in proper written form (in accordance with paragraphs 6 and 7 below) to the Corporate Secretary of the Corporation at the head office of the Corporation.
- 5. To be timely, a Nominating Shareholder's notice to the Corporate Secretary of the Corporation must be made:
  - (a) in the case of an annual meeting of shareholders, not later than the close of business on the 30<sup>th</sup> day prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the "**Notice Date**") on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the 10<sup>th</sup> day following the Notice Date; and
  - (b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the 15<sup>th</sup> day following the date on which the first public announcement of the date of the special meeting was made.

To the extent that the applicable annual meeting or special meeting of shareholders is adjourned or postponed, the time periods for the giving of a Nominating Shareholder's notice set forth above shall be based on the new adjourned or postponed date of the annual meeting or special meeting of shareholders and not based on the original date of such meeting.

- 6. To be in proper written form, a Nominating Shareholder's notice to the Corporate Secretary of the Corporation must set forth or be accompanied by, as applicable:
  - (a) as to each person whom the Nominating Shareholder proposes to nominate for election as a director (a "**Proposed Nominee**"):
    - (i) the name, age, business address and residential address of the Proposed Nominee;
    - (ii) the principal occupation, business or employment of the Proposed Nominee for the most recent five years and the name and principal business of any company in which any such employment is carried on;
    - (iii) whether the Proposed Nominee is a "resident Canadian" (as such term is defined in the *Business Corporations Act*);
    - (iv) the number of securities of each class of voting securities of the Corporation or any of its subsidiaries that are beneficially owned, or controlled or directed, directly or indirectly, by the Proposed Nominee as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the

date of such notice;

- (v) a description of any relationship, agreement, arrangement or understanding (financial, compensation, indemnity related or otherwise) between the Nominating Shareholder and the Proposed Nominee, or any associates or affiliates of, or any person or entity acting jointly or in concert with, the Nominating Shareholder or the Proposed Nominee, in connection with the Proposed Nominee's nomination and election as a director;
- (vi) the Proposed Nominee's written consent to being named as a nominee for election to the board and to serve as a director of the Corporation, if elected; and
- (vii) any other information relating to the Proposed Nominee that would be required to be disclosed in a dissident proxy circular or other filings required to be made in connection with the solicitation of proxies for election of directors pursuant to the *Business Corporations Act* or Applicable Securities Laws; and

(b) as to the Nominating Shareholder giving the notice:

- (i) the name, business address and residential address of the Nominating Shareholder;
- (ii) the number of securities of each class of voting securities of the Corporation or any of its subsidiaries that are beneficially owned, or controlled or directed, directly or indirectly, by the Nominating Shareholder or any other person with whom such person is acting jointly or in concert with respect to the Corporation or any of its securities, as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice;
- (iii) the Nominating Shareholder's interests in, or rights or obligations associated with, an agreement, arrangement or understanding, the purpose or effect of which is to alter, directly or indirectly, the Nominating Shareholder's economic interest in a security of the Corporation or the Nominating Shareholder's economic exposure to the Corporation;
- (iv) a description of any proxy, contract, agreement, arrangement or understanding pursuant to which such Nominating Shareholder, or any of its associates or affiliates, or any person acting jointly or in concert with any such person, has any interests, rights or obligations relating to the voting of any securities of the Corporation or the nomination of directors to the board;
- (v) a representation as to whether the Nominating Shareholder intends to deliver a proxy circular and/or form of proxy to any shareholder of the Corporation in connection with such nomination or otherwise solicit proxies or votes from shareholders of the Corporation in support of such nomination; and
- (vi) any other information relating to the Nominating Shareholder that would be required to be made in a dissident proxy circular or other filings required to be made in connection with the solicitation of proxies for election of directors pursuant to the *Business Corporations Act* or Applicable Securities Laws.

The Corporation may require any Proposed Nominee to furnish such other information and documents as may reasonably be required by the Corporation to determine the eligibility of such Proposed Nominee to serve as an independent director of the Corporation or that could be material to a reasonable shareholder's understanding of the independence and/or qualifications, or lack thereof, of such Proposed Nominee.

7. In addition to the requirements set forth in paragraphs 5 and 6, to be considered timely and in proper written form, a Nominating Shareholder's notice shall be promptly updated and supplemented, if necessary, so that the information provided or required to be provided in such notice shall be true and correct as of the record date for the meeting.
8. Notwithstanding anything else contained herein, nothing in this By-Law shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter that is properly before such meeting pursuant to the provisions of the *Business Corporations Act* or at the discretion of the Chairman of the meeting.
9. The Chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded or to waive such non-compliance.
10. Notwithstanding any other provision of this By-Law, any notice, other document or other information required to be given to the Corporate Secretary of the Corporation pursuant to this By-Law may only be given by personal delivery, facsimile transmission or by email (provided that the Corporate Secretary of the Corporation has stipulated an email address for the purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery to the Corporate Secretary at the address of the head office of the Corporation, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received); provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Calgary time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the next following day that is a business day.
11. Notwithstanding the foregoing, the board may, in its sole discretion, waive any requirement or provision in this By-Law.
12. This By-Law was approved and adopted by the board on March 28, 2018 (the "**Effective Date**") and is and shall be effective and in full force and effect in accordance with its terms and conditions from and after such date. Notwithstanding the foregoing, if this By-Law is not approved by ordinary resolution of shareholders of the Corporation present in person or voting by proxy at the next meeting of those shareholders validly held following the Effective Date, then this By-Law shall terminate and be void and of no further force and effect following the termination of such meeting of shareholders.
13. This By-Law shall be interpreted and enforced in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable in that province.

**MADE** by the board the 28<sup>th</sup> day of March, 2018.

(signed) "A. Jeffery Tonken"

A. Jeffery Tonken  
President, Chief Executive Officer and Chairman of  
the Board

**CONFIRMED** by the shareholders in accordance with the *Business Corporations Act* the 10<sup>th</sup> day of May, 2018.

(signed) "Robyn Bourgeois"

Corporate Secretary