SEAWAY ENERGY SERVICES INC.

NOTICE OF

SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON AUGUST 12, 2013

and

MANAGEMENT INFORMATION CIRCULAR

THIS NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF SEAWAY ENERGY SERVICES INC. OF PROXIES TO BE VOTED AT THE SPECIAL MEETING OF SHAREHOLDERS OF SEAWAY ENERGY SERVICES INC. TO BE HELD ON MONDAY, AUGUST 12, 2013.

TO BE HELD AT:

The Offices of Davis LLP

Suite 1000, Livingston Place, West Tower
250 - 2nd Street SW
Calgary, Alberta T2P 0C1

At 10:00 a.m.

Dated: July 8, 2013

This document requires your immediate attention. If you are in doubt as to how to deal with it, you should consult your investment dealer, broker, bank manager or other professional advisor.

July 8, 2013

To the Shareholders of Seaway Energy Services Inc.:

On behalf of the Board of Directors (the "**Board**") of Seaway Energy Services Inc. (the "**Company**" or "**Seaway**"), we would like to invite you to the special meeting of the holders (the "**Shareholders**") of common shares (the "**Common Shares**") in the capital of the Company to be held at the offices of Davis LLP at Suite 1000, 250 - 2nd Street S.W., Calgary, Alberta T2P 0C1 on Monday, August 12, 2013 at 10:00 a.m. (Calgary time) (the "**Meeting**").

At the annual general and special meeting of Shareholders held on February 28, 2013, Shareholders approved a special resolution authorizing the liquidation and dissolution of the Company (the "**Dissolution**") pursuant to the *Business Corporations Act* (Alberta), and distribute to Shareholders the cash amount estimated at between $.0045 to $0.01 per Common Share (the "**Distribution**"), based on there being 28,877,470 Common Shares issued and outstanding, which amount shall be paid in one or more instalments. At the February 28, 2013 meeting, Shareholders also empowered and authorized the Board with the discretion not to proceed with the Dissolution and Distribution if the Board determined that it is no longer in the best interests of the Company and its Shareholders.

Since February 28, 2013, the Company has been winding down its current business operations pursuant to the mandate of Dissolution approved by the Shareholders. However, on May 2, 2013, and on June 28, 2013, the Company announced (i) that Mr. Kyle Stevenson was appointed to the Board, and that each of David Burroughs and Elias Foscolos had resigned as directors of the Company, and (ii) the appointments of Kyle Stevenson as President and Chief Executive Officer, and of Richard Stevenson as a director, of Seaway, to replace Jerry Budziak who resigned as President, Chief Executive Officer, and as a director, of Seaway to pursue other business interests, all subject to TSX Venture Exchange ("**TSXV**") approval. The changes to the composition of the Board are in conjunction with the Company's efforts to evaluate other business opportunities that have the potential of providing a superior return to its Shareholders as compared to the anticipated return available to Shareholders upon the Dissolution and Distribution. In conjunction with the foregoing, it is the current intention of management to identify and evaluate various businesses or assets for the purpose of acquiring the same, if such businesses or assets have a reasonable potential of providing a superior return to the Shareholders. In order to facilitate a potential transaction to acquire a business or asset, management is proposing that the Shareholders consider for approval at the Meeting certain amendments to the Articles of the Company, including a consolidation of the Common Shares, that will best situate the Company for a re-capitalization that may prove necessary in connection with any proposed business or asset acquisition, given the current status of the Company's operations and general market conditions.

Also at the Meeting, Shareholders will be asked to adopt and ratify an amendment to the by-laws of the Corporation to provide for advance notice of nominations of directors in circumstances where nominations of persons for election to the Board are made by shareholders other than pursuant to a requisition of a meeting made pursuant to the provisions of the *Business Corporations Act* (the "**ABCA**") or a shareholder proposal made pursuant to the provisions of the ABCA. The Board previously approved this amendment to the by-laws of the Corporation in accordance with the ABCA, subject to ratification by the Shareholders.

Special Meeting of Shareholders

At the Meeting, Shareholders will be asked to consider and to vote upon the following special resolutions:

1. authorizing the Board, in its sole discretion, to amend the articles of the Company to provide for a consolidation of the Common Shares on a basis of one (1) new Common Share for up to a maximum of every ten (10) old Common Shares then outstanding, or such lesser number of old Common Shares as may be approved by the Board and accepted by the TSXV (the "**Consolidation**");

2. authorizing the Board to amend the articles of the Company to change the name of the Company to any such name as the Board may approve in its sole discretion, and as may be acceptable to the Registrar under the *Business Corporations Act* (Alberta) and the TSXV (the "**Name Change**"); and

3. approve, adopt and ratify, with or without modification, the ordinary resolution approving the amendments to the by-laws of the Corporation, providing for advance notice provisions for the election of directors ("**By-law No. 1A**").

For the Consolidation or the Name Change to proceed, each must be approved by way of a special resolution, being at least 662/3% of the votes cast by the Shareholders present in person or represented by proxy at the Meeting. **The Board is unanimously recommending that all Shareholders vote in favour of the special resolutions for each of the Consolidation and the Name Change, as further described in enclosed management information circular of the Company for the Meeting (the "Circular").**

Notwithstanding receipt of Shareholder approvals for each of the special resolutions for each of the Consolidation or the Name Change, the Board will be authorized under each such special resolution to abandon or review the proposed amendments to the Articles in respect of the Consolidation or the Name Change, as the case may be, without further approval of, or notice to, the Shareholders, should the Board determine appropriate to do so, in its discretion.

In order to be effected, the resolution approving, adopting and ratifying By-law No. 1A must be approved by a simple majority of the votes cast at the Meeting in person or by proxy.

Accompanying this letter, among other things, are a notice of Meeting, Instrument of Proxy and the Circular, containing important information relating to the Consolidation, Name Change and By-law No. 1A. Shareholders are urged to read the Circular carefully and in its entirety. If you are in doubt as to how to deal with the matters described in these materials, you should consult your legal, tax, financial or professional advisors.

You may request copies of the Company's annual and/or interim financial statements and management's discussion and analysis related thereto by contacting Michael Holub, Chief Financial Officer, at 101A, 1120 - 53rd Avenue NE, Calgary, Alberta T2E 6N9, (403) 235-4486, or you may access such documents on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) website at www.sedar.com.

You are invited to attend the Meeting. However, if you are unable to attend, we would appreciate your signing and returning the accompanying Instrument of Proxy so that your vote is recorded. In the meantime, if you have any questions, please contact Michal Holub, Chief Financial Officer of the Company at (403) 235-4486.

Sincerely,

(signed) *"Kyle Stevenson"*
President and Chief Executive Officer
Seaway Energy Services Inc.

The attached Circular is dated July 8, 2013 and is first being mailed to Shareholders on or about July 12, 2013.

SEAWAY ENERGY SERVICES INC.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

TAKE NOTICE that a special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares (the "**Common Shares**") in the capital of Seaway Energy Services Inc. (the "**Company**") will be held at the offices of Davis LLP at Suite 1000, 250 - 2nd Street S.W., Calgary, Alberta T2P 0C1 on Monday, August 12, 2013 at 10:00 a.m. (Calgary time) for the following purposes:

1. to consider and, if thought fit, pass with or without variation, a special resolution authorizing the board of directors of the Company (the "**Board**"), in its sole discretion, to amend the articles of the Company to provide for a consolidation of the Common Shares on a basis of one (1) new Common Share for up to a maximum of every ten (10) old Common Shares then outstanding, or such lesser number of old Common Shares as may be approved by the Board and accepted by the TSX Venture Exchange, as further described in the Management Information Circular accompanying this Notice of Meeting;

2. to consider, and if deemed advisable, to pass, with or without variation, a special resolution of Shareholders, authorizing the Board to amend the articles of the Company to change the name of the Company to any such name as the Board may approve in their discretion, and as may be acceptable to the Registrar under the *Business Corporations Act* (Alberta) and the TSX Venture Exchange, as further described in the Management Information Circular accompanying this Notice of Meeting;

3. to consider and, if thought fit, approve, adopt and ratify, with or without modification, the ordinary resolution approving the amendments to the by-laws of the Corporation, as more particularly set forth in the accompanying Management Information Circular; and

4. to transact such other business as may properly come before the Meeting or any adjournments or postponements thereof.

The Board has by resolution fixed the close of business on July 10, 2013 as the record date for the determination of those Shareholders (the "**Registered Shareholders**") entitled to notice of and to vote at the Meeting, and any adjournment or postponement thereof.

It is desirable that as many Common Shares as possible be represented at the Meeting. If you do not expect to attend the Meeting and would like your shares represented, please complete the enclosed instrument of proxy and return it as soon as possible in the envelope provided for that purpose. All proxies, to be valid, must be received by Equity Financial Trust Company, 200 University Avenue, Suite 400, Toronto, Ontario M5H 4H1, at least forty-eight (48) hours, excluding Saturdays, Sundays and holidays, before the Meeting or any adjournment thereof. Late proxies may be accepted or rejected by the Chairman of the Meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy. Shareholders who are not Registered Shareholders but plan to attend the Meeting must follow the instructions set forth in the voting instruction form or proxy form sent to them. If you hold your Common Shares in a brokerage account you are not a Registered Shareholder.

Dated: July 8, 2013.

BY ORDER OF THE BOARD

(signed) *"Kyle Stevenson"*

Kyle Stevenson
President and Chief Executive Officer

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***The following is a glossary of certain terms used in this Circular*.**

GLOSSARY OF TERMS

"**ABCA**" means the *Business Corporations Act* (Alberta);

"**Advance Notice Provisions**" means the advance notice of nominations of directors described in By-law No. 1A in circumstances where nominations of persons for election to the Board are made by shareholders other than pursuant to a requisition of a meeting made pursuant to the provisions of the ABCA or a shareholder proposal made pursuant to the provisions of the ABCA;

"**Articles**" means the articles of amalgamation of the Company filed on September 30, 2008, including all amendments thereto;

"**Beneficial Shareholders**" means Shareholders who do not hold Common Shares in their own name;

"**Board**" means the board of directors of the Company;

"**By-law No. 1A**" means by-law No. 1A of the Corporation, attached hereto as Schedule "A";

"**Circular**" means this management information circular of the Company, dated July 8, 2013 prepared for the purposes of the Meeting;

"**Common Shares**" means common shares in the capital of the Company;

"**Company**" or "**Seaway**" means Seaway Energy Services Inc.;

"**Consolidation**" means an amendment to the Articles, in accordance with the ABCA, to provide for the consolidation of the Common Shares on a basis of one (1) new Common Share for up to a maximum of every ten (10) old Common Shares then outstanding, or such lesser number of old Common Shares as may be approved by the Board and accepted by the TSXV;

"**Dissolution**" means the proposed voluntary liquidation and dissolution of the Company pursuant to the ABCA and the Distribution, as previously approved by the Shareholders on February 28, 2013;

"**Distribution**" means the cash distribution(s) that Shareholders will receive from the Company on a reduction of capital of the Common Shares, on the discontinuance and dissolution of the Company's business following the settlement of the Company's obligations and liabilities, as contemplated under the Dissolution;

"**Instrument of Proxy**" means the form of proxy enclosed with this Circular;

"**intermediaries**" means brokers, investment firms, clearing houses and similar entities that hold Common Shares on behalf of Beneficial Shareholders;

"**Management Designees**" means the persons named in the enclosed Instrument of Proxy selected by the Board to represent as proxy the Shareholder who appoints them;

"**Meeting Date**" means August 12, 2013, unless the Meeting is adjourned, delayed or postponed, in which case "**Meeting Date**" shall refer to the date on which the Meeting is held;

"**Meeting Materials**" means, collectively, the Notice of Meeting, the Circular and the Instrument of Proxy;

"**Meeting**" means the special meeting of the Shareholders to be held on the Meeting Date at the offices of Davis LLP, Suite 1000, 250 - 2nd Street S.W., Calgary, Alberta, at 10:00 a.m. (Calgary time) or any postponements or adjournments thereof;

"**Name Change**" means an amendment to the Articles, in accordance with the ABCA, to change the name of the Company to any such name as the Board may approve in their discretion and as may be acceptable to the Registrar under the ABCA and the TSXV;

"**Notice of Meeting**" means the notice of the Meeting accompanying the Circular;

"**Record Date**" means July 10, 2013, the record date of the Meeting;

"**Registered Shareholder**" means a holder of Common Shares, as noted in the records of the Transfer Agent, as of the Record Date;

"**Shareholder**" means a holder of Common Shares and "**Shareholders**" means holders of Common Shares;

"**Transfer Agent**" means Equity Financial Trust Company, the registrar and transfer agent of the Company; and

"**TSXV**" means the TSX Venture Exchange.

SUMMARY

The following is a summary of certain significant information appearing elsewhere in this Circular. Certain capitalized terms used in this summary are defined in the Glossary of Terms. This summary is qualified in its entirety by the more detailed information appearing elsewhere in this Circular. Shareholders are urged to read this Circular and the attached schedules in their entirety.

Date, Time and Place of Meeting

The Meeting will be held on Monday, August 12, 2013 at 10:00 a.m. (Calgary time) at the offices of Davis LLP, Suite 1000, 250 - 2nd Street S.W., Calgary, Alberta T2P 0C1.

Record Date and Quorum

The Record Date for the determination of Registered Shareholders entitled to notice of and to vote at the Meeting is July 10, 2013. A Shareholder is entitled to receive notice of, and to vote at, the Meeting if such Shareholder owned Common Shares at the close of business on July 10, 2013. The by-laws of the Company provide that a quorum at any meeting of shareholders shall be person present not being less than two (2) in number and holding or representing not less than five (5%) percent of the outstanding shares of the Company entitled to vote at a meeting.

Purpose of Meeting

At the Meeting, Registered Shareholders will be asked to consider and, if thought advisable, approve, with or without variation, (i) the special resolution authorizing the Board, in its sole discretion, to amend the Articles to provide for a consolidation of the Common Shares on a basis of one (1) new Common Share for up to a maximum of every ten (10) old Common Shares then outstanding, or such lesser number of old Common Shares as may be approved by the Board and accepted by the TSXV (the "**Consolidation**"), (ii) a special resolution authorizing the Board, in its sole discretion, to amend the Articles to change the name of the Company to any such name as may be approved by the Board, and accepted by Registrar under the ABCA and the TSXV (the "**Name Change**"), (iii) an ordinary resolution to approve, adopt and ratify By-Law No. 1A, a copy of which is attached as Schedule "A" to this Circular, which will amend the by-laws of the Corporation to provide for the Advance Notice Provisions of nominations of directors; and (iv) any other business that may properly come before the Meeting, or any adjournments or postponements thereof.

Overview of the Consolidation and Name Change

In recent years, Seaway has seen a substantial decline in revenue predominantly due to decreased activity associated with depressed natural gas prices, a shift in the Company's business activities to lower margin environmental consulting activities, and the completion of a significant long term contract with a major client. After evaluating the Company's remaining strategic options, the Board reached the conclusion that it is in the best interests of the Shareholders and the Company to voluntarily liquidate and dissolve the Company in accordance with the provisions of the ABCA. On February 28, 2013, at Seaway's annual general and special meeting of Shareholders, the Company received approvals for (i) the voluntary liquidation and dissolution of Seaway pursuant to section 212 of the ABCA (the "**Dissolution**"), and the cash distributions of its remaining assets to its Shareholders after providing for outstanding liabilities, contingencies and costs of the liquidation (the "**Distribution**"), and (ii) the ultimate dissolution of Seaway in the future once all of the liquidation steps have been completed. Notwithstanding the receipt of such Shareholder approvals, the Board was authorized and empowered by the Shareholders, without further approval of the Shareholders, not to proceed with the Dissolution and Distribution if the Board has determined it to be no longer in the best interests of the Company and the Shareholders.

In connection with such authority, the Board has continued with its efforts of evaluating potential businesses and assets for the purpose of completing a transaction that will, in the view of the Board, provide value to the Shareholders that is superior to the value of the estimated distributions under the Dissolution and Distribution. In connection with these efforts, the Company announced on May 2, 2013 and on June 28, 2013, (i) the appointment of Kyle Stevenson to the Board and that each of David Burroughs and Elias Foscolos had resigned from the Board to pursue other business interests, and (ii) the appointments of Kyle Stevenson, as President and Chief Executive Officer of Seaway, and of Richard Stevenson as a director, to replace Jerry Budziak who resigned as President, Chief Executive Officer and as a director of Seaway, to pursue other business interests, all subject to TSXV approval.

In order to facilitate a potential transaction to acquire a business or asset, management is proposing that the Shareholders consider for approval at the Meeting an amendment to the Articles providing for the Consolidation. It is the view of management that the Consolidation will best situate the Company for a re-capitalization that may prove necessary in connection with any proposed business or asset acquisition, given the current status of the Company's operations and general market conditions.

In addition, the Company may desire to change its name or it may otherwise be required under applicable corporate law to change its name to add a descriptive element to reflect the function or other characteristics of the goods or services in which the Company deals or intends to deal as a result of the Company entering a different business segment as a result of completing a business or asset acquisition. Management is proposing, at the Meeting, that Shareholders authorize the Board to effect the Name Change, subject to approval and acceptance of applicable regulatory authorities, including the TSXV.

Notwithstanding receipt of Shareholder approvals for each of the special resolutions in respect of the Consolidation or the Name Change, the Board will be authorized under each authorizing special resolution to abandon or review the proposed amendments to the Articles in respect of the Consolidation or the Name Change, as the case may be, without further approval of, or notice to, the Shareholders, should the Board determine appropriate to do so, in its discretion.

In no event shall the receipt of Shareholder approvals for either of the Consolidation and/or Name Change prohibit the Board from exercising its discretion to continue and implement the Dissolution and Distribution, if management is unable to identify or evaluate a business or asset, that if acquired by the Company, would have a reasonable potential of providing a superior return to the Shareholders, as compared to the Dissolution and Distribution. For more information in respect of the Dissolution and Distribution, please refer to the Company's management information circular dated January 29, 2013, prepared in respect of the annual general and special meeting of Shareholders held on February 28, 2013, a copy of which is available at www.sedar.com.

Recommendation of the Board

The Board unanimously determined that the Consolidation and Name Change are each in the best interests of the Shareholders and the Company. The Board unanimously recommends that Shareholders vote FOR each of the special resolutions to approve the Consolidation and the Name Change, all as set forth in this Circular.

Unless instructed otherwise, the Management Designees in the accompanying Instrument of Proxy intend to vote FOR the special resolutions in order to give effect to the Consolidation and Name Change.

Shareholder Approvals Required

In order to complete each of the Consolidation and the Name Change, the special resolutions for each must be approved by at least two-thirds of the votes cast by Shareholders present in person or represented by proxy at the Meeting.

Overview of Advance Notice Provisions

On June 25, 2013, the Board approved By-law No. 1A, which contains Advance Notice Provisions, the purpose of which is to foster a variety of interests of the Shareholders and the Corporation by ensuring that all Shareholders receive adequate notice of the nominations to be considered at a meeting and can thereby exercise their voting rights in an informed manner. The Advance Notice Provisions provide for a deadline by which holders of record of Common Shares must submit director nominations to the Corporation prior to any annual or special meeting of shareholders and sets for the information that a Shareholder must include in the notice to the Corporation for the notice to be in the proper written form.

Shareholder Approvals Required

In order for By-law No. 1A to be effective, the ordinary resolution must be approved by at a majority of the votes cast by Shareholders present in person or represented by proxy at the Meeting.

SEAWAY ENERGY SERVICES INC.
MANAGEMENT INFORMATION CIRCULAR

This Circular is furnished in connection with the solicitation of proxies by the management of Seaway Energy Services Inc. for use at the special meeting (the "Meeting") of its holders of Common Shares to be held on August 12, 2013, at the time and place and for the purposes set forth in the accompanying Notice of Meeting.

Forward-Looking Statements

This Circular contains certain statements or disclosures that may constitute forward-looking statements or information ("**forward-looking statements**") under applicable securities laws. All statements and disclosures, other than those of historical fact, which address activities, events, outcomes, results or developments that management or the directors of the Company, anticipate or expect may or will occur in the future (in whole or in part) should be considered forward-looking statements. In some cases, forward-looking statements can be identified by terms such as "forecast", "future", "may", "will", "expect", "anticipate", "believe", "potential", "enable", "plan", "continue", "contemplate", "pro forma" or other comparable terminology.

Forward-looking statements presented in such statements or disclosures may, among other things, relate to: the structure and effects of the Consolidation and Name Change, the anticipated benefits and Shareholder value resulting from the Consolidation and/or Name Change, the timing and completion of the Consolidation and/or the Name Change, the liabilities and obligations of the Company, potential business or asset acquisition opportunities, forecast business results and anticipated financial performance.

Various assumptions or factors are applied in drawing conclusions or making the forecasts or projections set out in forward-looking statements. Those assumptions and factors are based on information currently available to the Company, including information obtained from third party industry analysts and other third party sources. In some instances, material assumptions and factors are presented or discussed elsewhere in this Circular in connection with the statements or disclosure containing the forward-looking statements.

The Company

The Company was incorporated pursuant to the provision of the ABCA, on May August 12, 2005 as Dolce Financial Corp. On June 27, 2005 the Company amended and restated its articles to remove the restrictions on share transfers. The Company changed its name by Certificate of Amendment to Seaway Energy Services Inc. on January 29, 2007. The Company then completed an amalgamation with its wholly-owned subsidiary, Seaway Project Management (1998) Ltd., on September 30, 2008, upon the filing of the articles of amalgamation. The head office of the Company is located at Suite 101A, 1120 - 53rd Avenue NE, Calgary, Alberta T2E 6N9. The registered office of the Company is located at 1000, 250 - 2nd Street S.W., Calgary, Alberta T2P 0C1. In this Circular, references to the "**Company**", "**we**" and "**our**" refer to Seaway Energy Services Inc. All dollar amounts referred to in the Circular are stated in Canadian dollars, unless otherwise indicated.

GENERAL PROXY INFORMATION

Solicitation of Proxies

Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or other proxy solicitation services. In accordance with National Instrument 54 -101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the Common Shares held of record by such persons and the Company may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The costs thereof will be borne by the Company.

Appointment and Revocation of Proxies

The Management Designees in the enclosed Instrument of Proxy have been selected by the Board and have indicated their willingness to represent as proxy the Shareholder who appoints them. A Shareholder has the

right to designate a person (whom need not be a Shareholder) other than the Management Designees to represent him or her at the Meeting. Such right may be exercised by inserting in the space provided for that purpose on the Instrument of Proxy the name of the person to be designated and by deleting there from the names of the Management Designees, or by completing another proper form of proxy and delivering the same to the Transfer Agent. Such shareholder should notify the nominee of the appointment, obtain the nominee's consent to act as proxy and should provide instructions on how the shareholder's shares are to be voted. The nominee should bring personal identification with him to the Meeting. In any case, the Instrument of Proxy should be dated and executed by the Shareholder or an attorney authorized in writing, with proof of such authorization attached (where an attorney executed the proxy form). In addition, a proxy may be revoked by a Shareholder personally attending at the Meeting and voting his shares.

An Instrument of Proxy will not be valid for the Meeting or any adjournment thereof unless it is completed and delivered to the Company's transfer agent, Equity Financial Trust Company, 200 University Avenue, Suite 400, Toronto, Ontario M5H 4H1, at least forty-eight (48) hours, excluding Saturdays, Sundays and holidays, before the Meeting or any adjournment thereof. Late proxies may be accepted or rejected by the Chairman of the Meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

A Shareholder who has given a proxy may revoke it as to any matter upon which a vote has not already been cast pursuant to the authority conferred by the proxy. In addition to revocation in any other manner permitted by law, a proxy may be revoked by depositing an instrument in writing executed by the Shareholder or by his authorized attorney in writing, or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized, either at the registered office of the Company or with Equity Financial Trust Company, 200 University Avenue, Suite 400, Toronto, Ontario M5H 4H1, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof at which the proxy is to be used, or by depositing the instrument in writing with the Chairman of such Meeting on the day of the Meeting, or at any adjournment thereof. In addition, a proxy may be revoked by the Shareholder personally attending the Meeting and voting his shares.

Advice to Beneficial Shareholders

The information set forth in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold Common Shares in their own name. Shareholders who hold their Common Shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their Common Shares in their own name (referred to in this Circular as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders who appear on the records maintained by the Company's Transfer Agent as registered holders of Common Shares will 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, those Common Shares will, in all likelihood, not be registered in the Shareholder's name. Such Common Shares will more likely be registered under the name of the 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 Depositary for Securities, which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the Instrument of Proxy provided directly to Registered Shareholders by the Company. However, its purpose is limited to instructing the Registered Shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in Canada. Broadridge typically prepares a machine-readable voting instruction form, mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to

return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction forms must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

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, a Beneficial Shareholder may attend the Meeting as proxyholder for the Registered Shareholder and vote the Common Shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the Registered Shareholder, should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

All references to Shareholders in this Circular and the accompanying Instrument of Proxy and Notice of Meeting are to Registered Shareholders unless specifically stated otherwise.

Voting of Proxies

Each Shareholder may instruct his proxy how to vote his Common Shares by completing the blanks on the Instrument of Proxy. All Common Shares represented at the Meeting by properly executed proxies will be voted or withheld from voting (including the voting on any ballot), and where a choice with respect to any matter to be acted upon has been specified in the Instrument of Proxy, the Common Shares represented by the proxy will be voted in accordance with such specification. **In the absence of any such specification as to voting on the Instrument of Proxy, the Management Designees, if named as proxy, will vote in favour of the matters set out therein. In the absence of any specification as to voting on any other form of proxy, the Common Shares represented by such form of proxy will be voted in favour of the matters set out therein.**

The enclosed Instrument of Proxy confers discretionary authority upon the Management Designees, or other persons named as proxy, with respect to amendments to or variations of matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting. As of the date hereof, the Company is not aware of any amendments to, variations of or other matters which may come before the Meeting. In the event that other matters come before the Meeting, then the Management Designees intend to vote in accordance with the judgment of management of the Company.

Quorum

The by-laws of the Company provide that a quorum at any meeting of shareholders shall be person present not being less than two (2) in number and holding or representing not less than five (5%) percent of the outstanding shares of the Company entitled to vote at a meeting.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of Common Shares. As at the date of this Circular, which is July 8, 2013, 28,877,470 Common Shares are issued and outstanding as fully paid and non-assessable. No other shares of any other class are issued or outstanding. The Common Shares are the only shares entitled to be voted at the Meeting and holders of Common Shares are entitled to one vote for each Common Share held.

Holders of Common Shares of record at the close of business on July 10, 2013 (the "**Record Date**") are entitled to vote such Common Shares at the Meeting on the basis of one vote for each Common Share held except to the extent that, (a) the holder has transferred the ownership of any of his Common Shares after the Record Date, and (b) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he

owns the Common Shares, and demands not later than ten (10) days before the day of the Meeting that his name be included in the list of persons entitled to vote at the Meeting, in which case the transferee will be entitled to vote his Common Shares at the Meeting.

To the knowledge of the Board and the executive officers of the Company, as at the July 8, 2013, no person or company beneficially owns, directly or indirectly, or controls or directs, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Company.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, executive officer, employee or former director, executive officer or employee of the Company nor any of their associates or affiliates, is, or has been at any time since the beginning of the last completed financial year, indebted to the Company nor has any such person been indebted to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding, provided by the Company.

Name	Type of Ownership	Number of Common Shares Owned or Controlled at the Effective Date	Percent of Outstanding Common Shares
Jerry J. Budziak	Registered and Beneficial	6,066,000	21.0%

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth herein and below, or as previously disclosed, the Company is not aware of any material interests, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or executive officer, or any shareholder holding more than 10% of the voting rights attached to the Common Shares or any associate or affiliate of any of the foregoing in any transaction in the preceding financial year or any proposed or ongoing transaction of the Company which has or will materially affect the Company.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as otherwise set out herein and below, no director or executive officer of the Company nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting.

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the Board, the only matters to be brought before the Meeting are those matters set forth in the accompanying Notice of Meeting.

1. Consolidation of Common Shares

As at the date hereof there are 28,877,470 Common Shares issued and outstanding. In preparation for certain initiatives being considered by the Company to enhance Shareholder liquidity and to attract equity financing in order for the Company fund business or asset evaluation(s) and acquisition or development opportunities, management of the Company considers it advisable to consolidate the Company's authorized share capital. In addition, management of the Company is of the view that such consolidation will offer the Company the best opportunity to re-capitalize given the status of the Company's operations and current market conditions.

Management believes that it would be in the best interests of the Shareholders that the Board be given the authority to amend the Articles to provide for a consolidation of the Common Shares, on the basis of one new (1) Common Share for up to a maximum of every ten (10) old Common Shares then outstanding, or such lesser number of old Common Shares as may be approved by the Board, in its sole discretion, and accepted by the TSXV (the "**Consolidation**"). Furthermore, each stock option, warrant or other securities of the Company convertible into pre-consolidation Common Shares (collectively, the "**Convertible Securities**") that have not been exercised or cancelled prior to the effective date of the implementation of the Consolidation will be adjusted pursuant to the terms thereof on the same exchange ratio described above and each holder of pre-consolidation Convertible Securities will become entitled to receive new or post-consolidation Common Shares pursuant to such adjusted terms.

The Company has a stock option plan (the "**Option Plan**") previously re-approved by the Shareholders on February 28, 2013, in accordance with the requirements of the TSXV. At the date of this Circular, the Company has nil stock options outstanding under the Option Plan. Assuming the Board applies the maximum ratio for the Consolidation, the number of issued and outstanding Common Shares after completion of the Consolidation, based on the issued and outstanding Common Shares as at July 10, 2010, will be reduced from 28,877,470 to 2,887,747 Common Shares. The Company does not have any Convertible Securities issued and outstanding as of the date hereof.

At the Meeting, holders of Common Shares will be asked to consider and, if thought fit, pass with or without variation, a special resolution authorizing the Board, in its sole discretion, if and when they deem it appropriate, but no later than the third business day prior to the record date for the next annual general meeting of Shareholders, or such earlier date as may be mandated by the TSXV, to amend the Articles to provide for the Consolidation. **If the Board does not implement the Consolidation no later than the third business day prior to the record date for the next annual general meeting of Shareholders, or such earlier date as may be required by the TSXV, the authority granted by the special resolution to implement the Consolidation on these terms will lapse and be of no further force or effect.**

Procedure

In the event the Consolidation is approved by the Shareholders, and implemented by the Board, the registered holders of Common Shares will be required to exchange the certificates representing their old or pre-consolidated Common Shares for new certificates representing new or post-consolidated Common Shares. Following the determination of the consolidation ratio by the Board of Directors, and as soon as possible following the effective date of the Consolidation, the registered holders of Common Shares of the Company will be sent a transmittal letter by the Transfer Agent, Equity Financial Trust Company. The letter of transmittal will contain instructions on how to surrender Common Share certificate(s) representing the old or pre-consolidation Common Shares to the Transfer Agent. The Transfer Agent will forward to each registered Shareholder who has sent the required documents a new Common Share certificate representing the number of new or post-consolidation Common Shares to which the Shareholder is entitled.

Holders of Common Shares will not have to pay a transfer or other fee in connection with the exchange of certificates. Holders of Common Shares should not submit certificates for exchange until required to do so. Until surrendered, each certificate formerly representing old Common Shares will be deemed for all purposes to represent the number of new Common Shares to which the holder thereof is entitled as a result of the Consolidation.

Other Considerations

The Consolidation will not materially affect the percentage ownership in the Company by the holders of Common Shares even though such ownership will be represented by a smaller number of Common Shares. The Consolidation will proportionately reduce the number of Common Shares held by all the Shareholders.

There can be no assurance that the market trading price of the new or post-consolidated Common Shares will increase as a result of the Consolidation. The marketability and trading liquidity of the post-consolidated Common Shares of the Company may not improve. The Consolidation may result in some Shareholders owning "odd lots" of Common Shares which may be more difficult for such shareholders to sell or which may require greater transaction costs per share to sell.

Seaway shall not be required, upon the Consolidation, to issue fractions of Common Shares or to distribute certificates which evidence fractional shares. Any fractional Common Shares to which a holder of such shares is entitled shall be aggregated to form whole Common Shares with any remaining fractional shares rounded to the nearest whole Common Share, provided that no Beneficial Shareholder (as defined herein) shall be entitled to more than one such rounding up.

Recommendation of the Board

The Board unanimously recommends that the Shareholders approve the special resolution providing for the amendment to the Articles to provide for the Consolidation.

Approval Required

Under the ABCA, in order for the Company to amend its Articles to provide for the Consolidation, the amendment must be approved by the holders of the Common Shares by special resolution. Approval of the special resolution requires the affirmative vote of not less than two-thirds (2/3) of the votes cast at the Meeting. In addition thereto, the Consolidation will be subject to the approval of the TSXV.

At the Meeting, the following special resolution, with or without variation, will be placed before the Shareholders, for approval:

"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. the articles of the Company be amended to provide that the issued and outstanding common shares (the "**Common Shares**") of the Company be consolidated on the basis of one new (1) Common Share for up to a maximum of every ten (10) old Common Shares then issued and outstanding, or such lesser number of old Common Shares as may be approved by the board of directors of the Company (the "**Board**"), and accepted by the TSX Venture Exchange (the "**TSXV**"), is hereby authorized and approved (the "**Consolidation**"), provided that no fractional Common Shares will be issued in connection with the Consolidation and, in the event that a holder of Common Shares would otherwise be entitled to a fractional Common Share upon completion of the Consolidation, such fraction will be rounded to the nearest whole number of a Common Share;

2. from and after the effective date of the Consolidation, all outstanding share certificates will thereafter only represent the number of Common Shares to which the holder is entitled after giving effect to the Consolidation;

3. any officer or director of the Company is hereby authorized to file articles of amendment of the Company in respect of the Consolidation with the Registrar under the *Business Corporations Act* (Alberta), no later than the third business day prior to the record date of the next annual general meeting of the shareholders of the Company, or such earlier date as may be required by the TSXV, and any one officer or director is hereby authorized to prepare, execute and file articles of amendment in order to give effect to this special resolution, and to execute and deliver all such other deeds, documents and other writings and perform such other acts as may be necessary or desirable to give effect to this special resolution;
4. notwithstanding that this special resolution has been duly passed by the holders of the Common Shares, the Board is hereby authorized to abandon or revoke the proposed amendment to the articles of the Company in respect of the Consolidation as contemplated by this special resolution without further approval of, or notice to, the holders of the Common Shares, should the Board consider it appropriate to do so, in its discretion, at any time prior to the issuance of the certificate of amendment to the articles of the Company as contemplated herein; and

5. any of the directors or officers of the Company are, and they are hereby authorized and instructed to sign any document and to do and perform all things necessary or useful, in their discretion, to give effect to the foregoing resolutions."

Unless a Shareholder has specified otherwise, the Management Designees, if named as proxy, will vote in favour of the special resolution to authorize and approve the amendment to the Articles to provide for the Consolidation.

2. Approval of the Name Change

The Company may desire to change its name or it may otherwise be required under applicable corporate law to change its name to add a descriptive element to reflect the function or other characteristics of the goods or services in which the Company deals or intends to deal as a result of the Company entering a different business segment as a result of completing a business or asset acquisition.

The ABCA provides that a corporation may from time to time amend its articles to add, change or remove any provision that is permitted by the ABCA to be, or that is, set out in its articles, including to change its name. However, in order to amend its articles, such amendment shall be authorized by a special resolution of the shareholders of the corporation.

At the Meeting, Shareholders will be asked to consider and, if thought fit, to pass a special resolution to authorize the Board to change the name of the Company to such name as the Board may approve in their discretion, and as may be acceptable to applicable regulatory authorities, including the TSXV. Accordingly, the Shareholders will be asked to consider and, if thought fit, pass the following special resolution:

"**BE IT RESOLVED THAT** as a special resolution of the Shareholders of the Company that:

1. the Company is hereby authorized and approved to change its name (the "**Name Change**") to any name as the board of directors of the Company (the "**Board**") may approve in its discretion and as may be acceptable to the Registrar under the *Business Corporations Act* (Alberta) (the "**ABCA**") and the TSX Venture Exchange;

2. the Board is hereby authorized and approved to amend the articles of the Company to effect the Name Change in accordance with the ABCA; any officer or director of the Company is hereby authorized to prepare, execute and file articles of amendment of the Company in respect of the Name Change with the Registrar under the ABCA;

3. notwithstanding that this special resolution has been passed by the Shareholders of the Company, the Board is hereby authorized without further approval or notice to the Shareholders of the Company, to revoke this special resolution at any time; and

4. and any one officer or director is hereby authorized to execute and deliver all such other deeds, documents and other writings and perform such other acts as may be necessary or desirable to give effect to this special resolution."

Under the Act, in order for the Company to amend its Articles to provide for the Name Change, the amendment must be approved by the holders of the Common Shares by special resolution. Approval of the special resolution requires the affirmative vote of not less than two thirds (2/3) of the votes cast at the Meeting.

Unless otherwise directed, it is the intention of the Management Designees named in the accompanying Proxy to vote the Common Shares represented by such proxies at the Meeting FOR the approval of the special resolution to the Name Change of the Company.

In no event shall the receipt of Shareholder approvals for either of the Consolidation and/or Name Change prohibit the Board from exercising its discretion to continue and implement the Dissolution and Distribution, if management is unable to identify or evaluate a business or asset, that if acquired by the Company, would have a reasonable potential of providing a superior return to the Shareholders, as compared to the Dissolution and Distribution. For more information in respect of the Dissolution and Distribution, please refer to the Company's management information circular dated January 29, 2013, prepared in respect of the

annual general and special meeting of Shareholders held on February 28, 2013, a copy of which is available at www.sedar.com.

3. Advance Notice Provisions

The Corporation wishes to ratify and confirm By-law No. 1A, a copy of which is attached as Schedule "A" to this Circular, which will amend the by-laws of the Corporation (being By-law No. 1). By-law No. 1A is being presented for approval to provide for advance notice of nominations of directors (the "**Advance Notice Provisions**") in circumstances where nominations of persons for election to the Board are made by shareholders other than pursuant to a requisition of a meeting made pursuant to the provisions of ABCA or a shareholder proposal made pursuant to the provisions of the ABCA. By-law No. 1A was approved by the Board of Directors on June 25, 2013, and must be ratified by the Shareholders at the Meeting to continue to have effect after the Meeting.

The purpose of the Advance Notice Provisions is to foster a variety of interests of the shareholders and the Corporation by ensuring that all shareholders, including those participating in a meeting by proxy rather than in person, receive adequate notice of the nominations to be considered at a meeting and can thereby exercise their voting rights in an informed manner. In addition, the Advance Notice Provisions are intended to provide a reasonable framework for shareholders to nominate directors and should assist in facilitating an orderly and efficient meeting process.

In order for the resolution approving, adopting and ratifying By-Law No. 1A to be effective, it must be approved by the affirmative vote of a majority of the votes cast in respect thereof by Shareholders present in person or by proxy at the Meeting**. In the absence of contrary direction, the Management Designees intend to vote proxies in the accompanying form in favour of this ordinary resolution.**

At the Meeting, Shareholders will be asked to consider, and if thought appropriate, pass an ordinary resolution substantially in the form noted below to approve, adopt and ratify By-law No. 1A. The complete text of the resolution is as follows:

"**BE IT RESOLVED THAT** as an ordinary resolution of the Corporation:

1. By-law No.1A substantially in the form attached as Schedule "A" to the Management Information Circular of the Corporation dated July 8, 2013 be and is hereby approved, ratified and confirmed as a by-law of the Corporation;

2. the shareholders of the Corporation hereby expressly authorize the Board of Directors to revoke this resolution before it is acted upon without requiring further approval of the shareholders in that regard; and

3. any one (or more) director or officer of the Corporation is authorized and directed, on behalf of the Corporation, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal of the Corporation or otherwise) that may be necessary or desirable to give effect to this ordinary resolution."

REGISTRAR AND TRANSFER AGENT

The registrar and transfer agent for the Common Shares is Equity Financial Trust Company at its principal office in Toronto, Ontario.

OTHER BUSINESS

While there is no other business other than that business mentioned in the Notice of Meeting to be presented for action by the shareholders at the Meeting, **it is intended that the proxies hereby solicited will be exercised upon any other matters and proposals that may properly come before the Meeting or any adjournment or adjournments thereof, in accordance with the discretion of the persons authorized to act thereunder.**

GENERAL

Unless otherwise directed, it is management's intention to vote proxies in favour of the resolutions set forth herein. All special resolutions to be brought before the Meeting require, for the passing of the same, a two-thirds majority of the votes cast at the Meeting by the holders of Common Shares. All ordinary resolutions require, for the passing of the same, a simple majority of the votes cast at the Meeting by the holders of Common Shares. All approvals by disinterested shareholders require the approval of the shareholders not affected by, or interested in, the matter to be approved.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com. Financial information of the Company's most recently completed financial year is provided, or will be provided, in the Company's comparative financial statements and management's discussion and analysis available on SEDAR, and at the Meeting. A shareholder may contact the Company at:

Seaway Energy Services Inc.
101A, 1120 - 53rd Avenue N.E.
Calgary, AB T2E 6N9
Attention: Michal Holub,
Fax: (403) 235-4486

to obtain a copy of the Company's most recent financial statements and management's discussion and analysis.

BOARD APPROVAL

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

SCHEDULE "A"

BY-LAW NO. 1A

BE IT ENACTED AND IT IS HEREBY ENACTED as a by-law of Seaway Energy Services Inc. (hereinafter called the "**Corporation**") as follows:

ADVANCE NOTICE OF
NOMINATION OF DIRECTORS

1. Pursuant to Section 102(1) of the *Business Corporations Act* (Alberta) (the "**Act**"), By-law No. 1 of the by-laws of the Corporation is hereby amended by adding thereto, following Section 4.02 thereof, the following:

"4.02A **Nomination of Directors**. – Subject only to the Act, only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation. Nominations of persons for election to the Board may be made at any annual general meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which a special meeting was called was the election of directors, (a) by or at the direction of the Board or an authorized officer of the Corporation, including pursuant to a notice of meeting of shareholders, (b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act or a requisition of the shareholders made in accordance with the provisions of the Act or (c) by any person (a "**Nominating Shareholder**") (i) who, at the close of business on the date of the giving of the notice provided for below in this Section 4.02A and on the record date for the receipt of notice of such meeting, is entered in the securities register 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 (ii) who complies with the notice procedures set forth below in this Section 4.02A:

A. In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, such person must have given timely notice thereof in proper written form (the "**Notice**") to the Chief Executive Officer of the Corporation at the principal executive offices of the Corporation, in accordance with this Section 4.02A.

B. To be timely, a Notice to the Chief Executive Officer of the Corporation must be given not less than 35 nor more than 65 days prior to the date of the annual general or special meeting of shareholders, as the case may be; provided, however, that in the event that the meeting of shareholders is called for at 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 meeting was made, the Notice must be given by the Nominating Shareholder not later than the close of business on the tenth (10^{th}) day following the Notice Date. In no event shall any adjournment or postponement of a meeting of shareholders, or the public announcement thereof, commence a new time period for the giving of the Notice.

C. To be in proper written form, the Notice to the Chief Executive Officer of the Corporation must set forth: (a) as to each person who the Nominating Shareholder proposes to nominate for election as a director (i) the name, age, business address and residence address of the person, (ii) the principal occupation or employment of the person, (iii) the class or series and number of shares in the capital of the Corporation which are controlled or which are owned beneficially or of record by the person (A) 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 (B) as of the date of such Notice and (iv) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and applicable securities laws; and (b) as to the Nominating Shareholder, any information relating to such Nominating Shareholder that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and applicable securities laws.

D. No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the provisions of this Section 4.02A; provided, however, that nothing herein shall be deemed to preclude discussions by a shareholder (as distinct from seeking to nominate directors) at a meeting of shareholders, on any matter in respect of which such shareholder would have been entitled to submit a proposal pursuant to the provisions of the Act. 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 nomination is invalid due to its non-compliance with this Section 4.02A.

E. For purposes of this Section 4.02A, (i) "**public announcement**" shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com; and (ii) "**applicable securities laws**" means the securities legislation in those provinces and territories of Canada to which the Corporation is subject, 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 commissions and similar regulatory authorities of each of the relevant provinces and territories of Canada.

F. Notice given to the Chief Executive Officer of the Corporation pursuant to this Section 4.02A may only be given by personal delivery, facsimile transmission or by email (at such email address as stipulated from time to time by the Chief Executive Officer of the Corporation for the purposes of such Notice), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the Chief Executive Officer at the address of the principal executive offices of the Corporation; provided that if such delivery or electronic communication is made on a day which is not a business day, or later than 5:00 pm (Calgary time) on a day which is a business day, then such a delivery or electronic communication shall be deemed to have been made on the next following business day.

G. Notwithstanding any of the foregoing, the Board may, in its sole discretion, waive any requirement in this Section 4.02A.

2. By-law No. 1 of the Corporation, shall henceforth be read as amended by this By-law No. 1A, pending confirmation by the shareholders of the Corporation at the next meeting of shareholders, in accordance with Section 102(2) of the Act. All terms contained in this By-law No. 1A which are defined in By-law No. 1, as amended from time to time, of the by-laws of the Corporation shall, for all purposes hereof, have the meanings given to such terms in the said By-law No.1, unless expressly stated otherwise or the context otherwise requires.