



LOON ENERGY CORPORATION
1170, 700 – 4th Avenue S.W.
Calgary, Alberta, T2P 3J4

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON FEBRUARY 7, 2012

NOTICE IS HEREBY GIVEN that a special meeting (the “**Meeting**”) of the shareholders of Loon Energy Corporation (the “**Corporation**”) will be held at the offices of Osler, Hoskin & Harcourt LLP, Suite 2500, 450 - 1st Street S.W., Calgary, Alberta, T2P 5H1 on Tuesday, February 7, 2012 at 9:00 a.m. (Calgary time), for the following purposes:

1. to authorize the amendment of the Articles of the Corporation to provide that the authorized share capital of the Corporation be altered by consolidating all of the issued and outstanding common shares of the Corporation (the “**Common Shares**”) on the basis of one (1) post-consolidation Common Share for every ten (10) pre-consolidation Common Shares or for such other lesser whole or fractional number of pre-consolidation Common Shares that the board of directors of the Corporation, in their sole discretion, determine to be appropriate ; and
2. to transact such other business as may properly be brought before the Meeting or adjournments thereof.

Information relating to the matters to be considered at the Meeting is set forth in the Management Information Circular dated January 10, 2012 (the “Circular”) which accompanies this Notice of Special Meeting of Shareholders..

DATED at Calgary, Alberta this 10 day of January, 2012.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) “*Norman W. Holton*”

Norman W. Holton

President & Chief Executive Officer

IMPORTANT

Only holders of Common Shares of record at the close of business on January 3, 2012 are entitled to notice of the Meeting and only those holders of the Common Shares of record at the close of business on January 3, 2012, or who subsequently become shareholders and comply with the provisions of the *Business Corporations Act* (Alberta) and follow the procedures set out in the Circular in the section entitled “Record Date”, are entitled to vote at the Meeting.

Holders of Common Shares who are unable to attend the Meeting in person are requested to complete, sign, date and return the enclosed form of proxy in the envelope provided for that purpose. Proxies, to be valid, must be mailed so as to be deposited at the office of the Corporation’s transfer agent, Computershare Trust Company of Canada at Suite 600, 530 – 8th Avenue S.W., Calgary, Alberta, T2P 3S8, at any time, not less than 48 hours prior to the Meeting or any adjournment or adjournments thereof, excluding Saturdays, Sundays and statutory holidays.