



LOON ENERGY CORPORATION

Notice of Annual General and Special Meeting of Shareholders to be held on April 12, 2012

NOTICE IS HEREBY GIVEN that the annual general and 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 Thursday, April 12, 2012 at 9:00 a.m. (Calgary time), for the following purposes:

1. to receive and consider the financial statements of the Corporation for the year ended December 31, 2010, together with the auditor’s report thereon;
2. to set the number of directors at seven (7) and to elect directors of the Corporation for the ensuing year;
3. the appointment of the auditor of the Corporation for the ensuing year at a remuneration to be determined by the board of directors of the Corporation;
4. to re-approve the Corporation’s stock option plan;
5. to approve an amendment to the exercise price of existing stock options; and
6. 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 March 16, 2012 (the “**Circular**”) which accompanies this Notice of Annual General and Special Meeting of Shareholders. A copy of the Corporation’s audited annual financial statements for the year ended December 31, 2010 has been filed on SEDAR and may be viewed by visiting www.sedar.com. A copy of the Corporation’s audited annual financial statements for the year ended December 31, 2011 will be filed on SEDAR on or before April 30, 2012, in accordance with applicable securities legislation.

DATED at Calgary, Alberta this 16th day of March 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 March 8, 2012 are entitled to notice of the Meeting and only those holders of the Common Shares of record at the close of business on March 8, 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.