

BY-LAW NO. 1

A By-Law Relating Generally To The Transaction Of The Business And Affairs Of

APPIA ENERGY CORP. (the “Corporation”)

INTERPRETATION

1. **Definitions** - In the by-laws of the Corporation, unless the context otherwise requires:
 - a. “**Act**” means the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, and the regulations thereunder, as amended from time to time, and every statute or regulation, as the case may be, that may be substituted therefor;
 - b. “**Board**” means the board of directors of the Corporation;
 - c. “**by-laws**” means the by-laws of the Corporation from time to time in force and effect;
 - d. “**contracts, documents or instruments**” includes contracts, deeds, mortgages, charges, conveyances, powers of attorney, transfers and assignments of property of all kinds, including specifically but without limitation, transfers and assignments of shares, warrants, bonds, debentures or other securities, and all other documents or instruments of the Corporation; and
 - e. “**meeting of shareholders**” includes an annual meeting of shareholders and a special meeting of shareholders.

2. **Interpretation** - In this by-law:
 - a. words and phrases defined in the Act and used in this by-law shall, unless the context otherwise requires, have the same meaning as in the Act;
 - b. words importing the singular number only shall include the plural and vice versa; and words importing the masculine gender shall include the feminine and neuter genders;
 - c. the insertion of headings in this by-law are for convenience of reference only and shall not affect its construction or interpretation; and
 - d. the invalidity or unenforceability of any provision of this by-law shall not affect the validity or enforceability of the remaining provisions of this by-law.

MEETINGS OF DIRECTORS

3. **Calling of Meetings** - Meetings of the Board shall be held from time to time at such time and at such place as the Board, the Chairman of the Board (if any), the President, or any one director may determine.
4. **Notice of Meetings** - Notice of a meeting of the Board shall be sent to each director not less than 48 hours before the date of the meeting provided that a meeting of the Board may be held at any time without notice if all the directors are present (except where a director is present for the express purpose of objecting to the transaction of any business on the grounds that the meeting has not been properly called) or if all the absent directors have waived notice. Notice of any meeting of the Board or any irregularity in any meeting or in the notice thereof may be waived in any manner by any director either before or after the meeting. For the first meeting of the Board to be held following the election of directors at a meeting of the shareholders, no notice of such meeting need be given in order for the meeting to be duly constituted, provided a quorum of the directors is present.
5. **Participation by Telephone or Electronic Means** - A director may, if all of the directors of the Corporation consent, participate in a meeting of the Board or of a committee of the Board by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting. A director participating in such a meeting by such means is deemed to be present at that meeting.
6. **Chairman and Secretary** - The chairman of any meeting of the Board shall be the first mentioned of such of the following officers as have been appointed and who is a director and is present at the meeting: Chairman of the Board or President. If no such officer is present, the directors present shall choose one of their numbers to be chairman of the meeting. Unless otherwise determined by the Board, the Secretary of the Corporation shall act as secretary of any meeting of the Board and, if the secretary of the Corporation is absent, the chairman of the meeting shall appoint a person who need not be a director to act as secretary of the meeting.
7. **Quorum** - Subject to the Act, a quorum for the transaction of business at any meeting of the Board shall be:
 - a. where the articles set out the number of directors, a majority of that number; or
 - b. where the articles set out the minimum and maximum number of directors, a majority of the number of directors which then constitutes the Board.

8. **Votes to Govern** - At all meetings of the Board every question shall be decided by a majority of the votes cast on the question.
9. **Casting Vote** - In the case of an equality of votes at a meeting of the Board, the chairman of the meeting shall not be entitled to a second or casting vote.

OFFICERS

10. **Appointment of Officers** - The directors may, from time to time, designate the offices of the Corporation and from time to time appoint a Chairman of the Board, a President, a Secretary, one or more Vice-Presidents (to which title may be added words indicating seniority or function), a Treasurer and/or such other officers as the directors may determine, including without limitation one or more assistants to any of the officers so appointed. None of such officers need be a director of the Corporation except for the chairman of the Board, if any.
11. **Powers and Duties of Officers** - The Board may specify the duties of and, in accordance with the by-laws and subject to the Act, delegate to such officers powers to manage the business and affairs of the Corporation.
12. **Chairman of the Board** - The Chairman of the Board, if one is appointed, shall have such powers and duties as are specified by the Board and, when present, shall preside at all meetings of the Board and all meetings of shareholders.
13. **President** - Subject to the duties imposed upon the Chairman of the Board, if one is appointed, the President shall, if one is appointed, when present, preside at all meetings of shareholders, and shall be responsible for the general management of the business and affairs of the Corporation.
14. **Secretary** - The Secretary, if one is appointed, shall:
 - a. give or cause to be given all notices required to be given to shareholders, directors, auditors and members of committees;
 - b. unless otherwise determined by the Board, attend all meetings of the Board, shareholders and committees and enter or cause to be entered in books kept for that purpose minutes of all proceedings at such meetings, whether or not he or she attends such meeting; and
 - c. be the custodian of the stamp or mechanical device generally used for affixing the corporate seal of the Corporation and of all books, records and instruments belonging to the Corporation, except when some other officer or agent has been appointed for that purpose.

15. **Treasurer** - The Treasurer, if one is appointed, shall keep or cause to be kept proper accounting records in compliance with the Act and, under the direction of the Board, shall control the deposit of money, the safekeeping of securities and the disbursement of funds of the Corporation; and shall render to the Board whenever required an account of all transactions as Treasurer and of the financial position of the Corporation.
16. **Additional Powers and Duties** - The Board may, from time to time and subject to the provisions of the Act, vary, add to or limit the powers and duties of any officer.
17. **Removal of Officers** - All officers shall be subject to removal by the Board at any time, with or without cause. Otherwise, each officer appointed by the Board shall hold office until he or his successor is appointed or until his or her earlier resignation.

SHAREHOLDERS' MEETINGS

18. **Notice of Meeting** - Notice of the time and place of each meeting of shareholders shall be given not less than 21 days and not more than 60 days before the date of the meeting to each shareholder entitled to vote at the meeting, each director and the auditor of the Corporation.
19. **Participation in Meeting by Electronic Means** - Any person entitled to attend a meeting of shareholders may participate in the meeting, in accordance with the regulations under the Act, if any, by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting, if the Corporation makes available such a communication facility for that purpose. A person participating in a meeting of shareholders by such means is deemed to be present at the meeting.
20. **Meeting held Entirely by Electronic Means** - The directors (but not the shareholders of the Corporation) who call a meeting of shareholders pursuant to the Act may determine that:
 - a. the meeting shall be held, in accordance with the regulations under the Act, if any, *entirely* by means of a telephonic, electronic or other communication facility that permits all participants to communicate adequately with each other during the meeting; and/or
 - b. any vote at the meeting shall be held, in accordance with the regulations under the Act, if any, *entirely* by means of a telephonic, electronic or other communication facility that the Corporation has made available for that purpose, if the facility:

- i. enables the votes to be gathered in a manner that permits their subsequent verification; and
 - ii. permits the tallied votes to be presented to the Corporation without it being possible for the Corporation to identify how each shareholder or group of shareholders voted.
21. **Electronic Voting** - Any person participating electronically in a meeting of shareholders and entitled to vote thereat may vote, in accordance with the regulations under the Act, if any, by means of a telephonic, electronic or other communication facility that the Corporation has made available for such purpose.
22. **Chairman and Secretary** - The chairman of any meeting of shareholders shall be the first mentioned of such of the following officers as have been appointed and who is present at the meeting: Chairman of the Board, President or Vice President. If no such officer is present within 20 minutes from the time fixed for holding the meeting, the persons present and entitled to vote shall choose one of their number to be chairman of the meeting. If the Secretary of the Corporation is absent, the chairman of the meeting shall appoint some person, who need not be a shareholder, to act as secretary of the meeting.
23. **Quorum at Shareholders' Meetings** - At any meeting of shareholders, a quorum shall be two (2) persons present in person or represented by proxy and each entitled to vote thereat. If the Corporation has only one shareholder, or only one holder of any class or series of shares, the shareholder present in person or by proxy constitutes a meeting.
24. **Votes to Govern** - At any meeting of shareholders, every question shall, unless otherwise required by the articles, by-laws or by law, be determined by a majority of the votes cast on the question. Subject to the Act and the by-laws, any question submitted to a meeting of shareholders shall be decided on a show of hands except where a ballot is demanded by a shareholder or a proxyholder entitled to vote at the meeting. On a show of hands, every person present and entitled to vote has one vote. Upon a ballot, each shareholder who is present or represented by proxy is entitled, in respect of the shares which the shareholder is entitled to vote at the meeting upon the question, to that number of votes provided by the Act or the articles in respect of those shares. A demand for a ballot may be withdrawn at any time prior to the taking of the ballot.
25. **Casting Vote** - In the case of an equality of votes at any meeting of shareholders, the chairman of the meeting shall not be entitled to a second or casting vote.

PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

26. **No Liability of Directors or Officers for Certain Acts, etc.** - To the extent permitted by law, no director or officer of the Corporation shall be liable for the acts, omissions, failures, neglects or defaults of any other director, officer, employee or agent, or for joining in any receipt or act for conformity or for any loss, damage or expense suffered or incurred by the Corporation through the insufficiency or deficiency of title to any property acquired by the Corporation or for or on behalf of the Corporation, or for the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to the Corporation shall be placed out or invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person including any person with whom or which any moneys, securities or effects of the Corporation shall be lodged or deposited, or for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets belonging to the Corporation, or for any other loss, damage or misfortune whatever which may happen in the execution of the duties of his or her respective office or trust or in relation thereto, unless the same shall happen by or through his or her failure to act honestly and in good faith with a view to the best interests of the Corporation and in connection therewith to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. If any director or officer of the Corporation shall be employed by or shall perform services for the Corporation other than as a director or officer or shall be a member of a firm or a shareholder, director, or officer of a body corporate which is employed by or performs services for the Corporation, the fact of his or her being a director or officer of the Corporation shall not disentitle such director or officer or such firm or body corporate, as the case may be, from receiving proper remuneration for such services.
27. **Indemnification of Directors and Officers** - To the maximum extent permitted by law, the Corporation shall indemnify a director or officer of the Corporation, a former director or officer of the Corporation, or another individual who acts or acted at the Corporation's request as a director or officer or an individual acting in a similar capacity of another entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the individual in respect of any civil, criminal, administrative, investigative or other proceeding in which the individual is involved because of that association with the Corporation or other entity, provided that:
- a. the individual acted honestly and in good faith with a view to the best interests of the Corporation or, as the case may be, to the best interests of the other entity for which he or she acted as a director or officer or in a similar capacity at the Corporation's request; and

- b. in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, he or she had reasonable grounds for believing that his or her conduct was lawful.

The Corporation is authorized to enter into agreements evidencing its indemnity in favour of the foregoing persons to the full extent permitted by law.

- 28. **Advance of Monies** - The Corporation may advance monies to a director, officer or other individual for the costs, charges and expenses of a proceeding referred to in Section 27, provided that the individual shall repay the monies if he or she does not fulfil the conditions of Subsections 27(a) and (b).
- 29. **Right of Indemnity Not Exclusive** - The provisions for indemnification contained in this by-law shall not be deemed exclusive of any other rights to which any person seeking indemnification may be entitled under any other by-law, agreement, vote of shareholders or disinterested directors or otherwise, both as to action in the individual's official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs and legal personal representatives of such a person.
- 30. **Insurance** - Subject to the Act, the Corporation may purchase and maintain such insurance for the benefit of any individual referred to in Section 27 as the Board may from time to time determine.

DIVIDENDS

- 31. **Dividend Cheques** - A dividend payable in cash shall be paid by cheque drawn on the Corporation's bankers or one of them to the order of each registered holder of shares of the class or series in respect of which such dividend has been declared and shall be delivered or mailed by ordinary mail, postage prepaid, to each such registered holder at such holder's last address appearing on the records of the Corporation unless such holder otherwise directs or shall be deposited by electronic or other means in such bank account in Canada as such holder may advise in writing. In the case of joint holders the cheque shall, unless such joint holders otherwise direct, be made payable to the order of all of such joint holders and shall be delivered or mailed to them at the address appearing on the records of the Corporation in respect of such joint holding, or to the first address so appearing if there are more than one. The delivery or mailing of a cheque in this manner, unless it is not paid on due presentation, shall satisfy and discharge the liability for the dividend to the extent of the sum represented by the cheque, plus the amount of any tax which the Corporation is required to and does withhold.
- 32. **Non-Receipt of Cheques** - If a dividend cheque is not received by the registered holder or holders to whom it is mailed or delivered as aforesaid, the Corporation

shall issue to such holder or holders a replacement cheque for a like amount upon such terms as to indemnity and evidence of non-receipt and of title as the Board may from time to time prescribe, whether generally or in any particular case.

BANKING ARRANGEMENTS, CONTRACTS, ETC.

33. **Banking Arrangements** - The banking business of the Corporation, or any part thereof, shall be transacted with such banks, trust companies or other financial institutions as the Board may designate, appoint or authorize from time to time by resolution and such banking business, or any part thereof, shall be transacted on the Corporation's behalf by such one or more officers and/or other persons as the Board may designate, direct or authorize from time to time by resolution and to the extent therein provided.
34. **Execution of Instruments** - Contracts, documents or other instruments requiring the signature of the Corporation may be signed by any one officer or director of the Corporation and all contracts, documents or other instruments so signed shall be binding upon the Corporation without any further authorization or formality. The Board is authorized from time to time by resolution to appoint any other person or persons on behalf of the Corporation to sign and deliver either contracts, documents or instruments generally or specific contracts, documents or instruments.

VOTING RIGHTS IN OTHER ISSUERS

35. **Voting Securities in Other Issuers** - All securities of any other body corporate or issuer of securities held from time to time by the Corporation may be voted at all meetings of shareholders, bondholders, debenture holders or holders of such securities, as the case may be, of such other body corporate or issuer and in such manner and by such person or persons as the Board shall from time to time determine.

NOTICES

36. **Method of Giving Notices** - Any notice (which term includes, without limitation, any communication or document) to be given (which term includes, without limitation, sent, delivered or served) pursuant to the Act, the articles, the by-laws or otherwise to a shareholder, director, officer, auditor or member of any committee of the Board, shall be sufficiently given if:
 - a. delivered personally to the person to whom it is to be given at such person's latest address as shown in the records of the Corporation or, in the case of a director, in the last notice filed under section 106 or 113 of the Act; or

- b. sent by ordinary prepaid mail addressed to the person to whom it is to be given at the latest address shown for such person in the records of the Corporation or, in the case of a director, in the last notice filed under section 106 or 113 of the Act; or
- c. if prior written consent has been given by the person to whom the notice is to be given, by means of facsimile, electronic mail or other method of transmitted or recorded communication provided to such facsimile number, e-mail address or other information system that has been designated by such person in writing.

A notice so delivered shall be deemed to have been given when it is delivered personally and a notice so mailed shall be deemed to have been given on the fifth day after it is deposited in a post office or public letter box. A notice sent by means of facsimile, electronic mail or other method of transmitted or recorded communication shall be deemed to have been given when dispatched or delivered to the appropriate communication company or agency.

- 37. **Errors or Omissions** - The accidental omission to give notice to any shareholder, director, officer, auditor or member of a committee of the Board or the non-receipt of any notice by any such person or any inadvertent error in any notice not affecting the substance of the notice shall not invalidate any meeting held pursuant to the notice or any action taken thereat.
- 38. **Waiver** - Any person may at any time waive notice, or abridge the time for notice, of any such meeting and ratify, approve and confirm any or all proceedings taken or had thereat.
- 39. **Notices to Joint Shareholders** - Any notice with respect to any share or shares in the capital of the Corporation registered in more than one name shall be given to whichever of such persons is named first in the records of the Corporation and any notice so given shall be sufficient notice to all the holders of such share or shares.

GENERAL

- 40. **Unanimous Shareholders Agreement** - Notwithstanding anything contained in the by-laws, the provisions of the by-laws shall be amended to the extent necessary to give effect to the provisions of any unanimous shareholders' agreement in force between the Corporation and its shareholders, and to the extent that there is any conflict between the provisions of the by-laws and any such unanimous shareholders' agreement, the provisions of the unanimous shareholders' agreement shall prevail.

MADE the 24th day of August, 2007.

“Tom Drivas”

Tom Drivas, President and Secretary-Treasurer

RESOLVED that the foregoing By-law No. 1 is made a by-law of the Corporation.

The undersigned, being the sole director of **APPIA ENERGY CORP.**, sign the foregoing resolution.

DATED the 24th day of August, 2007.

“Tom Drivas”

Tom Drivas

RESOLVED that the foregoing By-law No. 1 is confirmed.

The undersigned, being the sole shareholder of **APPIA ENERGY CORP.**, signs the foregoing resolution.

DATED the 24th day of August, 2007.

“Tom Drivas”

Tom Drivas

BY-LAW NO. 2

A By-Law Respecting The Borrowing Of Money,
The Issuing Of Debt Obligations And The Securing Of Liabilities By

APPIA ENERGY CORP.
(the “**Corporation**”)

BE IT ENACTED as a by-law of the Corporation as follows:

The directors of the Corporation may, without authorization of the shareholders, from time to time:

1. borrow money upon the credit of the Corporation;
2. issue, reissue, sell, pledge or hypothecate debt obligations of the Corporation;
3. give a guarantee on behalf of the Corporation to secure performance of an obligation of any person;
4. mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Corporation, owned or subsequently acquired, to secure any obligation of the Corporation; and
5. delegate any or all of the powers conferred on the directors under this by-law to a director, a committee of directors or an officer of the Corporation to such extent and in such manner as the directors shall by resolution determine.

MADE the 24th day of August, 2007.

“Tom Drivas”

Tom Drivas, President and Secretary-Treasurer

RESOLVED that the foregoing By-law No. 1 is made a by-law of the Corporation.

The undersigned, being the sole director of **APPIA ENERGY CORP.**, sign the foregoing resolution.

DATED the 24th day of August, 2007.

“Tom Drivas”

Tom Drivas

RESOLVED that the foregoing By-law No. 1 is confirmed.

The undersigned, being the sole shareholder of **APPIA ENERGY CORP.**, signs the foregoing resolution.

DATED the 24th day of August, 2007.

“Tom Drivas”

Tom Drivas