

## **PINE CLIFF ENERGY LTD.**

### **Majority Voting Policy**

The Board of Directors of Pine Cliff Energy Ltd. (the "**Corporation**" or "**Pine Cliff**") is responsible for the overall stewardship of the Corporation and for overseeing the conduct of the business of the Corporation. The Board of Directors has unanimously adopted this majority voting policy (the "**Policy**") in respect of director elections at any meeting of the Corporation's shareholders where an "uncontested election" of directors is held. For the purposes of this Policy, an "uncontested election" of directors of the Corporation means an election where the number of nominees for directors is equal to the number of directors to be elected.

Pursuant to this Policy, the forms of proxy circulated in connection with a meeting of the Corporation's shareholders at which an uncontested election of directors is to be conducted shall provide the Corporation's shareholders with the ability to vote in favour of, or to withhold from voting for, each director nominee individually.

If the number of votes withheld for a particular director nominee is greater than the number of votes in favour of such nominee, the director nominee shall be required to immediately tender an offer of his or her resignation to the Chairman of the Board of Directors following the applicable meeting of the Corporation's shareholders.

Following receipt of an offer of resignation tendered pursuant to this Policy, Pine Cliff's governance, nomination and compensation committee (the "**GNC Committee**") shall consider whether or not to accept the offer of resignation and shall recommend to the Board of Directors whether or not to accept it. The GNC Committee will consider whether any exceptional circumstances exist in considering whether or not to accept an offer of resignation from a director under this Policy. The GNC Committee must recommend that the Board of Directors accept an offer of resignation, and the Board of Directors must accept an offer of resignation, absent exceptional circumstances. The GNC Committee may adopt such procedures as it sees fit to assist it in its determinations with respect to this Policy.

Within 90 days following the applicable meeting of the Corporation's shareholders, the Board of Directors shall make its decision, having considered the GNC Committee's recommendation. The resignation will be effective when accepted by the Board of Directors. In considering the GNC Committee's recommendation, the Board of Directors will review the factors considered by the GNC Committee and such additional information and factors that the Board of Directors considers to be relevant. If an offer of resignation is accepted, the Board of Directors may appoint a new director to fill any vacancy created by the resignation or reduce the size of the Board of Directors.

Any director who tenders his or her offer of resignation for consideration pursuant to this Policy shall not be permitted to participate in any meeting of the GNC Committee, if he or she is a member of the GNC Committee, at which his or her offer of resignation is to be considered. If the inability of any such director to participate in such a GNC Committee meeting would result in a loss of quorum, then the GNC Committee shall not consider the offer of resignation and the Board of Directors shall consider whether or not to accept the offer of resignation without a recommendation from the GNC Committee.

Any director who tenders his or her offer of resignation for consideration pursuant to this Policy shall not be permitted to participate in any meeting of the Board of Directors at which his or her offer of resignation is to be considered. If the inability of any such director to participate in such a meeting would result in a loss of quorum, then any such director shall be counted for the purpose of determining whether the Board of Directors has a quorum but any such director shall not be permitted to vote at such meeting.

Promptly following the decision of the Board of Directors to accept, or not to accept, an offer of resignation pursuant to this Policy, the Corporation shall issue a news release with the Board of Director's decision, a copy of which news release must be provided to the Toronto Stock Exchange. If the Board of Directors determines not to accept an offer of resignation, the news release shall fully state the reasons for that decision.

\* \* \* \* \*

Adopted by the Board of Directors of Pine Cliff Energy Ltd. on February 11, 2016.