



BLACKPEARL RESOURCES INC.

NOTICE OF MEETING AND INFORMATION CIRCULAR

ANNUAL GENERAL MEETING OF SHAREHOLDERS

To be held on May 11, 2011

BLACKPEARL RESOURCES INC.
NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

The holders of common shares of BlackPearl Resources Inc. are invited to our Annual General Meeting of Shareholders.

WHEN

Wednesday, May 11, 2011
3:00 p.m. (Mountain time)

WHERE

The Calgary Petroleum Club, Viking Room
319 – 5th Avenue S.W., Calgary, Alberta

WHAT THE MEETING WILL COVER

The meeting will be held for the following purposes, namely:

1. to receive and consider our consolidated financial statements for the year ended December 31, 2010 and the report of the auditors' thereon;
2. to elect directors for the ensuing year;
3. to appoint auditors for the ensuing year and authorize the directors to fix their remuneration; and
4. to transact such other business as may be properly brought before the meeting or any adjournment or postponement thereof.

WHO HAS THE RIGHT TO VOTE

You are entitled to receive notice of and vote at the meeting or any adjournment or postponement, if you were a holder of common shares of BlackPearl Resources Inc. as at the close of business on March 14, 2011.

YOUR VOTE IS IMPORTANT

As a shareholder, it is important that you read this material carefully and vote your common shares, either in person or by proxy, at the meeting. To be used at the meeting, your proxy must be received by our transfer agent, Computershare Trust Company of Canada, 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1, by 3:00 p.m. (Mountain time) on May 9, 2011 or, in the case of any adjournment or postponement of the meeting, on the last business day (excluding Saturdays, Sundays and holidays) before the day of the adjourned or postponed meeting.

The accompanying Information Circular contains more information about how to vote your common shares.

By order of the Board of Directors

(signed) "John L. Festival"

John Festival
President and Chief Executive Officer

Calgary, Alberta
March 18, 2011

BLACKPEARL RESOURCES INC.

INFORMATION CIRCULAR

GENERAL INFORMATION

This information circular (the "**Information Circular**") is provided in connection with the solicitation of proxies by management of BlackPearl Resources Inc. for use at the annual general meeting (the "**Meeting**") of holders of common shares ("**Common Shares**") of BlackPearl Resources Inc. to be held on May 11, 2011, and any adjournment or postponement thereof. In this Information Circular, "**our**", "**we**", "**Corporation**" or "**BlackPearl**" refers to BlackPearl Resources Inc. The solicitation will be by mail, but proxies may also be solicited personally by

employees and agents of BlackPearl at a nominal cost.

The costs incurred in the solicitation of proxies and the preparation and mailing of the Notice of Meeting, this Information Circular and the accompanying proxy form will be borne by BlackPearl.

Unless otherwise stated, the information contained in this Information Circular is given as at March 14, 2011 and all dollar amounts are expressed in Canadian dollars, except where otherwise stated.

VOTING INFORMATION

YOUR VOTE IS IMPORTANT – PLEASE READ THIS INFORMATION CIRCULAR CAREFULLY AND THEN VOTE YOUR COMMON SHARES, EITHER BY PROXY OR IN PERSON, AT THE MEETING.

You can vote as follows:

1. by mail;
2. by telephone;
3. on the internet; or
4. by appointing another person to attend the Meeting and vote your Common Shares for you.

You may authorize the officers of BlackPearl who are named on the proxy form to vote your Common Shares for you at the Meeting or any adjournment or postponement thereof. A proxy form is included in this package.

The persons named on the proxy form are officers of BlackPearl. They will vote your Common Shares for you, unless you appoint someone else to be your proxyholder. You have the right to appoint another person to be your proxyholder. If you appoint someone else, he or she must be present at the Meeting to vote your Common Shares.

If you plan on voting your Common Shares by proxy, our registrar and transfer agent, Computershare Trust Company of Canada ("**Computershare**"), **must receive your completed proxy form by 3:00 p.m. (Mountain time) on May 9, 2011**, or, in the case of any adjournment or postponement of the Meeting, not less than 48 hours, (excluding Saturdays, Sundays and holidays) prior to the time of the adjourned or postponed Meeting. Please follow the instructions below based on whether you are a Registered or Non-Registered (or Beneficial) Shareholder.

Registered Shareholder

You are a Registered Shareholder if your Common Shares are registered in your name and you have a share certificate.

Non-Registered (or Beneficial) Shareholder

You are a Non-Registered (or Beneficial) Shareholder if your broker, investment dealer, bank, trust company, trustee, nominee or other intermediary holds your Common Shares for you. Most shareholders are Non-Registered (or Beneficial) shareholders.

If you are unsure if you are a Registered Shareholder or Non-Registered (or Beneficial) Shareholder, please contact Computershare at:

Computershare Trust Company
9th Floor, 100 University Avenue
Toronto, Ontario M5J 2Y1

TELEPHONE

1-800-564-6253 (toll-free in Canada and U.S.)
1-514-982-7555 (international)

INTERNET

www.computershare.com

MATTERS TO BE VOTED ON

At the Meeting, shareholders will be asked to vote on:

- the election of directors;
- the appointment of auditors and authorizing the directors to fix their remuneration; and
- such other matters as may properly come before the Meeting.

HOW TO VOTE IF YOU ARE A REGISTERED SHAREHOLDER

IN PERSON

You should identify yourself to the representative from Computershare before entering the Meeting to register your attendance at the Meeting.

BY PROXY

1. By mail:

- Complete, sign and date your proxy form and return it in the envelope provided.
- Please see "Voting Information – Completing the Proxy Form if you are a Registered Shareholder" for more information.

2. By telephone:

- Call 1-866-732-8683 (toll free in Canada and the United States) from a touch-tone telephone and follow the voting instructions.
- You will need your 15 digit control number which is noted on your proxy form.
- International holders wishing to vote by telephone can dial 312-588-4290 to place their vote.

If you vote by telephone, you cannot appoint anyone other than the appointees named on the proxy form as your proxyholder.

3. On the internet:

- Go to www.investorvote.com and follow the instructions on the screen.
- You will need your 15 digit control number which is noted on your proxy form.

By appointing another person as proxyholder to go to the Meeting and vote your Common Shares for you:

- Your proxyholder does not have to be a shareholder.
- Insert the name of the person you are appointing as your proxyholder in the space provided.
- Make sure that the person you appoint is aware that he or she has been appointed and attends the Meeting.
- At the Meeting, the person you appoint should register with the Computershare representative at the registration table.
- Please see "VOTING INFORMATION – COMPLETING THE PROXY FORM IF YOU ARE A REGISTERED SHAREHOLDER" for more information.

COMPLETING THE PROXY FORM IF YOU ARE A REGISTERED SHAREHOLDER

You can choose to vote "For" or "Against" or "Withhold", as applicable:

- the election of each of the persons nominated for election as directors; and
- the appointment of Pricewaterhouse-Coopers LLP, Chartered Accountants, as auditors and authorizing the directors to set their remuneration.

Complete your voting instructions, sign and date your proxy form and return it in the envelope provided so that it is received before 3:00 p.m. (Mountain time) on May 9, 2011 or, in the case of any adjournment or postponement of the Meeting, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the adjourned or postponed Meeting.

When you sign the proxy form, you are authorizing the appointees, John L. Festival and Don W. Cook, who are officers of BlackPearl, to vote your Common Shares for you at the Meeting. The Common Shares represented by a proxy form will be voted in favour or withheld from voting or voted against, as applicable, in accordance with your instructions on any ballot that may be called for at the Meeting. If you specify a choice with respect to any matter to be acted on at the Meeting, your Common Shares will be voted accordingly. **If you return your proxy form and do not indicate how you want to vote your Common Shares, your vote will be cast:**

- **FOR the election of each of the persons nominated for election as directors; and**
- **FOR the appointment of Pricewaterhouse-Coopers LLP as auditors and authorizing the directors to fix their remuneration.**

Your proxyholder will also vote your Common Shares as he or she sees fit on any other matter, including amendments or variations of matters identified in this Information Circular or that may properly come before the Meeting and in respect of which you are entitled to vote. As at the date of this Information Circular, the Board and Management do not know of any amendments or variations to the proposed items of business or any additional matters which may be presented for consideration at the Meeting.

If you are appointing someone else to vote your Common Shares at the Meeting, insert the name of the person you are appointing as your proxyholder in the space provided. If you are completing your proxy on the internet, follow the instructions on the website on how to appoint someone else.

If you are an individual shareholder, you or your authorized attorney must sign the proxy form. If the shareholder is a corporation or other legal entity, an authorized officer or attorney must sign the proxy form.

If you need help completing your proxy form, please contact Computershare at:

Computershare Trust Company of Canada
Toll-free in Canada and U.S.: 1-800-564-6253

How to Change your Vote – Registered Shareholders

If you wish to change a vote you made by proxy:

- complete a proxy form that is dated later than the proxy form you are changing and mail it to Computershare so that it is received before 3:00 p.m. (Mountain time) on May 9, 2011 or, in the case of any adjournment or postponement of the Meeting, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the adjourned or postponed Meeting; or
- vote again by telephone or on the internet before 3:00 p.m. (Mountain time) on May 9, 2011 or, in the case of any adjournment or postponement of the Meeting, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the adjourned or postponed Meeting.

You can revoke a vote you made by proxy by:

- voting in person at the Meeting;
- sending a notice of revocation in writing from you or your authorized attorney to the Corporate Secretary at 700, 444 – 7th Avenue S.W., Calgary, Alberta T2P 0X8 so that it is received by the close of business (Mountain time) on May 10, 2011 or, in the case of any adjournment or postponement of the Meeting, on the last business day before the day of the adjourned or postponed meeting;
- giving a notice of revocation in writing from you or your authorized attorney to the Chairman of the Meeting on the day of, but prior to the commencement of, the Meeting or any adjournment or postponement of the Meeting; or
- in any other manner permitted by law.

HOW TO VOTE IF YOU ARE A NON-REGISTERED (OR BENEFICIAL) SHAREHOLDER

IN PERSON

We do not have access to the names or holdings of our Non-Registered (or Beneficial) shareholders. That means you can only vote your Common Shares in person at the Meeting if you have previously appointed yourself as the proxyholder for your Common Shares by inserting your name in the space provided on the voting instruction form which you receive from your intermediary and submit it as directed on the form. Your voting instructions must be received in sufficient time to allow your voting instruction form to be received by Computershare by 3:00 p.m. (Mountain time) on May 9, 2011 or, in the case of any adjournment or postponement of the Meeting not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the adjourned or postponed Meeting.

You should identify yourself to the representative from Computershare before entering the Meeting to register your attendance at the Meeting.

BY PROXY

- Your intermediary is required to ask for your voting instructions before the Meeting. Please contact your intermediary if you did not receive a voting instruction form or proxy form together with this Information Circular.
- In most cases, you will receive from your intermediary a voting instruction form that allows you to provide your voting instructions by telephone, on the internet or by mail.
- Alternatively, you may receive from your intermediary a voting instruction form which:
 - is to be completed and returned, in accordance with the intermediary's instructions; or
 - has been pre-authorized by your nominee indicating the number of Common Shares to be voted, which is to be completed, dated, signed and returned by you to Computershare.

How to Change your Vote – Non-Registered (or Beneficial) Shareholders

You may change your voting instructions given to an intermediary by notifying such intermediary in accordance with the intermediary's instructions.

HOW THE VOTES ARE COUNTED

Each shareholder is entitled to one vote for each Common Share held as of March 14, 2011 on all matters to come before the Meeting. As of March 14, 2011, there are 283,299,387 issued and outstanding Common Shares.

Computershare counts and tabulates the votes. It does this independently of BlackPearl to make sure that the votes of individual shareholders are confidential. Computershare refers proxy forms to BlackPearl only when:

- it is clear that a shareholder wants to communicate with management;
- the validity of the proxy is in question; or
- the law requires it.

Principal Holders of Common Shares

As of December 31, 2010, to the knowledge of the directors and officers of BlackPearl, no person or company beneficially owns, or controls or directs, directly or indirectly, 10% or more of the voting rights attached to all the issued and outstanding Common Shares.

BUSINESS OF THE ANNUAL GENERAL MEETING

Financial Statements and Auditors' Report

Our consolidated financial statements for the year ended December 31, 2010 and the report of the auditors thereon will be placed before the Meeting. Copies of the consolidated financial statements, the auditors' report and management's discussion and analysis have been mailed to all registered shareholders and non-registered (or beneficial) shareholders who have opted to receive such materials. These documents can also be found on our website at www.blackpearlresources.ca and are also available on SEDAR at www.sedar.com. No vote by the shareholders is required to be taken on our consolidated financial statements.

Election of Directors

At the Meeting, shareholders will be asked to elect five directors to serve until the next annual general meeting or until their successors are elected or appointed (referred herein to as the "**Board**" or "**Board of Directors**"). There are presently five directors of BlackPearl whose term will expire at the Meeting. Shareholders will be voting for each individual director rather than a slate of directors.

Unless otherwise directed, it is the intention of the persons designated in the proxy form to vote proxies FOR the election of each of the five nominees set forth below as directors of the Corporation. Management has no reason to believe that any of the nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the persons named in the proxy form will vote the Common Shares in respect of which they are appointed proxyholder in accordance with their best judgment.

Nominees for Election to Board of Directors

The Board, in consultation with the Corporate Governance and Nominating Committee, identifies and assesses candidates for the appointment or nomination to the Board. The Board and management feel the nominees are well qualified to act as directors. All current directors of the Corporation were elected at the annual general meeting held on May 12, 2010. The following information relating to the nominees for directors is based partly on information received by the Corporation from the said nominees.

<p>John H. Craig Toronto, Ontario, Canada Director since May 2009</p> <p>Independent</p>	<p>Mr. Craig is a lawyer and partner of Cassels Brock & Blackwell LLP, a law firm.</p> <table border="1" data-bbox="492 310 1427 451"> <thead> <tr> <th data-bbox="492 310 976 342">2010 Board/Committee Memberships</th> <th colspan="2" data-bbox="976 310 1427 342">Attendance at Meetings during 2010</th> </tr> </thead> <tbody> <tr> <td data-bbox="492 342 976 373">Board of Directors, Lead Director</td> <td data-bbox="976 342 1167 373">9 of 9</td> <td data-bbox="1167 342 1427 373">100%</td> </tr> <tr> <td data-bbox="492 373 976 405">Audit</td> <td data-bbox="976 373 1167 405">4 of 4</td> <td data-bbox="1167 373 1427 405">100%</td> </tr> <tr> <td data-bbox="492 405 976 436">Corporate Governance and Nominating (Chair)</td> <td data-bbox="976 405 1167 436">1 of 1</td> <td data-bbox="1167 405 1427 436">100%</td> </tr> <tr> <td data-bbox="492 436 976 451">Compensation</td> <td data-bbox="976 436 1167 451">2 of 2</td> <td data-bbox="1167 436 1427 451">100%</td> </tr> </tbody> </table> <p>Present Public Directorships</p> <p>Africa Oil Corp. (2009 to present) Atacama Minerals Corp. (2004 to present) Corsa Capital Ltd. (2010 to present) Consolidated HCI Holdings Corp. (1985 to present) Denison Mines Corp. (1997 to present) Etrion Corporation (2008 to present) Lundin Mining Corp. (2003 to present)</p> <table border="1" data-bbox="492 709 1427 842"> <thead> <tr> <th colspan="3" data-bbox="492 709 1427 741">Securities Held</th> </tr> <tr> <th data-bbox="492 741 724 772">Year</th> <th data-bbox="724 741 959 772">Common Shares</th> <th data-bbox="959 741 1427 772">Options</th> </tr> </thead> <tbody> <tr> <td data-bbox="492 772 724 804">2011</td> <td data-bbox="724 772 959 804">100,000</td> <td data-bbox="959 772 1427 804">340,000</td> </tr> <tr> <td data-bbox="492 804 724 835">2010</td> <td data-bbox="724 804 959 835">75,000</td> <td data-bbox="959 804 1427 835">300,000</td> </tr> </tbody> </table>	2010 Board/Committee Memberships	Attendance at Meetings during 2010		Board of Directors, Lead Director	9 of 9	100%	Audit	4 of 4	100%	Corporate Governance and Nominating (Chair)	1 of 1	100%	Compensation	2 of 2	100%	Securities Held			Year	Common Shares	Options	2011	100,000	340,000	2010	75,000	300,000			
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<p>Brian D. Edgar Vancouver, British Columbia, Canada Director since February 2006</p> <p>Independent</p>	<p>Mr. Edgar is Executive Chairman of Metalline Mining Company, a publicly traded exploration stage mining company. From February 2005 to April 2010, Mr. Edgar was President and Chief Executive Officer of Dome Ventures Corporation, a publicly traded resource company which was merged with Metalline Mining Company in April 2010.</p> <table border="1" data-bbox="492 1010 1427 1171"> <thead> <tr> <th data-bbox="492 1010 976 1041">2010 Board/Committee Memberships</th> <th colspan="2" data-bbox="976 1010 1427 1041">Attendance at Meetings during 2010</th> </tr> </thead> <tbody> <tr> <td data-bbox="492 1041 976 1073">Board of Directors</td> <td data-bbox="976 1041 1167 1073">9 of 9</td> <td data-bbox="1167 1041 1427 1073">100%</td> </tr> <tr> <td data-bbox="492 1073 976 1104">Audit (Chair)</td> <td data-bbox="976 1073 1167 1104">4 of 4</td> <td data-bbox="1167 1073 1427 1104">100%</td> </tr> <tr> <td data-bbox="492 1104 976 1136">Corporate Governance and Nominating</td> <td data-bbox="976 1104 1167 1136">1 of 1</td> <td data-bbox="1167 1104 1427 1136">100%</td> </tr> <tr> <td data-bbox="492 1136 976 1167">Compensation (Chair)</td> <td data-bbox="976 1136 1167 1167">2 of 2</td> <td data-bbox="1167 1136 1427 1167">100%</td> </tr> <tr> <td data-bbox="492 1167 976 1182">Reserves</td> <td data-bbox="976 1167 1167 1182">3 of 3</td> <td data-bbox="1167 1167 1427 1182">100%</td> </tr> </tbody> </table> <p>Present Public Directorships</p> <p>Denison Mines Corp. (2005 to present) Lucara Diamond Corp. (2007) Metalline Mining Company (April 2010 to present) Lundin Mining Corporation (1994 to present) ShaMaran Petroleum Corp. (2007 to present)</p> <table border="1" data-bbox="492 1367 1427 1499"> <thead> <tr> <th colspan="3" data-bbox="492 1367 1427 1398">Securities Held</th> </tr> <tr> <th data-bbox="492 1398 724 1430">Year</th> <th data-bbox="724 1398 959 1430">Common Shares</th> <th data-bbox="959 1398 1427 1430">Options</th> </tr> </thead> <tbody> <tr> <td data-bbox="492 1430 724 1461">2011</td> <td data-bbox="724 1430 959 1461">250,000</td> <td data-bbox="959 1430 1427 1461">452,500</td> </tr> <tr> <td data-bbox="492 1461 724 1499">2010</td> <td data-bbox="724 1461 959 1499">0</td> <td data-bbox="959 1461 1427 1499">412,000</td> </tr> </tbody> </table>	2010 Board/Committee Memberships	Attendance at Meetings during 2010		Board of Directors	9 of 9	100%	Audit (Chair)	4 of 4	100%	Corporate Governance and Nominating	1 of 1	100%	Compensation (Chair)	2 of 2	100%	Reserves	3 of 3	100%	Securities Held			Year	Common Shares	Options	2011	250,000	452,500	2010	0	412,000
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<p>John L. Festival Calgary, Alberta, Canada Director since January 2009</p> <p>Not Independent</p>	<p>Mr. Festival has been the President and Chief Executive Officer of BlackPearl since January 8, 2009. From October 2007 to January 2009, he was President of BlackCore Resources Inc. From January 2001 to June 2006, Mr. Festival was President and a Director of BlackRock Ventures Inc., a publicly traded upstream oil and gas company.</p> <table border="1"> <thead> <tr> <th colspan="2">2010 Board/Committee Memberships</th> <th colspan="2">Attendance at Meetings during 2010</th> </tr> </thead> <tbody> <tr> <td>Board of Directors</td> <td></td> <td>9 of 9</td> <td>100%</td> </tr> </tbody> </table> <p>Present Public Directorships</p> <p>None</p> <table border="1"> <thead> <tr> <th colspan="4">Securities Held</th> </tr> <tr> <th>Year</th> <th>Common Shares</th> <th>Options</th> <th>Warrants⁽²⁾</th> </tr> </thead> <tbody> <tr> <td>2011</td> <td>5,825,000</td> <td>1,400,000</td> <td>2,411,299</td> </tr> <tr> <td>2010</td> <td>5,825,000</td> <td>1,250,000</td> <td>2,411,299</td> </tr> </tbody> </table>	2010 Board/Committee Memberships		Attendance at Meetings during 2010		Board of Directors		9 of 9	100%	Securities Held				Year	Common Shares	Options	Warrants ⁽²⁾	2011	5,825,000	1,400,000	2,411,299	2010	5,825,000	1,250,000	2,411,299												
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<p>Keith C. Hill West Vancouver, British Columbia, Canada Director since January 2006</p> <p>Not Independent</p>	<p>Mr. Hill is the President and Chief Executive Officer of Africa Oil Corp., a publicly traded international upstream oil and gas exploration company, and has served in this position since January 2009. From February 2007 to January 2009, Mr. Hill was the President and Chief Executive Officer of BlackPearl. Mr. Hill was the President and Chief Executive Officer of Valkyries Petroleum Corp., a publicly traded upstream oil and gas company from August 2002 to July 2006.</p> <table border="1"> <thead> <tr> <th colspan="2">2010 Board/Committee Memberships</th> <th colspan="2">Attendance at Meetings during 2010</th> </tr> </thead> <tbody> <tr> <td>Board of Directors, Chairman</td> <td></td> <td>9 of 9</td> <td>100%</td> </tr> <tr> <td>Reserves</td> <td></td> <td>3 of 3</td> <td>100%</td> </tr> </tbody> </table> <p>Present Public Directorships</p> <p>Africa Oil Corp. (2006 to present) Tyner Resources Ltd. (2008 to present) ShaMaran Petroleum Corp. (2007 to present) Petro Vista Energy Corp. (2008 to present)</p> <table border="1"> <thead> <tr> <th colspan="3">Securities Held</th> </tr> <tr> <th>Year</th> <th>Common Shares</th> <th>Options</th> </tr> </thead> <tbody> <tr> <td>2011</td> <td>481,200</td> <td>1,440,000</td> </tr> <tr> <td>2010</td> <td>578,400</td> <td>1,400,000</td> </tr> </tbody> </table>	2010 Board/Committee Memberships		Attendance at Meetings during 2010		Board of Directors, Chairman		9 of 9	100%	Reserves		3 of 3	100%	Securities Held			Year	Common Shares	Options	2011	481,200	1,440,000	2010	578,400	1,400,000												
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<p>Victor M. Luhowy Calgary, Alberta, Canada Director since January 2009</p> <p>Independent</p>	<p>Mr. Luhowy is President of BelAir Petroleum Management Ltd., a private management company. From February 2004 to June 2009, Mr. Luhowy was President and Chief Executive Officer of Mystique Energy Inc., a publicly traded upstream oil and gas company.</p> <table border="1"> <thead> <tr> <th colspan="2">2010 Board/Committee Memberships</th> <th colspan="2">Attendance at Meetings during 2010</th> </tr> </thead> <tbody> <tr> <td>Board of Directors</td> <td></td> <td>9 of 9</td> <td>100%</td> </tr> <tr> <td>Audit</td> <td></td> <td>4 of 4</td> <td>100%</td> </tr> <tr> <td>Compensation</td> <td></td> <td>2 of 2</td> <td>100%</td> </tr> <tr> <td>Corporate Governance and Nominating</td> <td></td> <td>1 of 1</td> <td>100%</td> </tr> <tr> <td>Reserves (Chair)</td> <td></td> <td>3 of 3</td> <td>100%</td> </tr> </tbody> </table> <p>Present Public Directorships</p> <p>None</p> <table border="1"> <thead> <tr> <th colspan="3">Securities Held</th> </tr> <tr> <th>Year</th> <th>Common Shares</th> <th>Options</th> </tr> </thead> <tbody> <tr> <td>2011</td> <td>60,000</td> <td>340,000</td> </tr> <tr> <td>2010</td> <td>50,000</td> <td>300,000</td> </tr> </tbody> </table>	2010 Board/Committee Memberships		Attendance at Meetings during 2010		Board of Directors		9 of 9	100%	Audit		4 of 4	100%	Compensation		2 of 2	100%	Corporate Governance and Nominating		1 of 1	100%	Reserves (Chair)		3 of 3	100%	Securities Held			Year	Common Shares	Options	2011	60,000	340,000	2010	50,000	300,000
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Audit		4 of 4	100%																																		
Compensation		2 of 2	100%																																		
Corporate Governance and Nominating		1 of 1	100%																																		
Reserves (Chair)		3 of 3	100%																																		
Securities Held																																					
Year	Common Shares	Options																																			
2011	60,000	340,000																																			
2010	50,000	300,000																																			

Notes:

- (1) The information as to the Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, is based on information furnished to BlackPearl by the respective nominees and is as of March 14, 2011 and February 25, 2010.
- (2) The warrants are composed of Class A and Class B share purchase warrants, whereby each whole Class A warrant and Class B warrant allows the holder to acquire a Common Share for a price of \$0.60 on or before January 13, 2013.

Independence of Nominees

	<u>Management</u>	<u>Independent</u>	<u>Not Independent</u>	<u>Reason for Non-Independent Status</u>
John H. Craig		√		
Brian D. Edgar		√		
John L. Festival	√		√	Mr. Festival is the President and Chief Executive Officer of BlackPearl
Keith C. Hill			√	Mr. Hill is the former President and Chief Executive Officer of BlackPearl
Victor M. Luhowy		√		

Corporate Cease Trade Orders or Bankruptcies

To the knowledge of the Corporation, no proposed director of the Corporation (a) is, as at the date hereof, or has been, within the 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company that, (i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days (an "**Order**") that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer, (b) is, as at the date hereof, or has been within 10 years before the date hereof, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or (c) has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed nominee, except for:

Mr. Brian D. Edgar is currently and was a director of New West Energy Services Inc. (TSX-V) when, on September 5, 2006, a cease trade order was issued against that company by the British Columbia Securities Commission for failure to file its financial statements within the prescribed time. The default was rectified and the order was rescinded on November 9, 2006.

Mr. Victor M. Luhowy was formerly President and Chief Executive Officer of Mystique Energy Inc.,

which on April 24, 2007 filed for and obtained protection from its creditors under the *Companies' Creditors Arrangement Act*.

Appointment of Auditors

PricewaterhouseCoopers LLP, Chartered Accountants, Calgary, Alberta, has served as the auditors of the Corporation since January 19, 2006. At the Meeting, management proposes to nominate PricewaterhouseCoopers LLP for appointment as the auditors of the Corporation for the ensuing year at a remuneration to be determined by the Board.

The Board recommends that the shareholders approve the appointment of PricewaterhouseCoopers LLP, Chartered Accountants, as auditors of BlackPearl to hold office until the close of the next annual meeting of shareholders and that the Board of Directors be authorized to fix their remuneration.

Unless otherwise directed, it is the intention of the persons designated in the proxy form to vote proxies in favour of the appointment of PricewaterhouseCoopers LLP, Chartered Accountants, Calgary, Alberta, as auditors of the Corporation for the ensuing year at a remuneration to be determined by the Board. The resolution approving the appointment of PricewaterhouseCoopers LLP must be passed by not less than one-half plus one of the votes cast by shareholders, other than the Corporation or any of its affiliates, present in person or by proxy at the Meeting.

The table below provides information about the fees billed to BlackPearl for professional services rendered

by PricewaterhouseCoopers LLP during fiscal 2010 and 2009.

Type of Work	2010 Fees	2009 Fees
Audit Fees	\$158,125	\$162,884
Audit Related Fees		
Review of interim financial statements and MD&A, review of changes in accounting policy	\$66,150	\$66,150
Other Fees		
Review of prospectus and IFRS strategy	\$98,123	\$55,256
TOTAL	\$322,398	\$284,290

INTEREST OF CERTAIN PERSONS AND COMPANIES IN MATTERS TO BE ACTED UPON

Management is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director, executive officer, or anyone who has held office as such at any

time since the beginning of the last financial year, proposed nominee for election as a director of the Corporation, or their respective associates or affiliates, in any matter to be acted on at the Meeting.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Management is not aware of any material interest, direct or indirect, of any informed person of the Corporation, any proposed director of the Corporation, or their respective associates or affiliates, in any transaction since the commencement

of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

OTHER BUSINESS

While there is no other business other than that 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 that Meeting or any adjournment thereof, in accordance with the discretion of the persons authorized to act thereunder.

EXECUTIVE COMPENSATION

Compensation Oversight

BlackPearl's executive compensation program is administered by the Compensation Committee of the Board (the "**Compensation Committee**"). The Compensation Committee is comprised of John H. Craig, Brian D. Edgar and Victor M. Luhowy, each of whom is a current director of the Corporation. All of the members of the Compensation Committee are independent directors. The Compensation Committee's mandate includes reviewing and making recommendations to the Board in respect of compensation matters relating to the "Named Executive Officers" which are identified in the "Summary Compensation Table" below.

motivated individuals, and to provide fair and competitive compensation in accordance with industry standards and with the individual's expertise and experience. The compensation program consists of three components: (i) base salaries; (ii) annual bonuses; and (iii) stock options. Compensation is more heavily weighted towards long-term compensation through the granting of stock options in order to align the interests of officers and employees with the performance of the Corporation and with the interests of shareholders. The Compensation Committee reviews the various aspects of this policy from time to time to ensure the effectiveness of the programs and whether they adequately reflect the Corporation's business objectives.

Compensation Discussion and Analysis

Compensation Philosophy

The Corporation's executive compensation program has been designed to attract highly qualified and

Compensation Review Process

When determining executive compensation under each element of compensation, BlackPearl relies on a variety of information sources to assess the

competitiveness of its compensation program. Management reviews the compensation practices of companies in a selected peer group for salary levels, bonuses and long term incentives and then compiles the information and reports its findings to the Compensation Committee. The companies in the peer group operate in a similar business environment and are of similar size, scope and complexity. The Corporation's peer group for these purposes is selected based upon such factors as market capitalization, production, revenue, and total assets. Currently our peer group consists of the following companies: Anderson Energy Ltd., Angle Energy Inc., Birchcliff Energy Ltd., Connacher Oil and Gas Limited, Crew Energy Inc., Delphi Energy Corp., Southern Pacific Resource Corp., Twin Butte Energy Ltd., and Zargon Oil & Gas Ltd.

Changes to the peer group occurs regularly given the nature of the oil and gas industry as companies merge, are acquired and change over time. In addition, changes to the comparator group may be made from time to time as recommended by management.

The Chief Executive Officer is responsible for making recommendations to the Compensation Committee with respect to compensation for the executive officers of the Corporation, other than the Chief Executive Officer. In making such recommendations, the Chief Executive Officer reviews the compensation data compiled by management for the Corporation's selected peer group, corporate performance as well as individual executive officer performance. In assessing corporate performance, the Corporation does not set specific objectives and targets, rather the Compensation Committee uses its experience and judgment, while also giving consideration to, without limitation: (i) the Corporation's performance relative to its goals and objectives as compared to the performance of its industry peer group; (ii) year-over-year growth in production and reserves; and (iii) cash flow and cash flow per share amounts.

The Compensation Committee meets at least once each year to review the compensation package for the Named Executive Officers. The Compensation Committee also meets at other times during the year as necessary, such as when a component of the Corporation's overall compensation package, including the stock option plan or the annual bonus program, is being amended or reviewed.

Upon the receipt of the recommendation from the Chief Executive Officer, the Compensation Committee reviews the evaluation and determines whether to accept the recommendation or make any changes. Recommendations for executive compensation are then made by the Compensation Committee to the full board of directors for approval.

Each element of the Corporation's executive compensation program is described in more detail below.

Base Salaries

The Corporation has adopted the policy of providing each of its four executive officers, including the Chief Executive Officer, equivalent per annum compensation. This reflects the Corporation's belief that each of these individuals is required to provide critical contributions to achieve the Corporation's objectives. There were no changes to the base salaries of the Named Executive Officers in 2010.

Short Term Incentive Compensation – Cash Bonuses

The Corporation may award discretionary cash bonuses to executive officers and employees of BlackPearl. The amount of the bonus that each individual may be eligible for is not set in relation to any formula or specific criteria, but is the result of a subjective determination of the Corporation's performance, overall industry conditions, as well as the individual's performance and his or her contribution to overall corporate goals. Some of the elements that may be considered in establishing bonuses include production levels, reserve additions, finding and development costs, share price performance, safety record and performance, capital, operating and administrative cost efficiencies, cash flow and net asset value per share, among other items. The payment of bonuses is subject to the final approval of the Board of Directors and the Board of Directors has the discretion to amend or suspend the bonuses at any time in its sole discretion.

Long Term Incentive Compensation – Stock Options

The Corporation's long-term incentive program involves the granting of stock options to the executive officers as well as all employees of the Corporation.

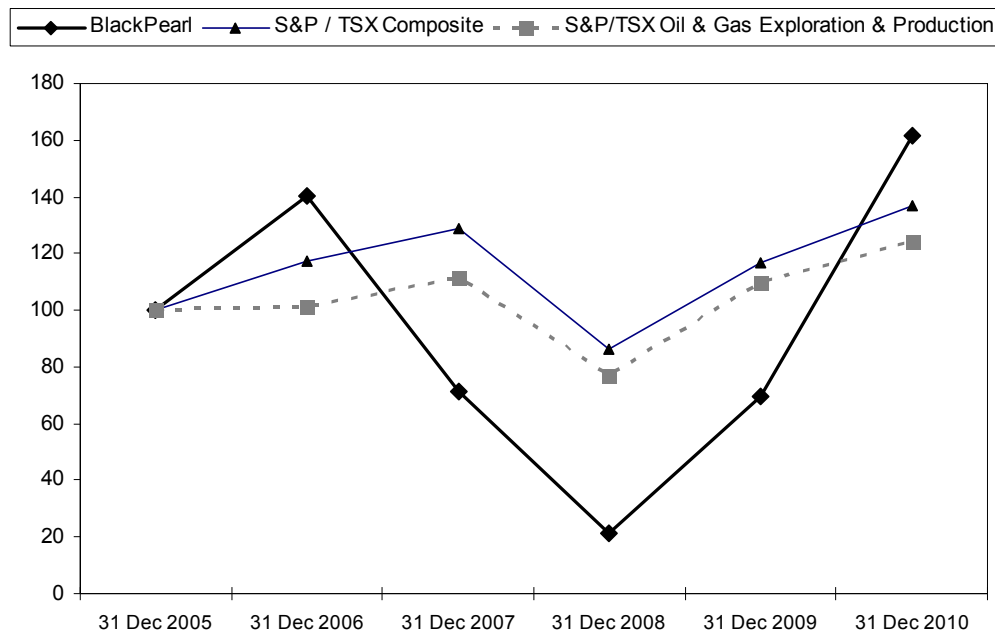
The granting of stock options is intended to align individual and shareholder interests by creating a relationship between compensation and shareholder return.

Individual stock options are granted by the Board on the recommendation of senior management, in the case of employees, and by the Compensation Committee, in the case of executive officers, including the Chief Executive Officer. Options are normally awarded by the Board upon the commencement of an individual's employment with the Corporation based on the level of responsibility within the Corporation. Additional option grants may be made periodically to ensure that the number of stock options granted to any particular individual is commensurate with the individual's level of ongoing responsibility within the Corporation. In considering additional grants, we evaluate the role the individual plays in the Corporation, the number of stock options an individual has been granted, the exercise price and the value of the options and the term remaining on those options. See "Option-Based Awards – Stock Option Plan".

Performance Graph

The following graph shows the total cumulative return on a \$100 investment on December 31, 2005 in Common Shares compared to the cumulative total return of the S&P/Oil & Gas Exploration & Production

Index and the S&P/TSX Composite Index over the five year period ending December 31, 2010, assuming reinvestment of all dividends.



	31 Dec 2005	31 Dec 2006	31 Dec 2007	31 Dec 2008	31 Dec 2009	31 Dec 2010
BlackPearl (PXX)	100	140	71	21	70	162
S&P/TSX Composite	100	117	129	86	117	137
S&P/TSX Oil & Gas Exploration & Production Sub-Index	100	101	112	77	110	124
Closing Price of BlackPearl (PXX)	\$3.64	\$5.10	\$2.60	\$0.78	\$2.54	\$5.88

Generally, the trend in the performance graph correlates to the trend of the compensation paid to the Named Executive Officers. When the Board of Directors replaced the executive officers of the Corporation in 2009, the Board agreed to reduce the base salary component, but increase the option-based component of the total compensation to the new executive officers compared to the compensation structure of the prior management group. As a result, stock options granted pursuant to the Corporation's

Stock Option Plan form a significant portion of compensation, and therefore total compensation for the Named Executive Officers is affected by increases or decreases in the price of the Common Shares as the value of such stock options changes with the Corporation's share price. Changes in base salary are determined based on competitive market conditions and are generally less affected by movement in the price of the Common Shares.

Summary Compensation Table

Name and Principal Position	Year	Salary (\$)	Share-based awards	Option-based awards ⁽¹⁾ (\$)	Non-Equity incentive plan compensation (\$)				Total compensation (\$)
					Annual incentive plans	Long-term incentive plans	Pension value	All other compensation	
John L. Festival ⁽²⁾⁽³⁾ President and CEO	2010	200,000	–	418,221	150,000	–	–	–	768,221
	2009	196,282	–	301,191	–	–	–	–	498,019
	2008	n/a	–	366,115	n/a	n/a	n/a	n/a	366,115
Don W. Cook ⁽²⁾ CFO	2010	200,000	–	418,221	150,000	–	–	–	768,221
	2009	196,282	–	301,191	–	–	–	–	498,019
	2008	n/a	–	366,115	n/a	n/a	n/a	n/a	366,115
Chris W. Hogue ⁽²⁾ Vice President Operations	2010	200,000	–	418,221	150,000	–	–	–	768,221
	2009	196,282	–	301,191	–	–	–	–	498,019
	2008	n/a	–	366,115	n/a	n/a	n/a	n/a	366,115
Edward Sobel ⁽²⁾ Vice President Exploration	2010	200,000	–	418,221	150,000	–	–	–	768,221
	2009	196,282	–	301,191	–	–	–	–	498,910
	2008	n/a	–	366,115	n/a	n/a	n/a	n/a	366,115

Notes:

- (1) The value of the option-based awards is calculated using the Black Scholes Option pricing methodology.
- (2) Each of John Festival, Don Cook, Chris Hogue and Edward Sobel were appointed to their respective positions effective January 8, 2009.
- (3) John Festival was not compensated for acting in his role as a director.

Option-Based Awards

Stock Option Plan

The Corporation has a stock option plan (the "**Stock Option Plan**") which permits the granting of options ("**Options**") to purchase Common Shares to directors, officers, employees and consultants ("**Participants**") of the Corporation and its subsidiaries and affiliates (collectively, the "**Corporate Group**") from time to time.

Options may be granted to any Participants of the Corporate Group. The Stock Option Plan is administered by the Board or a committee thereof. The Stock Option Plan currently limits the number of Common Shares that may be issued on exercise of the Options to a number not exceeding 10% of the number of Common Shares which are issued and outstanding from time to time. Pursuant to TSX rules, shareholder approval with respect to all unallocated Options under the Stock Option Plan will be required to be sought by the Corporation every three years following the initial adoption of the Stock Option Plan. As the adoption of the Stock Option Plan was approved by shareholders on May 6, 2009, shareholder approval will next be sought in 2012. The number of Common Shares reserved for issuance pursuant to Options granted to insiders (as such term is referred to the policies of the TSX) under the Stock Option Plan and all other security-based compensation arrangements of the Corporate Group shall not, in the aggregate, exceed 10% of the number of Common Shares outstanding. In addition, the aggregate number of Common Shares issued to insiders pursuant to Options, within a one-year period,

shall not exceed 10% of the number of Common Shares outstanding immediately prior to such issuance. The Stock Option Plan also permits the President of the Corporation, at his sole discretion, to grant to new employees of the Corporate Group (other than insiders of the Corporation), Options to purchase up to a maximum of 100,000 Common Shares, provided that: (i) the granting of such Options does not result in the aggregate number of Common Shares issuable upon the exercise of Options outstanding exceeding 10% of the number of Common Shares outstanding; and (ii) the aggregate number of Options granted by the President in any one calendar year does not exceed 250,000 Options.

The exercise price of Options granted under the Stock Option Plan shall not be lower than the five-day volume weighted average trading price of the Common Shares traded through the facilities of the TSX immediately preceding the grant date. In the event the Common Shares are not then traded through the facilities of the TSX, the exercise price shall not be lower than the five-day volume weighted average trading price of the Common Shares on such other stock exchange as the Common Shares may then be traded on the trading day immediately preceding the grant date. In the event the Common Shares are not traded on any stock exchange, the exercise price shall be equal to an amount determined by the Board in its sole discretion, acting reasonably.

Unless otherwise determined by the Board, Options granted under the Stock Option Plan may be exercised for a term not exceeding ten years from the date of grant. Upon expiration, unexercised Options become null and void. The Board sets the term and vesting schedule of Options. For all options granted in 2010, the directors set a term of five years with a three year vesting period.

If the relationship of the holder of an Option (other than a service provider) with the Corporate Group is terminated for any reason prior to the expiry date, whether or not such termination is with or without notice, adequate notice or legal notice or is with or without legal or just cause, the holder shall have no claim to or in respect of any Options which may have or would have vested had due notice of termination of employment been given nor shall the holder have any entitlement to damages or other compensation or any claim for wrongful termination or dismissal in respect of any Options or loss of profit or opportunity which may have or would have vested or accrued to the holder if such wrongful termination or dismissal had not occurred or if due notice of termination had been given. The Stock Option Plan does not give any holder that is a director the right to serve or continue to serve as a director of the Corporation, nor does it give any holder that is an officer, employee or direct or indirect service provider the right to be or to continue to be employed by or provide services to the Corporate Group. This plan does not prejudice the holder's rights to seek compensation for lost employment income or lost employment benefits (other than those accruing under or in respect of the Stock Option Plan or any Option) in the event of any alleged wrongful termination or dismissal.

In the event of a change of control of the Corporation, all outstanding Options shall vest and be immediately exercisable and each holder shall have the right to exercise such rights at any time up to and including (but not after) the earlier of: (i) 90 days following the date of such change of control; and (ii) the expiry date of the Options. A change of control occurs upon the happening of any of the following: (i) the acceptance by shareholders, representing more than 50% of the outstanding Common Shares, of any offer for any or all of the Common Shares; (ii) the acquisition by whatever means by a person or persons acting jointly or in concert, directly or indirectly, of ownership of, or control or direction over, more than 50% of the outstanding Common Shares (other than pursuant to a bona fide reorganization); (iii) the passing of a resolution by the Board or the shareholders to substantially liquidate the assets or rearrange the affairs of the Corporation (other than pursuant to a bona fide reorganization); (iv) the sale by the Corporation of all or substantially all of its assets (other than to an affiliate of the Corporation); (v) individuals who were proposed as nominees to become directors of the Corporation immediately prior to a meeting of shareholders involving a contest for, or an item of business relating to the election of

directors, not constituting a majority of the directors following such election; or (vi) any other event which, in the opinion of the Board, reasonably constitutes a change of control of the Corporation. In the event that the Board passes a resolution approving, or the Corporation enters into an agreement providing for, a transaction which, if completed, would constitute a change of control, the Board may at its discretion resolve to permit holders of Options to exercise all unexercised vested and unvested Options, conditional upon the occurrence of the change of control, for the purpose of, as applicable, tendering the underlying Common Shares to the take-over bid or voting such Common Shares in respect of the resolution(s) pertaining to the transaction that would give rise to the change of control.

The Stock Option Plan specifically prohibits financial assistance of any kind being provided to participants for the purpose of exercising any Options. The Stock Option Plan does, however, provide for a cashless exercise of Options, where the holder may elect, at their option, to receive either a cash payment equal to the in-the-money value of the Option, or Common Shares issued from treasury equal to the in-the-money value of the Option. The Corporation has the sole discretion to consent to or disapprove of the election by a holder to exercise Options for a cash amount or number of Common Shares equal to the in-the-money value of an Option, in which case the holder may re-elect to exercise in the normal course, or retract the request to exercise the Option.

In the event of: (i) the acquisition by any person or group of persons acting jointly or in concert, directly or indirectly, of such number of Common Shares as entitle such person(s) to acquire pursuant to the compulsory purchase provisions of the Canada Business Corporations Act or such other comparable legislation applicable to the Corporation, all remaining Common Shares not already acquired by the person(s); or (ii) the receipt of all required shareholder, regulatory and court approvals for an amalgamation, arrangement, consolidation, merger or other business combination pursuant to which one or more persons will, directly or indirectly, acquire all of the issued and outstanding Common Shares, the Corporation may at its election, effective on the sending of notice to the remaining holders of Options, terminate such Options for their in-the-money value, payable in Common Shares.

In the event that: (i) an Option expires during the period which the holder is prohibited from exercising an Option due to trading restrictions imposed by the Corporation on such holder (the "**Blackout Period**"); or (ii) within 10 business days after the expiry of the Blackout Period, then the expiry date for that Option will be the date that is 10 business days after the expiry of the Blackout Period.

The Stock Option Plan specifies which amendments to the plan do not require shareholder approval, including amendments: (i) for the purpose of curing

any ambiguity, error or omission in the Stock Option Plan or to correct or supplement any provision of the plan that is inconsistent with any other provision of the plan; (ii) necessary to comply with applicable law or the requirements of any stock exchange on which the Common Shares are listed; (iii) to the Stock Option Plan respecting administration or eligibility for participation under the plan; (iv) of a "housekeeping" nature; (v) changing the terms and conditions on which the Options may be or have been granted pursuant to the Stock Option Plan, including a change to vesting provisions; and (vi) changing termination provisions of Options or the Stock Option Plan which do not specify extension beyond the original expiry date. The Stock Option Plan also specifies amendments that require shareholder approval, such as: (i) increasing the maximum number of Common Shares reserved for issuance pursuant to the Stock Option Plan; (ii) modifying or amending terms of Options including the repricing or extension of exercise periods; (iii) modifying or amending the Stock Option Plan to permit Options to be transferable or assignable, other than for normal estate settlement

purposes; (iv) changes to eligible participants under the Stock Option Plan which would broaden insider participation; (v) the addition of financial assistance; and (vi) amendments to the amendment provisions of the Stock Option Plan. Subject to the above, the Board may add to, delete from, alter or otherwise amend the provisions of the Stock Option Plan or any options granted thereunder or terminate the Stock Option Plan, provided that no amendment may change the determination of the exercise price of the Options, increase the maximum number of Common Shares reserved for issuance pursuant to the Stock Option Plan or, without the consent of the holder, adversely impair, alter or amend any right previously granted.

The Corporation has 283,299,387 Common Shares issued and outstanding as of March 14, 2011. There are 14,885,998 Options currently outstanding (representing 5% of the outstanding Common Shares) and 13,443,941 Options remain issuable under the Stock Option Plan (representing approximately 5% of the outstanding Common Shares).

Outstanding Option-Based Awards

The following table sets forth, for each Named Executive Officer, all option-based awards that were outstanding at December 31, 2010.

Name and Title	Option-Based Awards			
	Number of securities underlying unexercised options	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)
John L. Festival President and CEO	1,000,000	0.70	17-Dec-2013	5,180,000
	250,000	2.21	19-Nov-2014	917,500
	150,000	5.08	18-Nov-2015	120,000
Don W. Cook CFO	1,000,000	0.70	17-Dec-2013	5,180,000
	250,000	2.21	19-Nov-2014	917,500
	150,000	5.08	18-Nov-2015	120,000
Chris W. Hogue Vice President Operations	1,000,000	0.70	17-Dec-2013	5,180,000
	250,000	2.21	19-Nov-2014	917,500
	150,000	5.08	18-Nov-2015	120,000
Edward Sobel Vice President Exploration	1,000,000	0.70	17-Dec-2013	5,180,000
	250,000	2.21	19-Nov-2014	917,500
	150,000	5.08	18-Nov-2015	120,000

Note:

(1) The value of the option-based awards is calculated based on the difference between the market price of the Common Shares at December 31, 2010 and the exercise price of the Options.

Incentive Plan Awards – Value Vested or Earned During 2010

The following table sets forth, for each Named Executive Officer, the value vested or earned on all option-based awards, share-based awards and non-equity incentive plan compensation during the fiscal year-ended December 31, 2010.

Name and Title	Option-based awards – Value vested during the year ⁽¹⁾ (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
John L. Festival President and CEO	2,010,839	–	150,000
Don W. Cook CFO	2,010,839	–	150,000
Chris W. Hogue Vice President Operations	2,010,839	–	150,000
Edward Sobel Vice President Exploration	2,010,839	–	150,000

Note:

(1) The value of the option-based awards is calculated based on the difference between the market price of the Common shares on the vesting date and the exercise price of the Options.

Pension Plan Benefits

The Corporation has no defined benefit plans, defined contribution plans or deferred compensation plans.

Employment and Management Contracts

The Corporation entered into an executive employment agreement with John Festival dated January 8, 2009, for an indefinite term, whereby the Corporation has engaged the services of Mr. Festival to act as President and Chief Executive Officer of the Corporation at an annual base salary of \$200,000, subject to periodic review, plus any discretionary annual performance bonuses as approved by the Board. Upon a change of control, Mr. Festival is entitled to a severance payment equivalent to 24 months' salary, plus 10% in lieu of benefits plus a payment equal to his average annual bonus during the last two years.

The Corporation entered into an executive employment agreement with Don Cook dated January 8, 2009, for an indefinite term, whereby the Corporation has engaged the services of Mr. Cook to act as Chief Financial Officer of the Corporation at an annual base salary of \$200,000, subject to periodic review, plus any discretionary annual performance bonuses as approved by the Board. Upon a change of control, Mr. Cook is entitled to a severance payment equivalent to 24 months' salary, plus 10% in lieu of benefits plus a payment equal to his average annual bonus during the last two years.

The Corporation entered into an executive employment agreement with Edward Sobel dated January 8, 2009, for an indefinite term, whereby the Corporation has engaged the services of Mr. Sobel to act as Vice President Exploration of the Corporation at an annual base salary of \$200,000, subject to periodic review, plus any discretionary annual

performance bonuses as approved by the Board. Upon a change of control, Mr. Sobel is entitled to a severance payment equivalent to 24 months' salary, plus 10% in lieu of benefits plus a payment equal to his average annual bonus during the last two years.

The Corporation entered into an executive employment agreement with Chris Hogue dated January 8, 2009, for an indefinite term, whereby the Corporation has engaged the services of Mr. Hogue to act as Vice President Operations of the Corporation at an annual base salary of \$200,000, subject to periodic review, plus any discretionary annual performance bonuses as approved by the Board. Upon a change of control, Mr. Hogue is entitled to a severance payment equivalent to 24 months' salary, plus 10% in lieu of benefits plus a payment equal to his average annual bonus during the last two years.

On December 31, 2010, the incremental payments, payables or benefits to each of the Named Executive Officers, assuming termination of employment without cause (including constructive dismissal), would have been approximately \$440,000, and assuming a change of control had occurred, the incremental payments, payables or benefits, including the value of stock options that automatically vest on a change of control, to each of the Named Executive Officers would have been \$2,898,329.

Directors' and Officers' Liability Insurance

The Corporation maintains insurance for the benefit of its directors and officers and the directors and officers of its subsidiaries, as a group, in respect of the performance by them of the duties of their offices. The total amount of insurance coverage available is up to \$20 million, depending on the type of claim, with a deductible of up to \$50,000, depending on the type of claim, for each claim for which the Corporation grants indemnification. The Corporation bears the

entire cost of the premiums payable pursuant to this coverage.

Compensation of Directors

The compensation package for directors is intended to provide a competitive level of remuneration reflective of the responsibilities, accountability and time commitments of the Board members. Based on the Compensation Committee's review, effective January 1, 2011, the annual retainer for non-executive directors was increased to \$40,000 per year. The retainer for non-executive directors was \$25,000 per year in 2010. Executive officers of the Corporation who also act as directors of the Corporation do not receive any additional compensation for services rendered in such capacity, other than as paid by the Corporation to such

executive officers in their capacity as executive officers. There is no formal policy for the granting of Options to directors. Options may be granted from time to time upon the recommendation of the Compensation Committee.

In 2010, a peer group review was conducted by the Compensation Committee, with results used to determine the overall competitiveness of BlackPearl's director compensation. The following table details the compensation provided to the directors that served on the Board during 2010.

<u>Name</u> ⁽²⁾	<u>Fees earned</u>	<u>Share-based awards</u>	<u>Option-based awards</u> ⁽³⁾	<u>Non-equity incentive plan compensation</u>	<u>Pension value</u>	<u>All other compensation</u>	<u>Total</u>
John H. Craig	\$25,000	–	\$111,526	–	–	–	\$136,526
Brian D. Edgar	\$25,000	–	\$111,526	–	–	–	\$136,526
Keith C. Hill	\$25,000	–	\$111,526	–	–	–	\$136,526
Victor M. Luhowy	\$25,000	–	\$111,526	–	–	–	\$136,526

Notes:

- (1) Details of compensation for John Festival are included under "Summary of Compensation – Summary Compensation Table".
- (2) John Festival was not compensated for acting in his role as a director.
- (3) The value of the option-based awards is calculated using the Black Scholes Option pricing methodology.

DIRECTORS' SHARE OWNERSHIP GUIDELINES

Effective January 1, 2011, the Corporation adopted minimum share ownership guidelines for directors whereby each director is required to own, directly or indirectly, Common Shares equal to two times the annual retainer for directors based on the cost of the

Common Shares at the time of purchase. New directors will be given two years to meet the minimum share ownership requirement. As at March 14, 2011, all of the directors have met the required share ownership guidelines.

DIRECTORS' OUTSTANDING OPTION-BASED AWARDS

The following table sets forth for each of BlackPearl's directors, other than directors who are also Named

Executive Officers, all option-based awards outstanding at the year ended December 31, 2010.

Name	Number of securities underlying unexercised options (#)	Date of grant	Option expiry date	Option exercise price (\$)	Total exercised	Total unexercised	Value of unexercised options at fiscal year-end ⁽¹⁾ (\$)
John H. Craig	200,000	08-May-2009	08-May-2014	1.37	–	200,000	902,000
	100,000	19-Nov-2009	19-Nov-2014	2.21	–	100,000	367,000
	40,000	18-Nov-2010	18-Nov-2015	5.08	–	40,000	32,000
Brian D. Edgar	75,000	23-Dec-2006	23-Dec-2011	5.15	–	75,000	54,750
	37,500	23-Dec-2007	23-Dec-2012	2.53	–	37,500	125,625
	200,000	06-Mar-2009	06-Mar-2014	0.63	–	200,000	1,050,000
	100,000	19-Nov-2009	19-Nov-2014	2.21	–	100,000	367,000
	40,000	18-Nov-2010	18-Nov-2015	5.08	–	40,000	32,000
Keith C. Hill	300,000	23-Dec-2006	23-Dec-2011	5.15	–	300,000	219,000
	500,000	23-Dec-2007	23-Dec-2012	2.53	–	500,000	1,675,000
	500,000	19-Dec-2008	19-Dec-2013	0.77	–	500,000	2,555,000
	100,000	19-Nov-2009	19-Nov-2014	2.21	–	100,000	367,000
	40,000	18-Nov-2010	18-Nov-2015	5.08	–	40,000	32,000
Victor M. Luhowy	200,000	06-Mar-2009	06-Mar-2014	0.63	–	200,000	1,050,000
	100,000	19-Nov-2009	19-Nov-2014	2.21	–	100,000	367,000
	40,000	18-Nov-2010	18-Nov-2015	5.08	–	40,000	32,000

Note:

(1) Calculated based on the difference between the market price of the Common Shares at December 31, 2010 and the exercise price of the Options.

Directors' Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth for each of BlackPearl's directors, other than directors who are also Named Executive Officers, the value of option-based awards which vested during the year ended December 31, 2010 and the value of non-equity incentive plan compensation earned during the year ended December 31, 2010.

Name	Option-Based Awards – Value Vested During the Year ⁽¹⁾ (\$)	Share-based awards – Value vested during the year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
John H. Craig	190,336	–	–
Brian D. Edgar	268,044	–	–
Keith C. Hill	1,561,333	–	–
Victor M. Luhowy	223,669	–	–

Note:

(1) The value of the option-based awards is calculated based on the difference between the market price of the Common Shares on the vesting date and the exercise price of the Options.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth the compensation plan of BlackPearl under which Common Shares are authorized for issuance as at December 31, 2010:

Plan Category ⁽¹⁾	Number of securities to be issued upon exercise of outstanding Options (a)	Weighted-average exercise price of outstanding Options (b)	Number of securities, remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) ⁽²⁾ (c)
Equity compensation plans approved by securityholders	14,969,998	2.20	13,351,541
Equity compensation plans not approved by securityholders	-	-	-
Total	14,969,998	2.20	13,351,541

Notes:

- (1) The only compensation plan under which equity securities are authorized for issuance is the Stock Option Plan, see "Executive Compensation – Stock Option Plan".
- (2) Based on 10% of the issued and outstanding share capital of the Corporation as at December 31, 2010.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No directors, executive officers, employees and former executive officers, directors and employees of the Corporation or any of its subsidiaries, or any of their associates or affiliates are indebted to the Corporation since the commencement of the last completed fiscal year of the Corporation and no

indebtedness of any of the foregoing to another entity is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries since the commencement of the last completed fiscal year.

CORPORATE GOVERNANCE DISCLOSURE

BlackPearl has adopted and intends to continue to engage in corporate governance practices which comply, in all material respects, with the governance rules and guidelines of the Canadian Securities Administrators and applicable securities legislation, as amended, from time to time. As corporate governance policies will continue to develop over time, BlackPearl and its Board of Directors intends to continue to evaluate and enhance its corporate governance practices by monitoring regulatory developments and adopt, where appropriate, such corporate governance policies and best practices disclosure to enhance its existing practice.

Board of Directors

BlackPearl's Board is currently comprised of five directors, three of whom are independent directors according to the definition of "independent" set out in National Instrument 52-110 - *Audit Committees* ("**NI 52-110**") as it applies to the Board. John Festival, BlackPearl's President and Chief Executive Officer, is a member of BlackPearl's management and as such is not independent. Keith Hill is the Chairman of the Board, but is not considered to be an independent

director as he is the former President and CEO of the Corporation. As Keith Hill is not an independent director, the Board has appointed John Craig as Lead Director.

Board Meetings

At each regularly scheduled meeting and special meeting of the Board and all Committee meetings, sessions without management (in-camera sessions) are held at the conclusion of such meetings. The Lead Director and the respective Committee Chairs act as the chair of such meetings. Where appropriate, management is informed of the subjects discussed and any actions to be taken. In 2010, there were nine Board meetings and ten Committee meetings, all of which had in-camera sessions.

Since Keith Hill, who is not an independent director because he is the former CEO of the Corporation, is present at all Board meetings including all in-camera sessions held at the conclusion of such meetings, there are no Board meetings held where only independent directors are present. The Lead Director is responsible for ensuring that the discussions at Board meetings among the independent directors are

open and candid notwithstanding Mr. Hill's presence. In addition, Mr. Hill is prepared to excuse himself from any in-camera session if the Lead Director or any of the independent directors is of the opinion that his presence would compromise or in some way affect the ability of the independent directors to have open and candid discussions.

Interlocking Boards

BlackPearl does not have a formal policy limiting the number of outside directorships or the number of directors that can sit on the same board outside of BlackPearl. Other public company board memberships presently held by director nominees are described in "Business of the Annual General Meeting – Nominees for Election to Board of Directors." Messrs. Hill and Craig serve on the board of directors of Africa Oil Corp. Messrs. Hill and Edgar serve on the board of directors of ShaMaran Petroleum Corp. Messrs. Craig and Edgar serve on the board of directors of each of Denison Mines Corp. and Lundin Mining Corporation. The interlocking board relationship is not viewed by the Board as having an impact on the ability of these directors to act in the best interests of BlackPearl.

Board Mandate

The Board of Directors is responsible for the stewardship of the business and for acting in the best interests of the Corporation and its shareholders. The complete text of the mandate of the Board is attached to this Information Circular as Appendix "A".

Position Descriptions

The Board has developed written position descriptions for the Chairman of the Board and each of the Committee Chairs. These descriptions set out the responsibilities and duties of the Chairman of the Board and the Committee Chairs in fulfilling their duties.

The position description for the Chief Executive Officer is developed with input from the Chief Executive Officer. The description provides that the Chief Executive Officer is, among other things, accountable to the Board for:

- Providing leadership and vision for the Corporation to grow value responsibly in a profitable and sustainable manner.
- Developing a strong organization with the right people in the right positions.
- Providing general supervision and management of the day-to-day affairs of the Corporation.
- Developing a Strategic Plan for review and approval by the Board.

Orientation and Continuing Education

Under the mandate of the Corporate Governance and Nominating Committee, the Committee is responsible

for developing, with the assistance of management, an orientation and education program for new recruits to the Board. Upon joining the Board, a new director is provided with a directors' information binder which contains a copy of all Board and Committee mandates, corporate policies, relevant position descriptions, organizational structure, company by-laws and the structure of the Board and its Committees. The Board receives regular management reports with respect to our operations. Members of the Board have full access to the Corporation's records.

In light of the education, background, experience and expertise of our directors, our Board has determined that adopting specific measures to provide continuing education for directors is not necessary to maintain the skill and knowledge necessary to meet their obligations as directors. The Board encourages continuing education for the Corporation's employees, management and directors. Directors are encouraged to communicate with management, auditors and technical consultants, to keep themselves current with industry trends and developments and changes in legislation with management's assistance, to attend related industry seminars and to visit the Corporation's operations. The Board believes that these procedures have proved to be a practical and effective approach in light of the Corporation's particular circumstances, including the size of the Corporation, limited turnover of the directors and the experience and expertise of the members of the Board.

Ethical Business Conduct

The Board has adopted a Code of Business Conduct and Ethics which is available on our website at www.blackpearlresources.ca and on SEDAR at www.sedar.com. In addition, the Board has adopted a Whistleblower Policy, whereby complaints will be received by the Chairman of the Audit Committee. It is through this whistleblowing avenue that the Board monitors and satisfies itself as to compliance with the Code of Business Conduct and Ethics. The Board expects directors and employees to act ethically at all time and to acknowledge their adherence to the policies comprising the Code of Business Conduct and Ethics.

The Corporation intends to resolve all conflicts of interest in accordance with the provisions of the *Canada Business Corporations Act* ("**CBCA**") in order to ensure directors exercise independent judgment in considering transactions and agreements in which a director or officer has a material interest.

The CBCA provides that a director or officer shall disclose the nature and extent of any interest that he or she has in a material contract or material transaction, whether made or proposed, if the director or officer:

- is a party to the contract or transaction,

- is a director or an officer, or an individual acting in a similar capacity, of a party to the contract or transaction, or
- has a material interest in a party to the contract or transaction,

and shall refrain from voting on any matter in respect of such contract or transaction unless otherwise provided under the CBCA.

Nomination of Directors

Under the mandate of the Corporate Governance and Nominating Committee, the Corporate Governance and Nominating Committee, which is comprised solely of independent directors, shall identify and review possible candidates for Board membership consistent with criteria approved by the Board, and annually recommend qualified candidates for a slate of nominees to be proposed for election to the Board at the annual meeting of the Corporation's shareholders. The Corporate Governance and Nominating Committee shall consider the appropriate size of the Board with a view to facilitating effective decision making. In the event of a vacancy on the Board between annual meetings of the Corporation's shareholders, the Corporate Governance and Nominating Committee may identify, review and recommend qualified candidates for Board of Director membership to the Board for consideration to fill such vacancies, if the Board determines that such vacancies will be filled.

When formulating these recommendations, the Corporate Governance and Nominating Committee shall seek and consider advice and recommendations from management, and may seek or consider advice and recommendations from consultants, outside counsel, accountants, or other advisors as it or the Board may deem appropriate. See also "Other Board Committees – Corporate Governance and Nominating Committee."

Compensation

The Board has formed a Compensation Committee comprised entirely of independent directors within the meaning of NI 52-110. The Compensation Committee has adopted a Committee Terms of Reference.

The Compensation Committee annually reviews and recommends to the Board the form and adequacy of compensation for directors, the Chief Executive Officer and other senior officers (see also "Statement of Executive Compensation – Compensation Discussion and Analysis").

The Compensation Committee is responsible for the Corporation's executive compensation policies, including among other things:

- reviewing the compensation of the President and Chief Executive Officer of the Corporation,

including annual, long-term and other compensation;

- reviewing and approving corporate goals and objectives relevant to the President and Chief Executive Officer's compensation and evaluating the President and Chief Executive Officer's performance in light of these corporate goals and objectives;
- reviewing the compensation of senior management, other executive officers and key employees of the Corporation, including annual, long-term and other compensation; and
- reviewing the compensation of directors in light of risks and responsibilities.

The Corporation reimburses its directors for reasonable expenses incurred by them in the exercise of their duties.

Audit Committee

BlackPearl has an Audit Committee comprised entirely of independent and financially literate directors within the meaning of NI 52-110. This Committee is primarily responsible for overseeing the accounting and financial reporting processes of the Corporation and its subsidiaries and all audits and external reviews of the financial statements of the Corporation on behalf of the Board, and has general responsibility for oversight of internal controls, accounting and auditing activities of the Corporation and its subsidiaries.

Additional information relating to the Audit Committee of the Corporation, required to be disclosed pursuant to National Instrument Form 52-110F1 Audit Committee Information in an AIF, can be found under the heading "Audit Committee Information" in the Annual Information Form of the Corporation dated February 28, 2011.

Reserves Committee

BlackPearl has a Reserves Committee that is comprised of a majority of independent members within the meaning of NI 52-110. The Reserves Committee has the responsibility in general for developing the Corporation's approach to the reporting of oil and gas reserves and the valuation of those reserves. Its responsibilities include: (i) the Corporation's response to applicable rules, policies and guidelines respecting the reporting of oil and gas reserves and the valuation of such reserves; (ii) reviewing and approving the selection of the independent evaluator by management of the Corporation; (iii) reviewing the Corporation's procedures for providing information to the independent evaluator; (iv) meeting with the independent evaluator to determine whether any restrictions placed by management affect the ability of the evaluator to report without reservation on the reserves data; (v) reviewing the reconciliation of changes in reserves and future net revenue; (vi)

reviewing with management and the independent evaluator, and approving, the reserves data; and (vii) reviewing procedures for reporting other information associated with oil and gas producing activities.

Corporate Governance and Nominating Committee

The Corporate Governance and Nominating Committee is composed entirely of independent directors within the meaning of NI 52-110. Under its mandate, the Corporate Governance and Nominating Committee is responsible for proposing new nominees, when deemed appropriate, for appointment or election to the Board and recommending the new Board of Director nominees at the next annual meeting of shareholders. As well, the Corporate Governance and Nominating Committee has the responsibility in general for developing and monitoring the Corporation's approach to corporate governance issues such as: (i) developing a code of ethical business conduct; (ii) the Corporation's response to applicable rules, policies and guidelines respecting corporate governance matters; (iii) assessing the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors on a periodic basis, which will include monitoring the quality of the relationship between management and the Board and recommending any improvements, if necessary; (iv) ensuring that, where necessary, appropriate structures and procedures are in place to ensure that the Board can function independently of management; (v) periodically examining the size of the Board, with a view to determining the impact of the number of directors upon effectiveness, and making recommendations where appropriate to the

Board as to any programs the Corporate Governance and Nominating Committee determines to be appropriate to reduce or increase the number of directors to a number which facilitates more effective decision making; (vi) taking responsibility for the development, adoption and enforcement of the Code of Business Conduct and Ethics by the Board, and filing the same on SEDAR; and (vii) proposing new nominees, when deemed appropriate, for appointment or election to the Board and recommending the new Board of Director nominees at the next annual meeting of shareholders.

Assessments

Ensuring the effectiveness of the Board, including the Chairman of the Board, the Committees and their respective chairs and individual directors has been assigned to the Corporate Governance and Nominating Committee. The Corporate Governance and Nominating Committee, in conjunction with the Lead Director, administers an annual self-evaluation of the Board whereby each member completes a detailed questionnaire with respect to the performance and effectiveness of the Board and an evaluation of the performance of the Chairman of the Board and each Committee chair, along with each Board member individually. The results of this self-evaluation are shared with the full Board for discussion and analysis with a focus on continuous improvement.

As part of the annual Board and Committee assessments, the Board and the respective Committees review and consider any proposed changes to their respective mandates or terms of reference and chair position descriptions.

SHAREHOLDER PROPOSALS

The final date by which BlackPearl must receive shareholder proposals for the annual meeting of shareholders of BlackPearl to be held in 2012 is November 25, 2011. All proposals should be sent by

registered mail to the Corporate Secretary, BlackPearl Resources Inc., 700, 444 – 7th Avenue S.W., Calgary, Alberta, T2P 0X8.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is on SEDAR at www.sedar.com.

Financial information is provided in the Corporation's consolidated annual financial statements and management's discussion and analysis for the most

recently completed financial year. Shareholders may request a copy of the consolidated annual financial statements and management's discussion and analysis by contacting the Corporate Secretary, BlackPearl Resources Inc., 700, 444 – 7th Avenue S.W., Calgary, Alberta, Canada, T2P 0X8.

APPROVAL OF THE BOARD OF DIRECTORS

The contents and the distribution of this Information Circular have been approved by the Board of Directors of BlackPearl.

(signed) "John L. Festival"

John Festival
President and Chief Executive Officer

Calgary, Alberta
March 18, 2011

APPENDIX "A"

BLACKPEARL RESOURCES INC. (the "Company")

CHARTER OF THE BOARD OF DIRECTORS

I. PURPOSE

The Board of Directors is responsible for the stewardship of the business and for acting in the best interests of the Company and its shareholders. The Board of Directors will discharge its responsibilities directly and through its committees, currently consisting of the Audit, Compensation Committee, Reserves Committee and the Corporate Governance and Nominating Committee. The Board of Directors shall meet at least quarterly to review the business operations, corporate governance and financial results of the Company. Meetings of the Board of Directors shall also include meetings as required of the independent members of the Board without management being present.

II. COMPOSITION

The Board of Directors shall be constituted at all times of a majority of independent Directors in accordance with Multilateral Instrument 58-201. The Chairman of the Board should also be independent or alternatively the Board will appoint an independent lead Director.

III. RESPONSIBILITIES

The Board of Directors' mandate is the stewardship of the Company and its responsibilities include, without limitation to its general mandate, the following specific responsibilities:

- The assignment to the various committees of Directors the general responsibility for developing the Company's approach to: (i) corporate governance and nomination of Directors related issues; (ii) financial reporting and internal controls; (iii) oil and gas reserves; and (iv) issues relating to compensation of officers and employees.
- With the assistance of the Corporate Governance and Nominating Committee:
 - Developing the Company's approach to corporate governance, including developing a set of corporate governance principles and guidelines specific to the Company.
 - Reviewing the composition of the Board of Directors and ensuring it respects its independence criteria.
 - Satisfying itself as to the integrity of the Chief Executive Officer and other senior officers and that such officers create a culture of integrity throughout the organization.
 - The assessment, at least annually, of the effectiveness of the Board of Directors as a whole, the committees of the Board of Directors and the contribution of individual Directors, including, consideration of the appropriate size of the Board of Directors.
 - Ensuring that an appropriate review selection process for new nominees to the Board of Directors is in place.
 - Ensuring that an appropriate orientation and education program for new members of the Board of Directors is in place.
 - Approving disclosure and securities compliance policies, including communications policies of the Company.
- With the assistance of the Audit Committee:

Recommending the appointment of the auditors and assessing the performance of the auditors.

 - Ensuring the integrity of the Company's internal controls and management information systems.
 - Ensuring the Company's ethical behaviour and compliance with laws and regulations, audit and accounting principles and the Company's own governing documents.
 - Identification of the principal risks of the Company's business and ensuring that appropriate systems are in place to manage these risks.
 - Reviewing and approving significant operational and financial matters and the provision of direction to management on these matters.

- Reviewing and approving the Company's quarterly interim and annual financial statements and notes, including the Management's Discussion and Analysis.
- As required and agreed upon, providing assistance to shareholders concerning the integrity of the Company's reported financial performance.
- With the assistance of the Reserves Committee:
 - Reviewing the Corporation's response to applicable rules, policies and guidelines respecting the reporting of oil and gas reserves and the valuation of such reserves.
 - Reviewing and approving the selection of the independent evaluator by management of the Corporation.
 - Reviewing the Corporation's procedures for providing information to the independent evaluator.
 - Meeting with the independent evaluator to determine whether any restrictions placed by management affect the ability of the evaluator to report without reservation on the reserves data.
 - Reviewing the reconciliation of changes in reserves and future net revenue.
 - Reviewing with management and the independent evaluator, and approving, the reserves data.
 - Reviewing procedures for reporting other information associated with oil and gas producing activities.
 - Reviewing and approving the Corporation's Form 51-101F1, Statement Of Reserves Data And Other Oil And Gas Information.
- With the assistance of the Audit Committee and the Chief Executive Officer, the establishment of appropriate performance criteria for the senior management team and the approval of the compensation of the senior management team.
- With the assistance of the Chief Executive Officer, monitor and review feedback provided by the Company's various stakeholders.
- Succession planning and the selection, appointment, monitoring evaluation and, if necessary, the replacement of the senior management to ensure management succession.
- The adoption of a strategic planning process, approval at least annually of a strategic plan that takes into account business opportunities and business risks identified by the Board and/or the Compensation Committee and monitoring performance against such plans.
- The review and approval of corporate objectives and goals applicable to the Company's senior management and monitoring realization of those objectives.
- The review and approval of the Corporation's approach to Health, Safety and Environment (HSE) issues and regular review of any HSE incidents.
- Reviewing with senior management:
 - major corporate decisions which require Board approval and approving such decisions as they arise.
 - major capital expenditure decisions (in excess of \$5 million) unless previously authorized in a budget or plan by the Board of Directors.
 - material decisions relating to senior personnel, major property acquisitions or divestments, major investments, etc.
- Performing such other functions as prescribed by law or assigned to the Board of Directors in the Company's constating documents and by-laws.

IV. MISCELLANEOUS

1. The members of the Board are expected to attend all meetings of Board of Directors unless prior notification of absence is provided.
2. The members of the Board are required to have reviewed board materials in advance of the meeting and be prepared to discuss such materials at the meeting, to actively participate in Board deliberations, and to take full responsibility for Board decisions.
3. Board members will treat their fellow board members with respect.
4. The members of the Board should endeavour to avoid conflicts between their own personal interests and those of the Company and, where conflicts exist, to fully disclose such conflicts to the Board and refrain from participating in decisions relating to the subject matter of such conflicts.

March 18, 2009