

BY-LAW NO. 1A

BE IT ENACTED AND IT IS HEREBY ENACTED, this By-law No. 1A, forming part of By-Law No. 1, as a by-law of ALEXANDER ENERGY LTD. (hereinafter called the “Corporation”) as follows:

ADVANCE NOTICE OF NOMINATION OF DIRECTORS

1. Pursuant to Section 102(1) of the *Business Corporations Act* (Alberta) (the “Act”), By-law No. 1 of the by-laws of the Corporation is hereby amended by adding thereto, following Section 15.05 thereof, and preceding Section 15.06 thereof, the following:

“15.05A **Nomination of Directors.** – Subject only to the Act, only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation. Nominations of persons for election to the Board may be made at any annual general meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which a special meeting was called was the election of directors, (a) by or at the direction of the Board or an authorized officer of the Corporation, including pursuant to a notice of meeting of shareholders, (b) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Act or a requisition of the shareholders made in accordance with the provisions of the Act or (c) by any person (a “**Nominating Shareholder**”) (i) who, at the close of business on the date of the giving of the notice provided for below in this Section 15.05A and on the record date for the receipt of notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting, or who beneficially owns shares that are entitled to be voted at such meeting and (ii) who complies with the notice procedures set forth below in this Section 15.05A:

- A. In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, such person must have given timely notice thereof in proper written form (the “**Notice**”) to the Chief Executive Officer of the Corporation at the principal executive offices of the Corporation, in accordance with this Section 15.05A.
- B. To be timely, a Notice to the Chief Executive Officer of the Corporation must be given not less than 35 nor more than 65 days prior to the date of the annual general or special meeting of shareholders, as the case may be; provided, however, that in the event that the meeting of shareholders is called for at a date that is less than 50 days after the date (the “**Notice Date**”) on which the first public announcement of the date of the meeting was made, the Notice must be given by the Nominating Shareholder not later than the close of business on the tenth (10th) day following the Notice Date. Notwithstanding the foregoing, the Board may, in its sole discretion, waive any requirement in this paragraph (B). In no event shall any adjournment or

postponement of a meeting of shareholders, or the public announcement thereof, commence a new time period for the giving of the Notice.

- C. To be in proper written form, the Notice to the Chief Executive Officer of the Corporation must set forth: (a) as to each person who the Nominating Shareholder proposes to nominate for election as a director (i) the name, age, business address and residence address of the person, (ii) the principal occupation or employment of the person, (iii) the class or series and number of shares in the capital of the Corporation which are controlled or which are owned beneficially or of record by the person (A) as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred), and (B) as of the date of such Notice and (iv) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and applicable securities laws; and (b) as to the Nominating Shareholder, any information relating to such Nominating Shareholder that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and applicable securities laws.
- D. No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the provisions of this Section 15.05A; provided, however, that nothing herein shall be deemed to preclude discussions by a shareholder (as distinct from seeking to nominate directors) at a meeting of shareholders, on any matter in respect of which such shareholder would have been entitled to submit a proposal pursuant to the provisions of the Act. The chairman of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such nomination is invalid due to its non-compliance with this Section 15.05A.
- E. For purposes of this Section 15.05A, (i) **"public announcement"** shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com; and (ii) **"applicable securities laws"** means the securities legislation in those provinces and territories of Canada to which the Corporation is subject, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commissions and similar regulatory authorities of each of the relevant provinces and territories of Canada.
- F. Notice given to the Chief Executive Officer of the Corporation pursuant to this Section 15.05A may only be given by personal delivery, facsimile transmission or by email (at such email address as stipulated from time to time by the Chief Executive Officer of the Corporation for the purposes of such Notice), and shall be deemed to

have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the Chief Executive Officer at the address of the principal executive offices of the Corporation; provided that if such delivery or electronic communication is made on a day which is not a business day, or later than 5:00 pm (Calgary time) on a day which is a business day, then such a delivery or electronic communication shall be deemed to have been made on the next following business day.”

2. Pursuant to Section 102(1) of the Act, By-law No. 1 of the by-laws of the Corporation is hereby amended by adding the following paragraph to Section 8.07:

“For greater certainty, and subject to Section 2.04, a registered shareholder may have his holdings of shares of the Corporation evidenced by an electronic, book-based, direct registration system or other non-certificated entry or position on the register of shareholders to be kept by the Corporation in place of a physical share certificate pursuant to such a registration system that may be adopted by the Corporation, in conjunction with its transfer agent. This by-law shall be read such that a registered holder of shares of the Corporation pursuant to any such electronic, book-based, direct registration service or other non-certificated entry or position shall be entitled to all of the same benefits, rights, entitlements and shall incur the same duties and obligations as a registered holder of shares evidenced by a physical share certificate. The Corporation and its transfer agent may adopt such policies and procedures and require such documents and evidence as they may determine necessary or desirable in order to facilitate the adoption and maintenance of a share registration system by electronic, book-based, direct registration system or other non-certificated means.”

3. By-law No. 1 of the Corporation, shall henceforth be read as amended by this By-law No. 1A, pending confirmation by the shareholders of the Corporation at the next meeting of shareholders, in accordance with Section 102(2) of the Act. All terms contained in this By-law No. 1A which are defined in By-law No. 1, as amended from time to time, of the by-laws of the Corporation shall, for all purposes hereof, have the meanings given to such terms in the said By-law No.1, unless expressly stated otherwise or the context otherwise requires.

Enacted by the Board this 23rd day of May, 2013, in Calgary, Alberta.

(signed) Jim Sanden
Chief Executive Officer

(signed) Leigh Stewart
Corporate Secretary