IROC ENERGY SERVICES CORP.

ANNUAL INFORMATION FORM

FOR THE PERIOD ENDED DECEMBER 31, 2011

March 30, 2012

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FORWARD LOOKING STATEMENTS

This annual information form contains certain forward looking information that is based upon IROC's current internal expectations, estimates, projections, assumptions and beliefs. In some cases, words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur, are intended to identify forward looking information. These statements are not guarantees of future performance and involve known and unknown risks and uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in the forward looking information. In addition, this annual information form may contain forward looking information attributed to third party industry sources. By its nature, forward looking information involves numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward looking information will not occur. Such forward looking information in this annual information form speaks only as of the date of December 31, 2011 or as of the date specified herein.

Forward looking information in this annual information form includes, but is not limited to, statements with respect to:

- adequacy of capital resources required to finance IROC's operations;
- the business objectives of IROC;
- the intended expansion of rental inventory;
- results of operations and the performance of IROC;
- the completion and timing of the construction of new service rigs; and
- the development of our new coil tubing business.

With respect to the forward looking information contained in this annual information form, IROC has made assumptions regarding, among other things:

- IROC's relationships with its key customers;
- economic conditions that influence the demand of IROC's customers for equipment and services;
- receipt of necessary regulatory approvals;
- IROC's cash flow from sales; and
- the availability of debt financing through the corporation's credit facilities.

Although IROC believes that the expectations reflected in the forward looking information are reasonable, there can be no assurance that such expectations will prove to be correct. IROC cannot guarantee future results, levels of activity, performance or achievements. Consequently, there is no representation by IROC that actual results achieved will be the same, in whole or in part, as those set out in the forward looking information. Some of the risks and other factors, some of which are beyond IROC's control, which could cause results to differ materially from those expressed in the forward looking information contained in this annual information form include, but are not limited to:

- supply and demand for oilfield services;
- competition for, and access to, among other things, capital and skilled personnel;
- incorrect assessments of the value of future acquisitions;
- fluctuations in the market for oil and natural gas and related products and services;
- liabilities and risks, including environmental liabilities and risk, inherent in oil and natural gas operations;
- fluctuations in foreign exchange or interest rates;
- political and economic conditions;
- failure of counterparties to perform on contracts;
- regional competition;
- IROC's ability to attract and retain customers;

- IROC's ability to attract and retain qualified employees;
- amounts retained by IROC for capital expenditures;
- volatility in market prices for oil and natural gas and the effect of this volatility on the demand for oil and natural gas services generally;
- stock market volatility and market valuations;
- uncertainties in weather and temperature affecting the duration of the service periods and the activities that can be completed;
- fixed costs in relation to variable revenue streams;
- the presence of heavy competition in the industry in which IROC currently operates;
- general economic conditions in Canada and globally;
- failure to realize anticipated benefits of acquisitions completed by IROC in 2010 and future acquisitions;
- the availability of capital on acceptable terms; and
- the other factors disclosed under "Risk Factors" in this annual information form.

Readers are cautioned that the foregoing list of factors is not exhaustive. All forward looking information contained in this annual information form is expressly qualified by this cautionary statement. IROC disclaims any intent or obligation to update publicly any forward looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

IROC ENERGY SERVICES CORP.

Corporate Structure

Unless the context indicates otherwise, a reference in this Annual Information Form to "IROC", "the Corporation", "we", "us" or "our" includes IROC Energy Services Corp. ("IROC Energy"), its direct or indirect subsidiaries and partnership interests held by IROC Energy and its subsidiaries.

IROC Energy was incorporated as Advanced Sensing Systems Inc. ("Advanced Sensing") on March 3, 2000 as a capital pool company under the rules and policies of the Alberta Securities Commission ("ASC") and the Canadian Venture Exchange ("CDNX"), now the TSX Venture Exchange (the "TSXV"). Advanced Sensing received a receipt for a final prospectus on June 13, 2000 and, upon completion of its initial public offering, became a capital pool company pursuant to the rules and policies of the ASC and the CDNX.

The Corporation completed its Qualifying Transaction (as then defined under the capital pool company policies of the ASC and the CDNX) on November 30, 2000, by acquiring all of the issued and outstanding shares of IROC H2S Consulting Ltd. (the "IROC Acquisition"). Upon completing the IROC Acquisition, the Corporation changed its name to IROC Systems Corp., continued under the provisions of the *Canada Business Corporations Act*, and consolidated its common shares on a one (1) for two (2) basis.

On February 28, 2003, IROC Systems Corp. amalgamated with Sat-Tel Corporation ("Sat-Tel"). Pursuant to the amalgamation, each IROC Energy shareholder received one (1) common share (the "Common Shares") in the resulting company from the amalgamation ("Amalco") for each one (1) IROC Energy share held and each Sat-Tel shareholder received one (1) Common Share of Amalco for each six (6) Sat-Tel common shares held. Upon the completion of the amalgamation, Amalco changed its name to IROC Systems Corp.

On January 20, 2006, IROC Energy entered into a partnership agreement with IROC Drilling and Production Services Corp. ("IROC Drilling") and IROC Technology Services Corp. ("IROC Technology"), each a wholly-owned subsidiary of IROC Energy, to form the IROC Energy Services Partnership (the "IROC Partnership"), a general partnership created under the laws of the Province of Alberta.

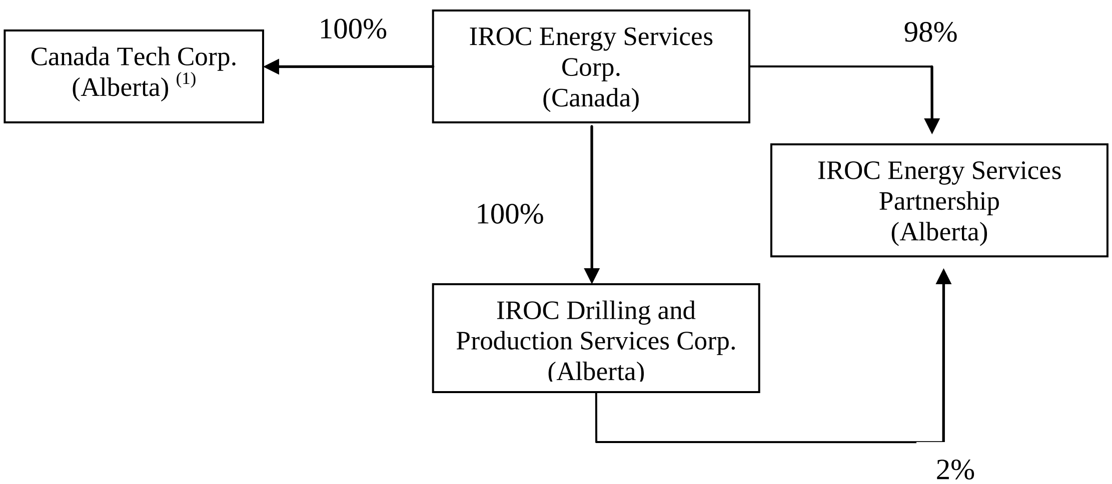
On May 9, 2007, IROC Energy changed its name to IROC Energy Services Corp.

On December 31, 2007, IROC Drilling and IROC Technology amalgamated pursuant to the provisions of the *Business Corporations Act* (Alberta) ("ABCA") to form IROC Drilling and Production Services Corp.

IROC Energy's head office is located at 8113 – 49th Avenue Close, Red Deer, Alberta, T4P 2V5, and the Corporation's registered office is c/o McCarthy Tétrault LLP, Suite 3300, 421 – 7th Avenue S.W., Calgary, Alberta, T2P 4K9.

Inter-corporate Relationships

The inter-corporate relationships of IROC Energy as of the date hereof are as set out below. The jurisdiction of incorporation or creations of each entity are also indicated in the boxes below.



Notes

(1) Inactive subsidiary – see **"GENERAL DEVELOPMENTS OF THE BUSINESS – History"**

GENERAL DEVELOPMENT OF THE BUSINESS

Overview

IROC is an Alberta based oilfield services company which provides products, services and equipment to the oil and gas industry in Western Canada. IROC currently has a service rig division, an oilfield rentals division and a coiled tubing division.

Strategic Plans

Since entering the public market in 2000 as an oilfield safety company, we developed our products and services based on customer demand. Our strategy has been to create a platform by which different businesses in a variety of disciplines within the oil and gas service industry may be pursued and exploited by capitalizing on the synergies between the various businesses within the IROC Partnership.

To date, IROC's business has grown through internal generation and acquisition. Our strategy is to continue to grow internally at a controlled pace based on market and industry conditions, while always monitoring the market for appropriate acquisitions. The areas of growth and expansion will depend on management's view of what service offerings are in demand by our customers and potential customers, with a preference given to expansion that complements existing operations.

History

IROC Energy is an Alberta based oilfield services company that, through the IROC Partnership, provides products, services and equipment to the oil and gas industry that are among the newest and most innovative in the Western Canadian Sedimentary Basin ("WCSB"). IROC combines cutting-edge technology with depth of experience to deliver a product and services offering in two core areas; well servicing and oilfield rental services. The following is a brief summary of the development of our business since December 31, 2008.

- On February 26, 2009, we sold our safety, air quality monitoring and communication assets and business operating under the Oricomm division to Firemaster Oilfield Services Inc.

- On February 27, 2009, we sold our lease construction assets and business operating under the Envirocore division to Winalta Construction Services Inc., a subsidiary of Winalta Inc.

- On March 26, 2009, the special committee of the Board of Directors which was established on August 5, 2008 by the Board of Directors to undertake a review of the various strategic alternatives available to IROC to enhance shareholder value was disbanded.

- On June 30, 2009, our Common Shares were listed and posted for trading on the TSX Venture Exchange and we voluntarily delisted our Common Shares from the TSX.

- On July 19, 2010, we purchased the assets and business of Trust Energy Services Corp. an Alberta based oilfield rental company specializing in coil tubing and fracturing related rental equipment.

- On April 11, 2011, IROC completed a bought deal financing pursuant to an agreement with Acumen Capital Finance Partners Limited and AltaCorp Capital Inc. (the "Underwriters") pursuant to which the Underwriters agreed to purchase, on a bought deal basis, 7,200,361 Common Shares of IROC at a price of $1.40 per Common Share (the "Offering Price"), for aggregate gross proceeds to IROC of $10,080,505 (the "Treasury Offering"). In addition to the Treasury Offering, the Underwriters agreed to purchase, on a bought deal basis, from Key Energy Services, Inc. ("Key"), 8,734,469 Common Shares at the Offering Price for gross proceeds to Key of $12,228,256.60 (the "Secondary Offering"). The Common Shares sold by Key to the Underwriters were Key's entire holdings of IROC Common Shares.

- May 6, 2011 IROC announced that Newton (Trey) Wilson III resigned from the Board of Directors of IROC. Mr. Wilson, the Executive Vice President and Chief Operating Officer of Key Energy Services, was Key's representative on the IROC board pursuant to an agreement entered into between the companies in 2005. Pursuant to the agreement if, at any time, Key's ownership position in IROC exceeded a certain percentage of the total issued and outstanding shares of IROC, Key was entitled to nominate up to two members for the IROC board of directors. Prior to April 11, 2011, Key's ownership in IROC had exceeded the threshold under the agreement and Mr. Wilson had served as one of Key's nominee's on the IROC. On April 11, 2011, Key divested all of its interest in IROC and, accordingly, the agreement with respect Key Energy's right to board seats terminated.

- In July 2011 Helix Coil Services, a division of IROC Energy Services Partnership, deployed two (2) new coiled tubing units and Helix Coil Services commenced operations.

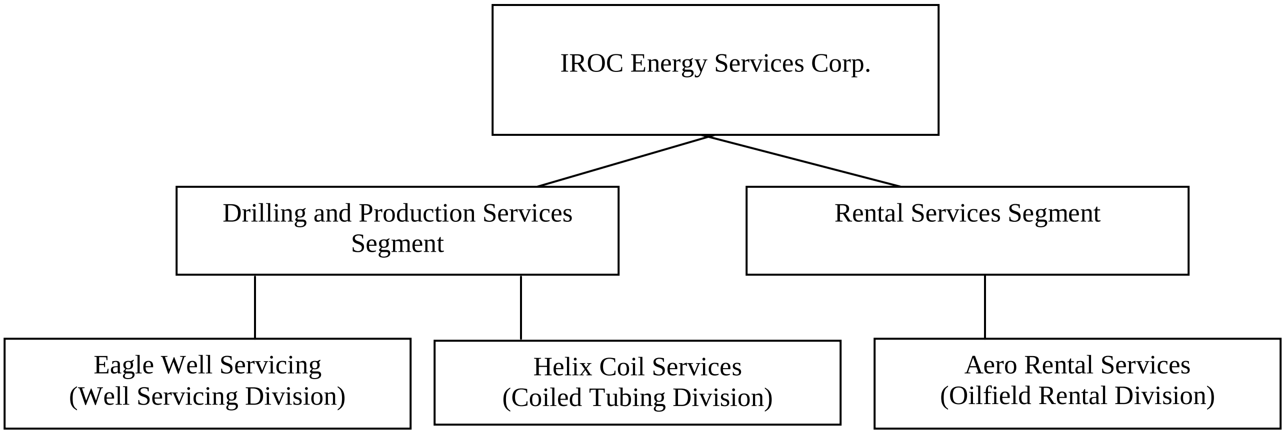
- Effective July 14, 2011 IROC sold the business assets (excluding cash, accounts receivable and accounts payable) and operating business of its Canada Tech division ("Canada Tech") for cash consideration of approximately CDN $4.8 million to a wholly owned Canadian subsidiary of Reservoir Group Limited of Aberdeen, Scotland.

- In October 2011 Helix Coil Services deployed its third coiled tubing unit into operation.

- During 2011 Eagle Well Servicing increased its service rig fleet through the construction of six new service rigs including two double slant rigs and one heavy double rig. At December 31, 2011 Eagles' service rig fleet consisted of 22 double service rigs, 16 single service rigs, 2 slant rigs and 1 heavy double rig.

BUSINESS OF IROC

IROC provides products and services to the oil and gas industry predominantly in the WCSB. IROC has two operating segments, the Drilling and Production Services segment and Rental Services segment, both of which carry on business through various operating divisions as described in the following chart.



Notes

(1) Prior to July 14, 2011 IROC's two operating segments were the Drilling and Production segment and the Technology Services Segment which carried on business through the Canada Tech downhole tools division. The assets and business of the Canada Tech division were sold on July 14, 2011 and the Technology Services segment ceased operations.

The revenues of each of the Corporation's operating segments for the past two years, on a continuing operations basis, were as follows:

	2011		**2010**	
Years Ended December 31 (in thousands)	**Revenue**	**%**	**Revenue**	**%**
Drilling and Production Services	$70,589	82%	$46,014	86%
Rental Services	$15,688	18%	$7,685	14%
Inter-segment elimination	(537)		(83)	
Total	$85,740	100%	$53,616	100%

Drilling and Production Services

Currently, the Drilling and Production Services segment carries on business in Western Canada through the Eagle Well Servicing and Helix Coil Services divisions. The Drilling and Production Services segment currently has over 330 employees.

Well Servicing Division

Eagle Well Servicing ("Eagle"), our well servicing division, currently offers a fleet of 43 service rigs, which are in new or like new condition and utilize the most current safety and labour saving technology available. IROC's service rigs are used for completions, production, workovers, abandonment services and maintenance on producing shallow to deep oil and natural gas wells. Eagle's current fleet includes two slant rigs to accommodate the growing need for servicing of horizontal wells. Completion services prepare a newly drilled well for production and may include cleaning out, installing production tubing or downhole well equipment. The completion process for any given well may only take a few days or may take several weeks to complete. Workover services include major repairs or modifications to existing wells. Workovers are done to restore and enhance production in an existing producing well or plugging or abandoning a well. Well maintenance services are also required to ensure continuous and efficient production of a producing well. These services include routine mechanical repairs or replacing damaged production tubing and typically are shorter jobs, sometimes taking less than 48 hours to complete.

Service rigs are generally charged to customers on an hourly basis that fluctuates depending upon the time of year and level of industry activity, which is subject to pronounced seasonal and cyclical variance. The highest rate of activity in the industry is typically during the winter season, from November through March.

The Eagle division competes against approximately 1,000 service rigs of varying design and capacity operating in Western Canada. The largest four service rig competitors are Precision Well Servicing (a division of Precision Drilling Trust), Concord Well Servicing (a division of CCS Corporation), Nabors Well Servicing (a division of Nabors Drilling) and Rockwell Servicing (a division of Ensign Energy Services Inc.), the four of which (based on number of rigs) collectively operate approximately 478 (48%) of the fleet across the WCSB. Service rigs typically operate within a fairly close proximity to their home base and, therefore the competition is more localized in nature and effectively limited to other service rigs based nearby. Eagle operates from bases in Red Deer, Lloydminster, Grande Prairie and Estevan. IROC's estimated capital cost to build a new service rig is approximately $2.2 million to $2.8 million, depending on the manufacturing specifications.

Coil Tubing Division

Our new coil tubing division, Helix Coil Services ("Helix"), commenced operations midway through the third quarter 2011. Coiled tubing (CT) is defined as a continuous reel of pipe spooled onto a take-up reel which is straightened prior to being deployed into the well and is recoiled back onto the reel after the job is complete. While the coiled tubing market historically found its niche as a cost-effective well cleanout service, in recent years coiled tubing has seen growth and expansion in servicing horizontal wells and other well servicing applications, including fracturing and completions.

Helix currently offers two intermediate-depth, truck mounted coil tubing units that have been designed for working on medium depth wells, and one deep-hole tractor/trailer mounted, conventional coil tubing unit capable of depths to 5,200 metres. Each unit has capacity to handle coil tubing strings up to 2", which address the widest range of customer needs. While current customer demand is generally for production work, the units can also address a wide range of other applications, including the growing need to service horizontal wells. The Helix division currently has 20 employees based out of its Red Deer facility.

The Helix division competes against more than 35 coiled tubing operators across Canada, with a total estimated fleet of 360 units. Helix's main Western Canada competitors include Trican Well Servicing, CWC Well Services Ltd., Leader Energy Services and Calfrac Well Servicing Ltd.

The Drilling and Production Services segment accounted for approximately 82% of IROC's consolidated revenue for fiscal 2011 and 86% of IROC's consolidated revenue for fiscal 2010.

Rental Services

Aero, our rentals division, offers a wide range of rental equipment to the oil and gas industry. Aero began operations in the third quarter of 2006 and offers oilfield rental equipment including blowout preventors ("BOP's"), spooling equipment, valves, power swivels, handling equipment, accumulators, light plants, manifolds and tubular cross-overs, debris catchers, frac heads, coil tubing BOP's and coil tubing handling equipment. The Aero division currently has 23 employees.

Oilfield rental equipment is generally provided to customers on a daily fee basis or by longer term contracts, which fluctuate depending upon the time of year and level of industry activity. The industry activity is subject to pronounced seasonal and cyclical variances. The highest rate of activity is typically during the winter season, which normally runs from November to March.

The capital cost of rental equipment can vary greatly depending on the types of assets being purchased. Also, lead times for procuring rental equipment can be significant, in some cases greater than one year, creating difficulty for new entrants into this market.

Aero competes in a segment dominated by Weatherford Rental Services (a division of Weatherford International Ltd.), a large multi-national company operating across Western Canada. Additionally, a number of smaller companies operate in various regions of the Western Canada. While Aero currently only has a very small market share as it only began commercial operations during September of 2006, the division is focusing on increasing its revenue through its ability to react to customer needs from its current base location in Red Deer, Alberta.

The Aero division accounted for approximately 18% of IROC's total revenue from continuing operations for fiscal 2011 and 14% of IROC's total revenue from continuing operations for fiscal 2010.

Technology Services

The Technology Services segment carried on business in North America and internationally through the Canada Tech division until July 14, 2011 when all of the assets and business were sold and the segment ceased operations.

Canada Tech accounted for approximately 7% of IROC's consolidated revenue for fiscal 2011 and 17% of IROC's consolidated revenue for fiscal 2010.

Sales and Marketing

Our sales and marketing staff are generally based in or coordinated out of the Corporation's office in Calgary, Alberta. The sales and marketing staff coordinate with field management to strategically locate field equipment in order to allow personnel to respond to customers' needs on a timely basis at various well site locations.

Safety and Environmental Policies

IROC is committed to providing and maintaining a safe working environment to all its employees and contractors, and to protecting and conserving the environment in which our employees and contractors operate. IROC has implemented safety and training programs designed to improve performance and raise awareness of the importance of safety in all aspects of our business.

Employees

IROC currently has 371 employees, of whom 18 are corporate shared services employees.

DIVIDENDS

On April 27, 2009 IROC declared an eligible cash dividend of three cents ($0.03) per Common Share which was paid on May 7, 2009. On January 15, 2010, IROC declared an eligible cash dividend on its Common Shares of $0.02 which was paid on January 29, 2010. On December 20, 2011 IROC declared an eligible cash dividend of $0.025 per Common Share, which was paid on January 13, 2012. On March 20, 2012 IROC declared an eligible cash dividend of $0.025 per Common Share, which will be paid on April 13, 2012. IROC had not declared or paid any dividends on its Common Shares prior to the dividend declared on April 27, 2009. Currently it is the Board's intention to declare and pay quarterly dividends of $0.025 cents per Common Share, resulting in an annual dividend of $.10 cents per Common Share. The Board will review the dividend policy on a quarterly basis.

There are many factors which may restrict the ability of the Corporation to declare further dividends. See "RISK FACTORS", for general information that could impact the Corporation and accordingly, its ability to declare further dividends.

DESCRIPTION OF SHARE CAPITAL

IROC Energy is authorized to issue an unlimited number of Common Shares. Subject to the provisions of the *Canada Business Corporations Act*, the holders of Common Shares are entitled to receive notice of, to attend and vote at all meetings of holders of Common Shares and are entitled to one vote, in person or by proxy, for each Common Share held at all meetings of holders of Common Shares. The holders of Common Shares are entitled to receive such dividends as may be declared by the Board of Directors. On the liquidation, dissolution or winding-up of IROC Energy, whether voluntary or involuntary, the holders of the Common Shares will be entitled to receive pro rata all of the assets remaining for distribution.

MARKET FOR SECURITIES

The following is the monthly trading information for the Common Shares on the TSX Venture Exchange for the twelve months ended December 31, 2011.

TSX Venture Exchange

Period	**High ($)**	**Low ($)**	**Volume (#)**
January	$1.28	$1.10	464,974
February	$1.67	$1.14	1,165,924
March	$1.60	$1.32	535,817
April	$1.80	$1.45	2,356,385
May	$1.89	$1.55	1,402,866
June	$2.15	$1.75	2,156,104
July	$2.39	$2.00	3,988,916
August	$2.25	$1.65	1,741,756
September	$1.99	$1.60	2,458,138
October	$2.45	$1.56	5,054,986
November	$2.70	$2.00	3,568,996
December	$2.80	$2.45	1,314,663

ESCROWED SECURITIES

As at December 31, 2011 there were no Common Shares issued and outstanding that were subject to escrow restrictions.

DIRECTORS AND OFFICERS

The name, municipalities of residence, position with the Corporation, and principal occupation of each of the directors and senior officers of the Corporation are described below.

Name and Municipality of Residence	Current Positions and Offices Held	Principal Occupation
Thomas M. Alford Calgary, AB	President, Chief Executive Officer and Director since December 12, 2001	Mr. Alford has served as President, Chief Executive Officer and a director of IROC Energy since December 12, 2001.
Brian D. Neeland(2) Red Deer, AB	Chairman of the Board, Director and Chairman of the Compensation Committee since November 30, 2000	Partner with the law firm of Gerig Hamilton Neeland in Red Deer, Alberta since 1982.
William Austin(1) Houston, Texas, USA	Director since November 30, 2004	Executive Vice President and Chief Financial Officer of Exterran Holdings since December 2011. President of Austin Lee Venture Ltd and acted on various consulting assignments since April, 2010; prior thereto, Senior Vice President and CFO of Valerus Compression Services, LP from June 29, 2009. Prior thereto, Managing Director of Alverez & Marsal from February 9, 2009 to June 2009; prior thereto Chief Financial Officer of Key Energy Services, Inc. from January 2005 to February 6, 2009; prior thereto, from July 2004 to January 2005, advisor to Key Energy Services, Inc.; prior thereto, Chief Restructuring Officer of North Western Corporation from 2003 to 2004; prior thereto, Chief Executive Officer of US Operations, Cable and Wireless/Exodus Communications from 2001 to 2002.
Brad Fedora(1)(2) Calgary, AB	Director since February 6, 2010	President since September 1, 2007 and Chief Executive Officer since November 13, 2009 of Canyon Services Group Inc.; prior thereto Principal of Corporate Finance for Peters & Co. Limited.
Donald D. Copeland(1) Victoria, BC	Director since November 23, 2010	Independent businessman since August 2008; prior thereto, Executive Chairman of Upper Lake Oil and Gas Ltd. from October 2007 to August 2008; prior thereto, Chairman and Chief Executive Officer of Diamond Tree Energy Ltd. and its predecessor from May 2001 to October 2007; prior thereto, President and Chief Executive Officer of Titanium Oil & Gas Ltd. from May 1999 to April 2001.

Name and Municipality of Residence	Current Positions and Offices Held	Principal Occupation
Stuart G. O'Connor[(2)] Calgary, AB	Director since August 16, 2011	Mr. O'Connor is the President of Timber Ridge Capital Ltd., a private holding and advisory firm, as well as the Chairman of the Board of Flint Energy Services Ltd., a TSX listed oilfield service company, a position he has held since January 1, 2010. Mr. O'Connor is also a co-founder and Chairman of Fitzroy Developments Ltd., a private real estate company, a co-founder and Director of Arcurve Inc., a software development company as well as a director or officer of various other companies. Mr. O'Connor is also a former Partner with Bennett Jones LLP, a national law firm where he practiced corporate and securities law.
Ryan Michaluk Calgary, Alberta	Chief Financial Officer since February, 2010	Chief Financial Officer of IROC since February 1, 2010; prior thereto Chief Financial Officer of Fairmount Energy Inc. from September 2004 to October 2009.
Timothy J. Sebastian Calgary, Alberta	VP Corporate Development, General Counsel since January 14, 2008; Corporate Secretary since November 1, 2000	VP Corporate Development, General Counsel of IROC Energy since January 14, 2008; prior thereto lawyer with McCarthy Tétrault LLP from March 1, 2006 until January 2008; prior thereto, lawyer with Bryan & Company LLP since July 9, 1991.

Notes:
(1) Member of the Audit Committee.
(2) Member of the Compensation and Corporate Governance Committee.
(3) Directors hold office until the next annual general meeting of shareholders or until a director's successor is appointed pursuant to the *Canada Business Corporations Act*.

As at March 30, 2012 the directors and executive officers of IROC Energy, as a group, beneficially owned, directly or indirectly, 6,813,399 Common Shares constituting approximately 13.6% of the issued and outstanding Common Shares. In addition, as at March 30, 2012 our directors and executive officers, as a group, have outstanding options to purchase 1,484,496 Common Shares under the Corporation's Stock Option Plan, and 288,837 restricted share units under the Corporation's restricted share unit bonus plan.

CORPORATE CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS

Except as provided below, no director or executive officer of the Corporation or a shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, is, as of the date of this Annual Information Form, or was within the 10 years before the date of this Annual Information Form, a director or executive officer of any issuer that:

(a) was the subject of a cease trade order, an order similar to a cease trade order, or an order that denied the other issuer access to any exemptions under Canadian securities legislation that was in effect for a period of more than 30 consecutive days;

(b) was the subject of a cease trade order, an order similar to a cease trade order, or an order that denied the other issuer access to any exemptions under Canadian securities legislation that was issued after the director or executive officer 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 that was in effect for a period of more than 30 consecutive days; or

(c) 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 manager or trustee appointed to hold its assets.

The New York Stock Exchange ("NYSE") suspended trading of Key Energy Services, Inc. ("Key") common stock prior to the opening of trading on April 8, 2005 and subsequently delisted Key's common stock on May 5, 2005. The delisting was as a result of Key's failure to file its annual financial statements for the year ended December 31, 2003 on Form 10-K. After completing a restatement for the period ended December 31, 2003 and a financial reporting process that included the submission of required filings to the U.S. Securities and Exchange Commission, Key relisted its common stock and resumed trading on the NYSE on October 3, 2007.

William M. Austin a director of the Corporation, was, at the time of Key's delisting, an executive officer (CFO) of Key. Mr. Austin was hired by Key approximately three months before the delisting and remained as Key's CFO until February 2009.

In addition, Mr. Austin was hired by Exodus Communications, Inc. ("Exodus") in June 2002 to assist in restructuring the company. As part of the restructuring, Exodus filed voluntary petitions for reorganization under Chapter 11 of the U.S. Bankruptcy Code ("Chapter 11") in September 2002. He led the effort to sell substantially all the assets of Exodus to a third party pursuant to the restructuring. Exodus was delisted from NASDAQ as part of the Chapter 11 proceedings.

Mr. Austin was also hired by NorthWestern Corporation ("NorthWestern") as Chief Restructuring Officer in April 2004 to help restructure NorthWestern. As part of the reorganization plan, NorthWestern filed voluntary petitions for reorganization under Chapter 11 in September 2004, sold various assets and was delisted from the NYSE. NorthWestern later emerged from such proceedings and was relisted on the NYSE.

No director, officer or shareholder of the Corporation holding a sufficient number of shares of the Corporation to affect materially the control of the Corporation has been subject to any penalty or sanction of any court relating to Canadian securities legislation or by any Canadian securities regulatory authority or regulatory body or a party to any settlement agreement with any Canadian securities regulatory authority.

None of the directors, officers or insiders of the Corporation have in the 10 years preceding the date of this Annual Information Form, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold their assets.

CONFLICTS OF INTEREST

Circumstances may arise where members of our Board of Directors or our officers are directors or officers of corporations or other entities which are in competition to our interests. No assurances can be given that opportunities identified by such board members or officers will be provided to us. Pursuant to the *Canada Business Corporations Act*, a director or officer of a corporation who is a party to a material contract or proposed material contract with that corporation or is a director or officer of or has a material interest in any person to a material contract or proposed material contract with that corporation shall disclose to the corporation the nature and extent of the director's or officer's interest. In addition, a director shall not vote on any resolution to approve a contract of the nature described except in limited circumstances.

Management is not aware of any existing or potential material conflicts of interest between IROC Energy or a subsidiary of IROC Energy and one of IROC Energy's directors or officers or of one of IROC Energy's subsidiaries.

AUDIT COMMITTEE INFORMATION

General

IROC Energy's board of directors has appointed an audit committee of directors (the "Audit Committee"), as required by corporate and securities laws. The mandate of the Audit Committee is set out in an audit committee charter that has been adopted by the board of directors. The Audit Committee charter is attached as Schedule "A" to this Annual Information Form.

Audit Committee Composition, Education and Experience

The Audit Committee is comprised of three members: William Austin (Chairman), Brad Fedora and Donald Copeland. All Audit Committee members are considered by IROC Energy to be "independent" and "financially literate" within the meaning of applicable securities laws. The following is a summary of the education and experience of each member of the Audit Committee that is relevant to the performance of his responsibilities as a member of the Audit Committee.

Audit Committee Member	Relevant Education and Experience
William Austin	Mr. Austin holds a BS in Electrical Engineering and an MBA in Finance, and has held various senior financial positions, including Chief Financial Officer, with a number of public companies. Since December 2011 Mr. Austin has been the Chief Financial Officer of Exterran Holdings Inc., a U.S. based public oilfield services and equipment company.
Donald Copeland	Mr. Copeland is a professional engineer with over 32 years of experience in the oil and gas industry. He is currently an independent businessman. He has served as Chief Executive Officer of a number of oil and gas exploration companies. He was the founder and President of Codeco Engineering Ltd., a firm engaged in the drilling and completion operations fields of the energy industry. He holds a Bachelor of Science degree in Chemical Engineering from the University of Calgary. He is a member of the Institute of Corporate Directors and a graduate of their education program. Mr. Copeland currently serves as a director of Crocotta Energy Inc. and Western Energy Services Corp. (both listed on the TSX), as well as Toscana Capital Corporation and a number of other private corporations.
Brad Fedora	Mr. Fedora is the President and Chief Executive Officer of Canyon Services Group Inc., a public company which trades on the TSX. Prior to joining Canyon in 2007, Mr. Fedora was involved in the investment banking industry for a number of years, most recently as Principal of Corporate Finance for Peters & Co Limited.

Audit Committee Oversight

At no time since the commencement of the Corporation's most recent completed financial year has a recommendation of the Audit Committee to nominate or compensate an external auditor not been adopted by the board of directors.

Pre-Approval Policies and Procedures

The Audit Committee's charter requires it to pre-approve all non-audit services to be provided to the Corporation or its subsidiaries by the external auditor. The Audit Committee may delegate to one or more of its members the authority to pre-approve non-audit services but has not done so to date. Pre-approval of non-audit services will also be satisfied if the Audit Committee adopts specific policies and procedures for the engagement of non-audit services but, again, the Audit Committee has not done so to date.

External Auditor Service Fees

The following table discloses fees billed to IROC Energy by Deloitte & Touche LLP and KPMG LLP during the past 2 years. On May 10, 2010, Deloitte & Touche LLP was appointed as IROC Energy's auditors effective May 4, 2010. KPMG LLP resigned as auditors of IROC Energy effective May 4, 2010.

Type of Service Provided	2011	2010
Audit Fees(1)	$191,872	$176,704
Audit-Related Fees(2)	$66,805	$55,650
Tax Fees(3)	$21,828	$19,710
All Other Fees(4)	$224,395	$14,362
Total	**$505,900**	**$266,426**

Notes:

(1) Audit fees consist of fees for the audit of the Company's annual financial statements or services that are normally provided in connection with statutory and regulatory filings or engagements.

(2) Audit-related fees consist of fees for assurance and related services that are reasonably related to performance of the audit or review of the Company's financial statements and are not reported as Audit Fees.

(3) Tax fees consist of tax advice and review of tax returns.

(4) Other fees consist of work related to equity financing and litigation support.

Reliance on Exemptions

The Corporation has not relied on any exemptions under securities laws relating to audit committees, including for such things as *de minimums* non-audit services and the independence and financial literacy of Audit Committee members.

RISK FACTORS

IROC's various businesses are generally tied in large part to the oil and gas exploration and production industry in Western Canada. IROC's businesses are sensitive to and will be affected by changing industry conditions in the oil and gas industry including changes in the level of demand, changes in pricing levels, changes in legislation or in regulation relating to exploration, development, production, refining, transportation, or marketing in the oil and gas industry. The following is a summary of certain risk factors relevant to IROC's various business lines. All of these risk factors could negatively impact IROC's consolidated revenue, margins and cash flow. The following information is a summary only of certain risk factors and is qualified in its entirety by reference to, and must be read in conjunction with, the detailed information appearing elsewhere in this Annual Information Form.

Operational Risks

Demand and prices for IROC's products and services depend upon the level of activity in the Canadian oil and gas exploration and production industry which in turn depends on the level of oil and gas prices, expectations about future oil and gas prices, the cost of exploring for, producing and delivering oil and gas, the discovery rate of new oil and gas reserves, available pipeline and other oil and gas transportation capacity, worldwide weather conditions, political, military, regulatory and economic conditions and the ability of oil and gas companies to raise capital. The level of activity in the Canadian oil and gas exploration and production industry is volatile. No assurances can be given that current levels of oil and gas exploration and production activities will continue or that demand for the Corporation's services will continue to reflect the level of activity in the industry generally. Industry conditions will continue to be influenced by numerous factors over which the Corporation will have no control. Prices for oil and gas are expected to continue to be volatile and to affect the demand for and pricing of the Corporation's products and services. A material decline in oil or gas prices or Canadian oil and gas industry activity could have a material adverse affect on the Corporation's business, results or operations and prospects.

The Corporation's operations are subject to hazards inherent in the oilfield service industry, such as explosions, fires and spills that can cause personal injury or loss of life, damage to or destruction of property, equipment and the environment and suspension of operations. In addition, claims for loss of oil and gas production, damage to formations, damage to facilities and business interruptions can occur. While the Corporation maintains insurance coverage that it believes to be adequate and customary in the industry, there can be no assurances that insurance proceeds will be available or sufficient or that IROC will be able to maintain adequate insurance in the future at rates considered reasonable. The single occurrence of a significant uninsured claim or a claim in excess of the insurance coverage limits maintained by the Corporation could have a material adverse effect on the Corporation's business, results of operation and prospects.

Oilfield Service Industry Risks

There are many risks inherent in the oilfield services industry, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. IROC's success will depend on the ability of IROC's customers to select and acquire suitable producing properties or undeveloped exploration prospects. The marketability of any oil and natural gas acquired or discovered by IROC's customers will be affected by numerous factors beyond the control of such customers. These factors include market fluctuations, the price of crude oil, the price of natural gas, the supply and demand for oil and natural gas, the proximity and capacity of oil and natural gas pipelines and processing equipment, and government regulations, including regulations relating to prices, taxes, royalties, land tenure, allowable production, the import and export of oil and natural gas, and environmental protection. The effect of these factors cannot be accurately predicted.

Hazards such as unusual or unexpected geological formations, pressures, blow-outs, fires or other conditions may be encountered in servicing operating wells. IROC will have the benefit of insurance maintained by it, however, IROC may become liable for damages arising from pollution, blowouts or other hazards against which it cannot insure or against which it may elect not to insure because of high premium costs or other reasons.

Seasonal Nature of IROC's Business

The Corporation's operations are carried on generally in Western Canada. The ability to move heavy equipment in the Western Canadian oil and natural gas fields is dependent on weather conditions. As warm weather returns in the spring, the winter's frost comes out of the ground rendering many secondary roads incapable of supporting the weight of heavy equipment until they have thoroughly dried out. The duration of this "spring breakup" has a direct impact on the Corporation's activity levels. In addition, many exploration and production areas in northern Canada are accessible only in winter months when the ground is frozen enough to support equipment. The timing of freeze up and spring breakup affects the ability to move equipment in and out of these areas. As a result, late March through May is traditionally the Corporation's slowest time, and as such, the operating results of the Corporation will vary on a quarterly basis.

Price Competition and Cyclical Nature of the Oilfield Services Business

The service rig, coil tubing and oilfield rental businesses are highly competitive with numerous industry participants. Management believes pricing and rig availability are the primary factors considered by IROC's potential customers in determining which service rig or coil tubing contractor to select. Management believes other factors are also important. Among those factors are:

- the capabilities and condition of service rigs and/or coil tubing units;
- the quality of service and experience of crews;
- the safety record of the contractor and the particular service rig and/or coil tubing units;
- the offering of ancillary services;

- the ability to provide equipment adaptable to, and personnel familiar with, new technologies;
- the mobility and efficiency of the service rigs and/or coil tubing units; and
- marketing relationships.

The service rig and coil tubing industries historically have been cyclical and has experienced periods of low demand, excess equipment supply, and low hourly rates, followed by periods of high demand, shortage of equipment supply and increasing hourly rates. Periods of excess equipment supply intensify the competition in the industries and often result in rigs being idle. There are numerous service rig and/or coiled tubing suppliers in each of the markets in which IROC operates. In all of those markets, an oversupply of service rigs can cause greater price competition. Service rig and coiled tubing companies compete primarily on a regional basis, and the intensity of competition may vary significantly from region to region at any particular time.

IROC's oilfield rental business is also subject to the cyclical nature of the oil and natural gas industry. The demand for, and pricing of, the Corporation's rental equipment depends on the activity levels in the industry and on marketing relationships. In addition, the Corporation's rental business competes with a number of other companies which are significantly larger and have greater market share and financial resources. In periods of lower industry activity, it could be difficult for Aero to compete against such other rental companies.

IROC provides oil and natural gas services primarily to the field operation locations of oil and natural gas exploration and production companies located in Western Canada. The oil and natural gas services business in which IROC operates is highly competitive. To be successful, IROC must provide services that meet the specific needs of its clients at competitive prices. The principal competitive factors in the markets in which IROC operates are service quality and availability, reliability and performance of equipment used and of qualified people to perform its services, technical knowledge and experience and reputation for safety and price. IROC will compete with several regional competitors that are both smaller and larger than it is. These competitors offer similar services in all geographic regions in which IROC operates. As a result of competition, IROC may be unable to continue to provide its present services or to acquire additional business opportunities, which could have a material adverse affect on IROC's business, financial condition, results of operations and cash flows.

Capital Overbuild in the Contract Service Rig Industry

Due to the "long life" nature of service rig equipment and the lag between the moment a decision to build a rig is made and the moment the rig is placed into service, the number of rigs in the industry does not always correlate to the level of demand for those rigs. Periods of high demand often spur increased capital expenditures on rigs, and those capital expenditures may exceed actual demand. This capital overbuild could cause IROC's competitors to lower their rates and could lead to a decrease in rates in the oilfield services industry generally, which would have a material adverse affect on the revenues, cash flows and earnings of IROC.

Equipment and Parts Availability

The Corporation's ability to expand its operations and provide reliable service is dependent upon timely delivery of new equipment and replacement parts from fabricators and suppliers. A lack of skilled labour to build equipment combined with new competitors entering the oilfield service sector has resulted in increased order times on new equipment and increased uncertainty surrounding final delivery dates. Significant delays in the arrival of new equipment from expected dates may impact future growth and the financial performance of the Corporation. IROC attempts to mitigate this risk by maintaining strong relations with key fabricators and suppliers.

Dependence on Key Personnel

IROC's future performance and development will depend to a significant extent on the efforts and abilities of its executive officers and key management personnel, and on the ability to attract and retain qualified field staff. The loss of the services of one or more of its management team could harm the Corporation. Also IROC's success largely depends on the Corporation's continuing ability to attract, develop and retain skilled employees in all areas of its business.

Labour Supply

The Corporation requires a large number of personnel, many of which require skills and experience specific to well servicing, in order to crew our service rigs and coil tubing units. Recruiting and training these individuals is critical to the Corporation's ability to operate service rigs and coil tubing units used to meet customer requirements and generate revenues. There is currently a very high demand for employees which possess these skills and experience in the marketplace. While the Corporation devotes significant resources and planning to the recruitment, retention and training of people in order to secure the required level of staffing and skills necessary to support anticipated levels of work, there is no guarantee the Corporation will be able to continue to attract and retain sufficient numbers of employees with the required level of skills and experience to fully crew and operate all of the Corporation's service rigs and coil tubing units. Failure to identify, hire and retain sufficient numbers of employees possessing the skills and experience to crew and operate the Corporation's service rigs and coil tubing units could have a significant impact on the Corporation's ability to deliver its services to customers and generate revenues.

Risks of Interruption and Casualty Losses

IROC's operations are, or will be, subject to many hazards inherent in the well workover and completion industry, including blowouts, cratering, explosions, fires, loss of well control, loss of hole, damaged or lost drilling equipment and damage or loss from inclement weather or natural disasters and reservoir damage. Any of these hazards could result in personal injury or death, damage to or destruction of equipment and facilities, suspension of operations, environmental damage, damage to the property of others and damage to producing or potentially productive oil and natural gas formations. Generally, service rig and coil tubing contracts provide for the division of responsibilities between a service rig or coil tubing unit provider and its customer, and IROC will seek to obtain indemnification from its customers by contract for certain of these risks. IROC will also seek protection through insurance. However, IROC cannot ensure that such insurance or indemnification agreements will adequately protect it against liability from all of the consequences of the hazards described above. The occurrence of an event not fully insured or indemnified against, or the failure of a customer or insurer to meet its indemnification or insurance obligations, could result in substantial losses. In addition, insurance may not be available to cover any or all of these risks, or, even if available, may not be adequate. Insurance premiums or other costs may rise significantly in the future, so as to make such insurance prohibitively expensive or uneconomic.

Service Rig and Coil Tubing Units Construction Risks

When IROC contracts for the construction of a new service rig or coil tubing unit, the cost of construction of the rig or coil tubing unit and the timeline for completing the construction are estimated at that time the contract is executed. Actual costs of construction may, however, vary significantly from those estimated as a result of numerous factors, including, without limitation, changes in input costs such as the price of steel; variations in labour rates; and, to the extent that component parts must be sourced from other countries, fluctuations in exchange rates. In addition, several factors could cause delays in the construction of a service rig or coil tubing unit, including, and without limitation, shortages in skilled labour and delays or shortages in the supply of component parts. Construction delays may lead to postponements of the anticipated date for deployment of the newly constructed rig into operation and any such postponement could have a negative effect on cash flows generated from operations, of which the effect may be material.

New Business

While IROC has hired experienced operational personnel to operate Helix, senior management has little or no direct experience in the operation of a coil tubing business. In addition, the Corporation does not have any existing customers or marketing relations in the coil tubing sector. As a result, there is certain inherent and direct risk associated with the Corporation's entrance into this business as a purely greenfield operation. There is no guarantee the coil tubing operation will produce sufficient cash flow to fund its operations or provide an acceptable return on the capital invested in the related equipment.

New Technology Could Place IROC at a Disadvantage Versus Competitors

Complex drilling programs for the exploration and development of remaining conventional and unconventional oil and natural gas reserves in North America places high demands on service rigs, coil tubing units and related equipment. IROC's ability to deliver equipment and services that are more efficient than equipment and services offered by its competitors is critical to continued success. There is no assurance that competitors will not achieve technological improvements that are more advantageous, timely or cost effective than improvements developed by IROC.

The ability of IROC to meet customer demands in respect of performance and cost will depend upon continuous improvements in operating equipment and there can be no assurance that IROC will be successful in its efforts in this regard or that it will have the resources available to meet this continuing demand. Failure by IROC to do so could have a material adverse effect on IROC's business, financial condition, results of operations and cash flows. No assurances can be given that competitors will not achieve technological advantages over IROC.

Merger and Acquisition Activity

Merger and acquisition activity in the oil and gas exploration and production sector may impact demand for IROC's services as customers focus on reorganizing their business prior to committing funds to exploration and development projects. Further, in any merger or acquisition transaction the resulting or acquired company may have preferred supplier relationships with oilfield service providers other than IROC.

Market Conditions

The trading price of securities of oilfield services companies is subject to substantial volatility. This volatility is often based on factors both related and unrelated to the financial performance or prospects of the companies involved. The market price of our Common Shares could be subject to significant fluctuations in response to variations in the Corporation's operating results, financial condition, liquidity and other internal factors. Factors that could affect the market price of our Common Shares that are unrelated to the Corporation's performance include domestic and global commodity prices and market perceptions of the attractiveness of particular industries. The price at which our Common Shares will trade cannot be accurately predicted.

Future Capital Requirements

IROC may require additional financing in the future to implement its strategies and business objectives. It is possible that such financing will not be available, or if available, will not be available on favourable terms. Also, if IROC issues any shares in the future to finance its operations or implement its strategies, the current shareholders of IROC will suffer a dilution of their interest.

Capital and Financial Markets

While the worldwide economic crisis of 2008 and 2009 has diminished significantly and the capital and financial markets have stabilized, access to new capital on acceptable terms, or at all, is not guaranteed. As future capital expenditures and potential acquisitions will need to be financed out of cash generated from operations, through debt or, if available, equity offerings, the Corporation's ability to access new capital is dependent on, among other factors, the overall state of capital markets generally, and the appetite for investments in the energy industry and the Corporation's securities specifically. All of these factors could have a negative effect on IROC's ability to obtain new capital on acceptable terms, or at all and this could have a material adverse effect on our operations and share price.

It should be noted however that based on current funds available and expected cash flow from operations, the Corporation believes it has sufficient funds available to fund our projected capital expenditures for the next year. However, if the economic conditions, both in our industry and on a worldwide basis, change we may be required to access required capital from alternative sources which may not be available on acceptable terms, or at all.

Future Sales of Common Shares by IROC

IROC may issue additional Common Shares in the future, which may dilute a shareholder's holdings in IROC or negatively affect the market price of our Common Shares. IROC's articles permit the issuance of an unlimited number of Common Shares. The directors of IROC have the discretion to determine the price and the terms of issue of further issuances of Common Shares, subject to applicable law. Also, additional Common Shares will be issued by IROC on the exercise of stock options granted pursuant to IROC's stock option plan, or pursuant to its restricted share unit bonus plan.

Intellectual Property Protection

In the future IROC may seek patents or other similar protections in respect of particular tools, equipment and technology, however, IROC may not be successful in such efforts. Competitors may also develop similar tools, equipment and technology to those of IROC thereby adversely affecting IROC's competitive advantage in one or more of its businesses. Additionally, there can be no assurance that certain tools, equipment or technology developed by IROC will not be the subject of future patent infringement claims or other similar matters which could result in litigation, the requirement to pay licensing fees or other results that could have a material adverse affect on IROC's business, financial condition, results of operations and cash flows.

Government Regulation

IROC's operations are subject to a variety of federal, provincial and local laws, regulations and guidelines, including laws and regulations related to health and safety, the conduct of operations, the manufacture, management, transportation and disposal of certain materials used in the Corporation's operations. Changes in any such laws, regulations or guidelines could have a material adverse effect on the IROC operations.

In addition, the oil and gas industry in general is subject to extensive government policies and regulations, which result in additional cost and risk for industry participants or parties, such as IROC, that service the industry. Royalty rates, other laws or government incentive programs relating to the oil and gas industry generally may in the future be changed or interpreted in a manner that adversely affects the Corporation and our shareholders.

Environmental Protection

IROC is subject to various environmental laws and regulations enacted in most jurisdictions in which the Corporation operates, which primarily govern the manufacture, processing, importation, transportation, handling and disposal of certain materials used in the Corporation's operations. IROC's customers are subject to similar laws and regulations, as well as limits on emissions into the air and discharges into surface and sub-surface waters. While regulatory developments that may follow in subsequent years could have the effect of reducing industry activity, IROC cannot predict the nature of the restrictions that may be imposed. IROC may be required to increase operating expenses or capital expenditures in order to comply with any new restrictions or regulations.

Historically, environmental protection requirements have not had a significant financial operational effect on capital expenditures, earnings or competitive position of the Corporation. Environmental protection requirements are not presently anticipated to have a significant effect on such matters in 2011 or in the future.

The services provided by IROC, in some cases, involve flammable products being pumped under high pressure. To address these risks, IROC has developed and implemented safety and training programs. In addition, comprehensive insurance and risk management program has been established to protect IROC's assets and operations. IROC also complies with current environmental requirements and maintains an ongoing participation in various industry-related committees and programs.

Climate Change Legislation

In recent years, a number of initiatives relating to climate change have been proposed, both through domestic legislation and international agreements (such as the Kyoto Protocol and the United Nations Framework Convention on Climate Change). Many of these initiatives require nations to reduce their emissions of carbon dioxide and other greenhouse gases. Reductions in greenhouse gases from oil and gas producers may be required which could result in, amount other things, increased operating and capital expenditures for those producers which may make certain production of crude oil or natural gas by those producers uneconomic, resulting in reductions in such production and resulting decrease in the demand for the Corporation's services. The Corporation is unable to predict the impact, if any, of any such climate change initiatives, both current and future, on the Corporation.

Third Party Credit Risk

IROC may be exposed to third party credit risk through its contractual arrangements with other parties. In the event such entities fail to meet their contractual obligations to the Corporation, such failures could have a material adverse effect on the Corporation.

IROC May Make Dispositions of Businesses and Assets in the Ordinary Course of Business

Management continually assesses the value and contribution of services provided and assets required to provide such services. In this regard, non-core assets are periodically disposed of, so that IROC can focus its efforts and resources more efficiently. Depending on the state of the market for such non core assets, certain non-core assets of IROC, if disposed of, could be expected to realize less than their carrying value on the financial statements of IROC.

Tax Matters

The taxation of corporations is complex. In the ordinary course of business, IROC is subject to ongoing audits by tax authorities. While IROC believes that its tax filing positions are appropriate and supportable, it is possible that tax matters, including the calculation and determination of revenue, expenditures, deductions, credits and other tax attributes, taxable income and taxes payable, may be reviewed and challenged by the tax authorities. In addition, the tax filing positions of businesses acquired by IROC may be reviewed and challenged by the tax authorities. If such challenge were to succeed, it could have a material adverse affect on IROC's tax position. Further, the interpretation of, and changes in, tax laws, whether by legislative or judicial action or decision, and the administrative policies and assessing practices of taxation authorities, could materially adversely affect IROC's tax position. As a consequence, IROC is unable to predict with certainty the effect of the foregoing on IROC's effective tax rate and earnings.

IROC regularly reviews the adequacy of its tax provisions and believes that it has adequately provided for those matters. Should the ultimate outcomes materially differ from the provisions, IROC's effective tax rate and earnings may be affected positively or negatively in the period in which the matters are resolved. IROC intends to mitigate this risk through ensuring tax staff is well trained and supervised and that tax filing positions are carefully scrutinized by management and external consultants, as appropriate.

There can be no assurance that income tax laws or the interpretation thereof in any of the jurisdictions in which IROC operates will not be changed or interpreted or administered in a manner which adversely affects IROC, its subsidiaries and its shareholders. In addition, there is no assurance that the Canada Revenue Agency, the Internal Revenue Service or a provincial or foreign tax agency (collectively the "Tax Agencies") will agree with the manner in which IROC or its subsidiaries calculate their income or taxable income for tax purposes or that any of the Tax Agencies will not change their administrative practices to the detriment of IROC or its shareholders (or both).

Forward-Looking Information may Prove Inaccurate

Investors are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate.

LEGAL PROCEEDINGS

Except as discussed below there are no legal proceedings which IROC is a party to or of which IROC's property is subject to which would be material to IROC, nor is IROC aware of any proceedings that would be material to IROC which are contemplated or pending.

On February 29, 2008, Lucie Zillinger, Brenda McColl, Laurie Grande, Cedric Doerksen, Maria Doerksen and Marric Canada Enterprises Ltd. (collectively the "Former Canada Tech Shareholders") commenced an action the Court of Queen's Bench of Alberta against IROC Energy and Canada Tech for the alleged breach and/or repudiation of agreements between IROC, Canada Tech and the Former Canada Tech Shareholders that were entered into as part of the acquisition transaction whereunder IROC Energy purchased outstanding shares of Canada Tech. The claim is for $1,000,000 plus interests and costs. The claims by Brenda McColl and Laurie Grande were discontinued without costs on August 20, 2010. We believe the claims by the remaining plaintiffs are without merit and we continue to defend these claims to the fullest extent possible.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as discussed below, there are no material interests, direct or indirect, of directors, executive officers, any shareholders who beneficially own, directly or indirectly, more than 10% of our outstanding Common Shares, or any known associates or affiliates of such persons, in any transaction within the last three years or in any proposed transaction which has materially affected or would materially affect the Corporation.

TRANSFER AGENT AND REGISTRAR

Valiant Trust Company, at its principal offices in Calgary, Alberta is the transfer agent and registrar of IROC's Common Shares.

MATERIAL CONTRACTS

As part of the purchase of four drilling rigs in February of 2007 (the "JMAC Transaction"), IROC Energy and certain shareholders of JMAC (the "JMAC Shareholders") entered into a lenders rights agreement (the "JMAC Lenders Rights Agreement") which provides that for a period of seven (7) years from the closing of the JMAC Transaction, if IROC Energy proposes a new issuance of securities, the JMAC Shareholders would have the right to purchase new securities pursuant to such offering on a *pro rata* basis based on the JMAC Shareholders' proportionate share ownership of the then current issued and outstanding shares of IROC Energy. Also, pursuant to the JMAC Lenders Agreement, if IROC Energy proposes to offer securities pursuant to a prospectus in Canada, the JMAC Shareholders would be entitled to elect to include a proportionate number of the Common Shares that they each own in any such offering.

INTERESTS OF EXPERTS

There is no person or company who is named as having prepared or certified a report, valuation, statement or opinion described or included in a filing, or referred to in a filing, made under National Instrument 51-102 by IROC Energy during, or related to, IROC Energy's most recently completed financial year and whose profession or business gives authority to the report, valuation, statement or opinion made by the person or company. Deloitte & Touche LLP, IROC Energy's auditors, are independent of IROC Energy in accordance with the auditor's rules of professional conduct in the Province of Alberta. As at the date of this Annual Information Form, Deloitte &Touche LLP and its partners did not hold any registered or beneficial interests, directly or indirectly, in our securities or the securities of any of our associates or affiliates.

EXPERTS

IROC's auditors are Deloitte & Touche LLP, Chartered Accountants, Suite 700, 850 – 2nd Street S.W., Calgary, Alberta.

ADDITIONAL INFORMATION

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of our securities and securities authorized for issuance under equity compensation plans, will be contained in the Corporation's Management Information Circular and Proxy Statement which relates to the Annual and Special Meeting of Shareholders to be held on May 24, 2012. Additional financial information is contained in IROC Energy's consolidated financial statements and Management's Discussion and Analysis for its most recently completed financial year.

The aforementioned documents, as well as additional information relating to the Corporation, can be found on SEDAR at www.sedar.com.

SCHEDULE "A" – AUDIT COMMITTEE CHARTER

Purpose

The purpose of the Audit Committee (the "Committee") of the Board of Directors (the "Board") of IROC Energy Services Corp. (the "Company") is to:

- Assist the Board in fulfilling its responsibility to oversee the Company's accounting and financial reporting processes and the audits of the Company's financial statements and management discussion and analysis ("MD&A");

- Review the financial reports and other financial information provided by the Company, the Company's disclosure controls and procedures, and its internal accounting and financial controls;

- Assume direct responsibility for the appointment, compensation, retention (and where appropriate, replacement), and oversight of the work of the outside auditor in preparing or issuing an audit report or related work;

- Oversee the independence of the outside auditor and approve all auditing services and permitted non-audit services provided by the outside auditor;

- Receive direct reports from the outside auditor and resolve any disagreements between management and the outside auditor regarding financial reporting;

- Review risk management with management and the outside auditor, as well as any proposed changes in major accounting policies and the presentation and impact of significant risks and uncertainties; and

- Carry out the specific responsibilities set forth below in furtherance of this stated purpose.

Committee Membership and Procedures

The Committee shall consist of at least three directors and may from time to time be comprised of the entire Board. The Board shall appoint the members of the Committee. Every member of the Committee must be a director of the Company. The Board shall appoint one member of the Committee to be the Chair of the Committee.

Except for such times as when the entire Board assumes the responsibilities of the Committee and in circumstances where there is an exemption from the following requirement available to the Company in Multilateral Instrument 52-110 entitled "Audit Committees" ("MI 52-110"), each director appointed to the Committee by the Board shall be "independent" (as such term is defined in Section 1.4 of MI 52-110, which is reproduced in Schedule "A" attached hereto).

Unless there is an exemption from the following requirement available to the Company in MI 52-110, each member of the Committee shall be "financially literate" (as such term is defined in Section 1.6 of MI 52-110, which is reproduced in Schedule "A" attached hereto).

A director appointed by the Board to the Committee shall be a member of the Committee until replaced by the Board or until his or her resignation.

The Chairman of the Board shall be an *ex officio* member of the Committee.

The Committee shall meet not less often than quarterly and shall conduct its meetings in accordance with this Charter, the procedures of the Board set forth in the by-laws for the Board's meetings, and such other procedures as the Committee may adopt.

Responsibilities, Resources and Authority

In discharging its oversight role, the Committee is granted all responsibilities and authority required by MI 52-110, including without limitation the authority to investigate any matter brought to its attention with full access to all books, records, facilities and personnel of the Company and the authority to engage independent legal, accounting or other advisors to obtain such advice and assistance as the Committee determines necessary to carry out its duties. The Committee may request any officer or employee of the Company or the Company's outside counsel to attend a meeting of the Committee or to meet with any member of, or consultants to, the Committee.

The Company shall provide the Committee with all appropriate funding, as determined by the Committee, for payment of compensation to any such advisors and any outside auditor, as well as for any ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its responsibilities.

Key Responsibilities

The Committee's role is one of oversight, and it is recognized that the Company's management is responsible for preparing the Company's financial statements and that the outside auditor is ultimately accountable to the Board and the Committee, as representatives of the stockholders, and is responsible for auditing those financial statements.

The following functions shall be the common recurring activities of the Committee in carrying out its oversight role. The functions are set forth as a guide and may be varied and supplemented from time to time as appropriate under the circumstances.

<u>Appointment of Outside Auditor</u>

The Committee shall have direct responsibility for the appointment, compensation, retention (and where appropriate, replacement), and oversight of the work of any registered public accounting firm selected to be the Company's outside auditor for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company.

<u>Appointment and Performance Evaluation of Chief Financial Officer and Internal Auditor</u>

The Chair of the Committee shall participate in the identification of candidates for the positions of Chief Financial Officer and lead of the Company's internal auditing function, if any, and shall advise management with respect to the decision to hire a particular candidate.

<u>Disclosure Controls and Procedures</u>

The Committee shall review periodically with management the Company's disclosure controls and procedures.

<u>Internal Controls</u>

The Committee shall discuss periodically with management and the outside auditor the quality and adequacy of the Company's internal controls and internal auditing procedures, if any, including any significant deficiencies in the design or operation of those controls which could adversely affect the Company's ability to record, process, summarize and report financial data and any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls, and discuss with the outside auditor how the Company's financial systems and controls compare with industry practices.

Accounting Policies

The Committee shall review periodically with management and the outside auditor the quality, as well as acceptability, of the Company's accounting policies, and discuss with the outside auditor how the Company's accounting policies compare with those in the industry and all alternative treatments of financial information within Canadian generally accepted accounting principles that have been discussed with management, the ramifications of use of such alternative disclosures and treatments and the treatment preferred by the outside auditor.

Pre-approval of All Audit Services and Permitted Non-Audit Services

The Committee shall approve, in advance, all audit services and permitted non-audit services to be provided to the Company by the outside auditor; provided that any non-audit services performed pursuant to an exception to the pre-approval requirement permitted under applicable laws shall not be deemed unauthorized.

Annual Audit

In connection with the annual audit of the Company's financial statements, the Committee shall:

- request from the outside auditor a formal written statement delineating all relationships between the auditor and the Company, discuss with the outside auditor any such disclosed relationships and their impact on the outside auditor's objectivity and independence, and take appropriate action to oversee the independence of the outside auditor.
- approve the selection and the terms of the engagement of the outside auditor.
- review with management and the outside auditor the audited financial statements and MD&A to be included in the Company's Annual Report filed on the System for Electronic Document Analysis and Retrieval ("SEDAR").
- perform the procedures set forth below in "Financial Reporting Procedures" with respect to the annual financial statement to be reported.
- Review with management and the outside auditor the Company's critical accounting policies and practices.
- Recommend to the Board whether, based on the reviews and discussions referred to above, the annual financial statements and MD&A should be included in the Company's Annual Report to be filed on SEDAR.

Interim Reports

In connection with the Company's preparation of its interim financial information to be included in the Company's Quarterly Reports filed on SEDAR, the Committee shall:

- review with management the Company's critical account policy practices;
- recommend to the Board whether, based on their reviews and discussions referred to above the interim financial statements and interim MD&A should be included in the Company's Quarterly Report to be filed on SEDAR.

Financial Reporting Procedures

In connection with the Committee's review of each reporting of the Company's annual or interim financial information, the Committee shall:

- discuss with the outside auditor whether all material correcting adjustments identified by the outside auditor in accordance with Canadian generally accepted accounting principles and the rules of the CSA are reflected in the Company's financial statements.

- review with the outside auditor all material communications between the outside auditor and management, such as any management letter or schedule of unadjusted differences.

- review with management and the outside auditor any material financial or other arrangements of the Company which do not appear on the Company's financial statements and any transactions or courses of dealing with third parties that are significant in size or involve terms or other aspects that differ from those that would likely be negotiated with independent parties, and which arrangements or transactions are relevant to an understanding of the Company's financial statements.

- resolve any disagreements between management and the outside auditor regarding financial reporting.

Charter

The Committee shall review and reassess at least annually the adequacy of this Charter and recommend any proposed changes to the Board for approval.

Complaint Procedures

Any issue of significant financial misconduct shall be brought to the attention of the Committee for its consideration. In this connection, the Committee shall establish procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.