NOTE OF CAUTION Concerning COVID-19 Outbreak

At the date of this Notice and the accompanying Information Circular, it is the intention of the Corporation to hold the Meeting at the location stated in this Notice. We are continuously monitoring development of the COVID-19 outbreak ("**COVID-19**"). In light of the rapidly evolving public health guidelines related to COVID-19, we request that shareholders vote their shares by proxy and **DO NOT ATTEND THE MEETING IN PERSON**. Any shareholders who still wishes to attend the Meeting in person should carefully consider and follow the instructions on the website of the federal Public Health Agency of Canada:
(https://www.canada.ca/en/public-health/services/diseases/coronavirus-disease-covid-19.html).
We ask that shareholders also review and follow the instructions of any regional health authorities of the Province of Alberta, including the Alberta Health Services, and any other health authority holding jurisdiction over the areas you must travel through to attend the Meeting. Please do not attend the Meeting in person if you are experiencing any cold or flu-like symptoms, or if you or someone with whom you have been in close contact has travelled to/from outside of Canada within the 21 days immediately prior to the Meeting. All shareholders are strongly encouraged to vote by submitting their completed form of proxy (or voting instruction form) prior to the Meeting by one of the means described in the Management Information Circular accompanying this Notice.

The Corporation reserves the right to take any additional precautionary measures deemed to be appropriate, necessary or advisable in relation to the Meeting in response to further developments in COVID-19, including: (i) holding the Meeting virtually or by providing a webcast of the Meeting; (ii) hosting the Meeting solely by means of remote communication; (iii) changing the Meeting date and/or changing the means of holding the Meeting; (iv) denying access to persons who exhibit cold or flu-like symptoms, or who have, or have been in close contact with someone who has, travelled to/from outside of Canada within the 21 days immediately prior to the Meeting; and (v) such other measures as may be recommended by public health authorities in connection with gatherings of persons such as the Meeting. Should any such changes to the Meeting format occur, the Corporation will announce any and all of these changes by way of news release, which will be filed under the Corporation's profile on SEDAR at www.sedar.com. We strongly recommend you check the Corporation's profile on SEDAR prior to the Meeting for the most current information. In the event of any changes to the Meeting format due to COVID-19, the Corporation will **not** prepare or mail amended Meeting Proxy Materials.

THE BOARD OF DIRECTORS AND MANAGEMENT REQUEST THAT ALL SHAREHOLDERS VOTE BY PROXY AND DO NOT ATTEND THE MEETING IN PERSON.

PENNINE PETROLEUM CORPORATION

NOTICE OF ANNUAL AND SPECIAL MEETING OF THE SHAREHOLDERS

And

MANAGEMENT PROXY CIRCULAR

Annual and Special Meeting to be held in Calgary Alberta

APRIL 15, 2021

RECORD DATE: MARCH 15, 2021

PENNINE PETROLEUM CORPORATION
315 - 39th Ave S.E.
Calgary, Alberta, T2G 1X5

MANAGEMENT PROXY CIRCULAR

The information contained in this management proxy circular
is as of March 15, 2021, unless otherwise stated.

SOLICITATION OF PROXIES BY MANAGEMENT

This management proxy circular (the "Information Circular") is being furnished to the holders ("Shareholders") of Common Shares (the "Common Shares") in the capital of Pennine Petroleum Corporation ("Pennine" or the "Corporation") in connection with the solicitation of proxies by the management of Pennine for use at the annual and special meeting of the Shareholders of Pennine (the "Meeting") to be held on April 15, 2021, at 10:00 a.m. at 2nd Floor, 315 39th Avenue SE, Calgary, AB. T2G 1X5 and at any and all adjournments or postponements thereof.

REVOCATION OF PROXY

Pennine shall bear all costs associated with the solicitation of Proxies. A Shareholder who has given a proxy may revoke it at any time prior to its exercise. The proxy will be revoked if the Shareholder who has given it attends the Meeting and votes in person. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or the Shareholder's attorney, authorized in writing. If the Shareholder is a corporation, the revocation of proxy must be exercised under its corporate seal or by an officer or attorney thereof duly authorized. The Shareholder must deposit the revocation of proxy with Computershare Trust Company of Canada at 530 8th Avenue SW, Calgary, Alberta T2P 3S8 (Tel: 403-267-6800) no later than 2:00 p.m. (Calgary time) on April 13, 2021, or no later than 2:00 p.m. (Calgary time) on the second business day prior to any adjournment(s) of the Meeting.

PROXY INSTRUCTIONS

The enclosed instrument of proxy (the "Proxy") is solicited by and on behalf of the management of Pennine and Pennine shall bear all costs associated with the solicitation of Proxies. The persons named in the Proxy are directors and senior officers of Pennine. **A Shareholder desiring to appoint some other person (who need not be a Shareholder) to represent himself or herself at the Meeting may do so either by inserting such other person's name in the blank space provided in the Proxy or by completing another appropriate form of proxy.**

Accompanying this Information Circular is an instrument of Proxy for use at the Meeting. All Proxies properly executed by the holders of Common Shares of Pennine will be voted at any poll held at the Meeting, provided they are received by mail by the registrar and transfer agent, Computershare Trust Company of Canada at 530 8th Avenue SW, Calgary, Alberta T2P 3S8 no later than 10:00 a.m. (Calgary time) on April 15, 2021, or if the Meeting is adjourned, by no later than 48 hours prior to the time and date on which the Meeting is reconvened.

To be properly executed, the Proxy must be signed by a Shareholder or the Shareholder's attorney authorized in writing. If the Shareholder is a corporation, the Proxy must be executed under its corporate seal or by an officer or attorney thereof duly authorized by resolution of its directors. A copy of the resolution must accompany the completed and executed Proxy. Persons signing as executors, administrators, or trustees should so indicate and must provide a true copy of the document establishing their authority. A partnership should sign in the partnership name by an authorized person(s).

Where the Shareholder specifies a choice with respect to the proposals set out in the Proxy, the Shareholder's securities represented by the Proxy will be voted, or withheld from voting, on any ballot that may be called for at the Meeting in accordance with the instructions given on the Proxy. **Where no choice is specified, the Common Shares represented by the Proxy will be voted "FOR" the proposals in the Proxy.**

The enclosed form of Proxy confers discretionary authority on the persons named regarding amendments to those matters identified in the Information Circular and any other matters which may properly come before the Meeting. At the time of the printing of this Information Circular, management of the Corporation knows of no such amendment or other matter. If any matters which are not now known should properly come before the Meeting, the persons named in the enclosed form of Proxy will vote on such matters in accordance with their best judgment.

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

Management of the Corporation is not aware of any material interest of any director or nominee for director, or senior officer or anyone who held office as such since the beginning of the Corporation's last financial year, or any associate or affiliate of any of the foregoing, with respect to any matter to be acted on at the Meeting except as set forth in this Information Circular.

VOTING SECURITIES, VOTING AND RECORD DATE

Shareholders of record at the close of business on March 15, 2021, (the "Record Date") will be entitled to receive notice of the Meeting and to one vote per Common Share on all matters placed before the Meeting, except to the extent that (a) where the Shareholder has transferred any of the Shareholder's Common Shares after the day on which the notice of the Meeting is sent, and (b) the transferee, having produced properly endorsed certificates evidencing such shares or having otherwise established that the transferee owns such shares, has demanded not later than ten days before the Meeting that his name be included on the Shareholders list, in which case the transferee shall be entitled to vote the transferred Common Shares and to participate at the Meeting.

The Corporation had 169,450,362 Common Shares issued and outstanding on the Record Date, each carrying the right to one vote per share. The aforementioned Common Shares are the only voting securities issued and outstanding in the capital of the Corporation.

ADVICE TO BENEFICIAL HOLDERS OF SECURITIES

The information set forth in this section is of significant importance to many Shareholders of the Corporation, as a substantial number of Shareholders do not hold Common Shares in their own name. Shareholders who do not hold their Common Shares in their own name ("Beneficial Shareholders") should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holders of the Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS Inc. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers/nominees are prohibited from voting shares for their clients. The directors and officers of the Corporation do not know for whose benefit the Common Shares registered in the name of CDS Inc. are held.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided to the registered shareholders. However, its purpose is limited to instructing the registered shareholders how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to ADP Investor Communications ("ADP") in Canada. ADP typically prepares a machine-readable voting instruction form, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the forms to ADP, or otherwise to communicate voting instructions to ADP. ADP then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. A Beneficial Shareholder receiving an ADP form of proxy cannot use that proxy to vote shares directly at the Meeting. The proxy must be returned or voting instructions otherwise conveyed to ADP well in advance of the Meeting in order to have the shares voted.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of Common Shares registered in the name of his broker (or an agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxy holder for the registered Shareholder and vote the Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxy holder for the registered Shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

QUORUM AND VOTES NECESSARY TO PASS RESOLUTIONS AT THE MEETING

Pursuant to the bylaws of the Corporation, two persons present and holding or representing by proxy 5% of the issued and outstanding Common Shares entitled to vote at the Meeting shall be a quorum for purposes of conducting the Meeting.

The Shareholders may be asked to vote on both ordinary and special resolutions. To be effective, ordinary resolutions must be approved by a majority and the special resolutions must be approved by not less than 66 ⅔% of the votes cast by those Shareholders entitled to do so, voting in person or by proxy at the Meeting on the resolutions. **The Common Shares represented by the Proxy will be voted "For" all resolutions hereinafter set forth unless the Shareholder specifies that the subject Common Shares are to be voted against or withheld with respect to the resolution in question.**

PRINCIPAL SHAREHOLDERS

Management of the Corporation is not aware of any person or company beneficially owning, directly or indirectly, or exercising control or direction over 10% or more of the voting shares of the Corporation other than as set out below, which is based upon disclosure contained in the SEDI website at www.sedi.ca:

Name and Municipality of Residence	Number of Common Shares	Percentage of Common Shares
Ray Gertz Calgary, Alberta, Canada	20,524,341	12.32%

MATTERS TO BE PRESENTED AND ACTED UPON AT THE MEETING

FINANCIAL STATEMENTS AND AUDITORS REPORT

The directors of the Corporation will submit to the Shareholders at the Meeting the financial statements of the Corporation to December 31, 2019 and the auditor's report thereon No vote by the shareholders with respect to the financial statements is required or proposed to be taken.

FIX THE NUMBER OF DIRECTORS

Management of the Corporation proposes at the Meeting to set the number of directors of the Corporation at three and to nominate persons to fill such positions.

ELECTION OF DIRECTORS

Action is to be taken at the Meeting with respect to the election of the three directors to serve until the next annual meeting of the Shareholders or until their respective successors have been elected or appointed. The persons named in the Proxy intend to vote for the election of the three nominees listed below as directors. In the event any nominee named below should be unable to serve, the persons named in the Proxy will vote for a substitute nominee or nominees in accordance with their best judgment. All nominees named below have consented to serve as directors if elected. The following table indicates the equity securities of the Corporation beneficially owned, directly or indirectly, or over which control or direction is exercised, by each nominee as the date hereof.

The Corporation has an audit committee (the "Audit Committee"), a nomination committee (the "Nomination Committee"), a corporate governance committee (the "Corporate Governance Committee") and a compensation committee (the "Compensation Committee").

Name, Municipality of Residence and Present Office Held	Principal Occupation and if not at Present an Elected Director, Positions Held During the Last Five Years	Director Since	Common Shares Owned Beneficially or Over Which Control or Direction is Exercised
Ray Gertz[(1)] Calgary Alberta Canada Director	President of A&M Industries Graduate of NAIT	September 2007	20,524,341
Jeff Saxinger P Eng [(1)] Calgary Alberta Canada Director	Manager Projects Vepica (Canada) since March 2006 Graduate of University of Saskatchewan	May 2008	5,924,8080
Jonathan Harris [(1)] London United Kingdom Director	Chief Executive Officer of Pennine Petroleum Corporation Graduate of University of Natal, South Africa and London Business School	April 2018	183,000

(1) Member of the Audit Committee, the Nomination Committee, the Corporate Governance Committee and the Compensation Committee.

To the knowledge of the Corporation, no proposed director:

(a) is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity:

(i) was the subject of a cease trade order or similar order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 days,

(i) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days except for a Cease Trade Order issued 22 June 2020 for late filing of the 2019 Year End statements that is still in action as of this date.; or

(ii) 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

(b) has, within the 10 years before the date of this Information Circular, 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 director or

(c) has had penalties or sanctions imposed on, and no settlements have been entered into by director nominees or

(d) no director nominee is being proposed pursuant to another arrangement or understanding.

APPOINTMENT OF AUDITORS

The Shareholders will be asked to vote for the appointment of Davidson and Company LLP ("D & Co.") of Calgary, Alberta to hold office until the next annual meeting of the Shareholders and to authorize the directors to fix D & Co remuneration.

At the Meeting, Shareholders will be asked to vote on the following resolution, with or without variation:

"BE IT RESOLVED, AS AN ORDINARY RESOLUTION THAT:

Davidson and Company LLP be appointed as auditor of the Corporation for the financial year ending December 31, 2021 at such remuneration as shall be fixed by the Board of Directors of the Corporation."

APPROVAL OF STOCK OPTION PLAN

Pursuant to Policy 4.4 of the TSX Venture Exchange (the "TSXV"), the Corporation may have a rolling stock option plan reserving a maximum of 10% of the issued Common Shares of the Corporation at the time of the stock option grant, with no vesting provisions. TSXV Policy 4.4 stipulates that rolling stock option plans must be approved by the shareholders of a corporation on an annual basis. The corporation wishes to continue with its rolling stock option plan (the "Plan") and, accordingly, seeks Shareholder approval of the Plan.

The Shareholders will be asked to consider, and if thought advisable, ratify and approve the continuation of the existing Plan reserving 10% of the issued shares of the Corporation. The Plan was established with the intent of advancing the interests of the Corporation by encouraging and enabling the acquisition of equity interest in the Corporation by participants of the Plan.

Approval of the Plan requires approval of Shareholders by ordinary resolution, being a majority of the votes cast by Shareholders on the resolution. The Plan is also subject to regulatory approval. A copy of the Plan, in the form approved by the directors of the Corporation, is attached as Schedule "A".

"BE IT RESOLVED, AS AN ORDINARY RESOLUTION THAT:

1. *The Corporation is hereby authorized to continue with its existing Plan as previously approved by the Shareholders and the said Plan is hereby authorized, ratified and approved, subject to receipt of TSXV approval; and*

2. *Any one director or officer of the Corporation be and is hereby authorized and directed to do all such things and to execute and deliver for and on behalf of the Corporation all such notices, documents and instruments, as may be considered necessary or desirable to give effect to the foregoing resolution, and to complete all transactions in connection with the implementation of the Plan."*

CHANGE OF BUSINESS

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, pass the following special resolution:

"BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:

1. *the directors are authorized to investigate and if thought advisable, enter into agreements to explore, develop and participate in mining resources."*

2. *the directors of the Corporation are authorized to revoke this resolution before it is acted on; and*

3. *any one director or officer of the Corporation is authorized, for and on behalf and in the name of the corporation, to sign and execute the articles of amendment, and any other document, and to do all things necessary and advisable in order to implement this special resolution."*

Board of Directors' Recommendation
The Pennine board of directors unanimously recommends that shareholders vote **FOR** the resolution approving the Motion to consider and if thought advisable to enter into mining resource activities.

Approval
The resolutions approving the Articles of Amendment require the approval of at least two-thirds of the votes cast by Shareholders, in person or by proxy at the Meeting in respect of said resolutions.

COMPANY NAME CHANGE

Amendment of Articles

At the Meeting, Pennine shareholders will be asked to consider and, if deemed advisable, pass the following special resolution:

"BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:

1. *the articles of the Corporation be amended to change the name of the Corporation to* ***'Pennine Resources Corporation.'****, or such similar name as may be approved by the board of directors and accepted by regulatory authorities.*

2. *the directors of the Corporation are authorized to revoke this resolution before it is acted on; and*

3. *any one director or officer of the Corporation is authorized, for and on behalf and in the name of the Corporation, to sign and execute the articles of amendment, and any other document, and to do all things necessary and advisable in order to implement this special resolution."*

Board of Directors' Recommendation

The Pennine board of directors unanimously recommends that shareholders vote **FOR** the resolution approving the Articles of Amendment.

Approval

The resolutions approving the Articles of Amendment require the approval of at least two-thirds of the votes cast by Shareholders, in person or by proxy at the Meeting in respect of said resolutions.

THE MANAGEMENT DESIGNEES, IF NAMED AS PROXY, INTEND TO VOTE THE PENNINE COMMON SHARES REPRESENTED BY ANY SUCH PROXY IN FAVOUR OF THIS RESOLUTION APPROVING THE ARTICLES OF AMENDMENT.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

This disclosure is intended to communicate the compensation provided to the Corporation's Chief Executive Officer ("CEO"), the Chief Financial Officer ("CFO"), each of the Corporation's most highly compensated executive officers of the Corporation whose individual total compensation was more than $150,000 in 2019 and 2020 (collectively, the "Named Executive Officers" or "NEOs") and the directors of the Corporation. For 2019 and 2020, the Named Executive Officers were the CEO and the CFO.

Compensation Discussion and Analysis

The executive compensation program and director compensation is determined by the Corporation's Compensation Committee by reviewing peer group plans and thence presented to the Board of Directors for review and action.

The Compensation Committee recommends compensation and is adopted or amended by the Corporation and, as applied to its executive officers and directors (including the NEOs), is designed to attract, and retain qualified and experienced executives and directors who will contribute to the success of the Corporation.

The executive compensation programs adopted by the Corporation and applied to its executive officers (including the NEOs) are designed to attract and retain qualified and experienced executives who will contribute to the success of the Corporation. The executive compensation programs attempt to ensure that the compensation of senior executive officers provides a competitive base compensation package and a strong link between corporate performance and compensation. Senior executive officers are motivated through the programs to meet annual corporate and individual performance goals and to enhance long-term Shareholder and policyholder value. The senior executive officers of the Corporation currently are the CEO and the CFO.

The Corporation does not compensate directors for attending meetings or sitting on committees. Directors are reimbursed for out-of-pocket expenses properly incurred in respect of the business of the Corporation, and are entitled to, and do participate in the Corporation's Plan.

Elements of Compensation

The executive compensation program consists of three components. The base compensation for management fees is as determined by the TSX Venture regulations. The second compensation is for consultant fees for development of company activities over and above management fees. The third component is a long-term compensation component in the form of options for Common Shares and compensation for non-executive officers' additional functions and services. This component is determined, administered, and reviewed by the Board, based on recommendations from the Compensation Committee.

Base Compensation

Base compensation for the senior executive officers of the Corporation is set annually, having regard to the individual's job responsibilities, contribution, experience and proven or expected performance, as well as to market conditions. In setting base compensation levels, consideration is given to such factors as level of responsibility, experience and expertise. Subjective factors such as leadership, commitment and attitude are also considered. The Corporation has accessed public disclosure information available for other similar sized oil and gas companies which are used to determine the competitiveness of base and long-term compensation. The Corporation pays base salary compensation to retain the NEOs and has historically tried to pay base compensation near the median.

Stock Options

To provide a long-term component to the executive compensation program, certain executive officers and employees of the Corporation participate in the Corporation's Plan. The maximization of Shareholder value is encouraged by granting stock options. Consideration is given to distributing options amongst the various levels of the Corporation including directors, NEOs and key employees and consultants. Recommendations for options typically taken into account factors such as awards made in previous years, the number of options outstanding per individual and each individual's level of responsibility.

Summary Compensation Table

The following table sets forth the compensation paid by the Corporation during the preceding four years ended December 31, 2020 to the Directors and Named Executive Officers of the Corporation:

Name and position	Year	Salary, consulting fee, retainer of commission ($)	Bonus ($)	Committee or meeting fees ($)	Value of perquisites ($)	Value of all other compensation ($)	Total compensation ($)
N. Desmond Smith CEO, and Director[(1)]	2020 2019 2018 2017	60,000 150,000 197,484 284,131	-	-	-	609 4,651 3,888 4,972	60,609 154,651 201,372 289,103
Jeff Saxinger Director [(2)]	2020 2019 2018 2017	- 22,095	-	-	-	-	 22,095-
Ray Gertz Director [(4)]	2020 2019 2018 2017	 11,896-	-	-	-	-	 - 11,896
Jonathan Harris [(5)]	2020 2019 2018 2017	110,000					110,000
Mike Holub CFO [(6)]	2020 2019 2018 2017	24,350 30,906 24,813 26,475					24,350 30,906 24,813 26,475

Notes:

(1) N. Desmond Smith was the interim CFO and Chief Operating Officer of the Corporation until August 15, 2007 and President and interim CFO of the Corporation until October 31, 2011. As of November 1, 2011, Mr. Smith was appointed CFO and on November 8, 2016 was appointed CEO. Mr. Smith retired from CEO position on January 01, 2021 and retired from the Board of Directors February 14, 2021. Mr. Smith was paid consulting fees through 600086 Alberta Ltd., a private corporation controlled by Mr. Smith. Mr. Smith was not compensated for his role as a director. Mr. Smith retired as CEO on 01 January 2020 and retired as a director on 14 February 2021.

(2) Mr. Saxinger joined the Board in May 2008 and was appointed CEO on November 1, 2011. Mr. Saxinger retired as Chief Executive Officer of the Corporation as of the last annual general meeting of the Shareholders on January 16, 2015.

Mr. Saxinger was appointed interim CFO from November 8, 2016 to December 13, 2016. Mr. Saxinger was not compensated for his role as a director.

(4) Mr. Gertz was appointed a Director in May 2008. Mr. Gertz was not compensated for his role as a director.

(5) Mr. Harris was appointed a Director in April 2018. Mr. Harris was named Chief Executive Officer on January 01, 2021.

(6) Mr. Holub was appointed CFO in October 2017

Stock Options and other Compensation Securities

As at the Record Date, the Corporation had a total of 5,020,000 options outstanding. The following table sets forth information in respect of all compensation securities granted or issued to each director and NEO by the Corporation for the financial year ended December 31, 2020 for services provided to the Corporation:

The total amount of securities held by each NEO or director as of the last day of the most recently completed financial year end and this record date is illustrated in the following table. There was no compensation security that was re-priced, cancelled and replaced, or had its terms extended or has otherwise been materially modified. There are no vesting provisions of the compensation securities; and no restrictions or conditions on converting, exercising or exchanging the compensation securities.

Name and position	**Type of compensation security**	**Number of compensation securities, number of underlying securities and percentage of class**	**Date of issue or grant**	**Issue, conversion or exercise price ($)**	**Closing price of security or underlying security on date of grant ($)**	**Closing price of security or underlying security at end of year 2020($)**	**Expiry date**
Michal Holub CFO	Options	250,000	Dec 14 2016	$0.06	$0.04	$0.015	Dec 14 2021
Ray Gertz Director	Options	857,300 650,000	Jan 11 2016 Dec14 2016	$0.05 $0.06	$0.02 $0.04	$0.015	Jan 11, 2021 Dec 14, 2021
Jeff Saxinger Director	Options	502,700 650,000	Jan 11 2016 Dec 14 2016	$0.05 $0.06	$0.02 $0.04	$0.015	Jan 11, 2021 Dec 14, 2021
Jonathan Harris, Director	Options	500,000	May 8 2017	$0.05	$0.03	$0.015	May 8 2022

Exercise of Compensation Securities by Directors and NEOs

The following table sets forth information in respect of each exercise of a director or NEO of compensation securities during the financial year ended December 31, 2020:

Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security ($)	Date of exercise	Closing price per security on date of exercise ($)	Difference between exercise price and closing price on date of exercise ($)	Total value on exercise date ($)
N. Desmond Smith CEO, and Director	Options	Nil					
Michal Holub CFO	Options	Nil					
Ray Gertz Director	Options	Nil					
Jeff Saxinger Director	Options	Nil					
Jon Harris Director	Options	Nil					

Stock Option Plan

The Corporations' Stock Option Plan, subject to regulatory rules and regulations, allows for the Board of Directors to reserve for issue up to 10% of the current issued and outstanding common shares of the Corporation to those Directors, Officers, Consultants and employees for the purpose of incentivizing those eligible entities for the management and profitable growth of the Corporation, to achieve the long term objectives of the Corporation and to attract and retain entities of experience and ability. The term of the Option grant and price of the Option are determined by the Board of Directors and are subject to the rules and regulations of the regulators. The Option Agreement includes clauses for the issuance or termination of granted Options for causes such as death or permanent disability, resignation, retirement or dismissal from his or her relationship with the Corporation. The granting of Options does not give the Optionee any rights of voting the Optioned shares except for those Option shares so exercised and paid. All Options granted shall contain a restriction on exercising to a four month plus one day holding period from the date of granting of the Option.

Retirement Plan Benefits

The Corporation currently does not have a pension or retirement plan for its employees.

Termination of Employment, Changes in Responsibilities and Employment Contracts

In 2014, the Corporation amended the monthly stipend and lump sum severance payment consulting contract with 600086 Alberta. Ltd., the consulting company for N. Desmond Smith, to $83 per hour and a gross overriding royalty ("GOR") with no release severance payments. On May 1, 2017, the Corporation and 600086 Alberta Ltd. mutually agreed to amend the monthly stipend and lump sum severance payment consulting contract to an equivalent $106 per hour and, except for pre-awarded GOR, mutually withdrew the GOR. It was also agreed that the GOR for Albania assets would be withdrawn in exchange for the issuance of 1,000,000 shares of the Corporation then trading at C $0.04 per share. The total compensation that Mr. Smith received in 2019 and 2020 includes payments directly attributed to advancing the Exploration and Development projects ($139,500 in 2019 and $57,813 in 2020) for Canadian field operations ($10,500 in 2019 and 2,188 in 2020), and payments for the domestic GOR ($4,651 in 2019 and $609 in 2020). The total compensation that Mr. Smith received in 2018 includes payments directly attributed to advancing the Albania project ($101,972), for Canadian field operations ($10,500), for corporate matters ($85,012, and payments for the domestic GOR ($3,888). The consultancy contract calls for a 12-month severance payment in the case of termination or a change of control of the Corporation where a merger, amalgamation, arrangement, consolidation, reorganization or transfer takes place in which securities of the Corporation possessing more than 50% of the total combined voting power of the Corporation's outstanding voting securities are acquired by a person or persons different from the persons holding those voting securities immediately prior to such event or the Corporation sells, transfers or otherwise disposes of all or substantially all of its assets. The termination clause is waived in the event of fiscal distress of the Corporation.

In 2019 and 2020 the Corporation paid Mike Holub a stipend of $30,906 and $24,350 respectfully for quarterly and annual financial statements and management discussion and analysis reports and acting as CFO

In 2020 Mr. Jon Harris was paid a consulting fee to identify business opportunities in the European and African marketplace and to introduce the company to interested brokerage and Nomad entities in the United Kingdom.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides information with respect to the total number of Common Shares authorized for issuance under the Corporation's Plan as at the Record Date.

Plan Category	Number of Securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	Nil	Nil	Nil
Equity compensation plans not approved by security holders	Nil	Nil	Nil
Total	Nil	Nil	Nil

CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101 titled "Disclosure of Corporate Governance Practices" ("NI 58-101") requires that if management of an issuer solicits proxies from its securityholders for the purpose of electing directors, that certain prescribed disclosure respecting corporate governance matters be included in its information circular. The TSXV also requires listed companies to provide, on an annual basis, the corporate governance disclosure which is prescribed by NI 58-101. The prescribed corporate governance disclosure is modeled after that contained in Form 58-101F2 ("Form 58-101F2 Disclosure").

Set out below is a description of the corporate governance practices, relative to the Form 58-101F2 Disclosure (set out below in italics), which was adopted by the Board.

1. Board of Directors

Disclose how the board of directors (the board) will facilitate its exercise of independent supervision over management, including:

(i) the identity of directors that are independent; and

(ii) the identity of directors who are not independent, and the basis for that determination.

The following three directors of Pennine were independent as of 31 December 2020:

- Ray Gertz
- Jeff Saxinger
- Jonathan Harris

One member of the Board was not independent. Mr. Smith was not independent as he was the CEO of Pennine. The Board will facilitate its exercise of independent supervision over management through in camera sessions and committee meetings of the Board.

2. Directorships

If a proposed director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.

The following current and proposed directors of Pennine are presently directors of other issuers that are reporting issuers (or the equivalent):

Name of Director	Name of Other Issuer
Nil	

3. Orientation and Continuing Education

Describe what steps, if any, the Board will take to orient new Board members, and describe any measures the Board will take to provide continuing education for directors.

Due to the size of the Board, it is not anticipated that any formal program will exist for the orientation of new directors. Upon joining the Board, it is anticipated that new directors will be given access to all of the background documents of Pennine, including all corporate records, by-laws, corporate policies, organizational structure and prior board and committee minutes.

It is not anticipated that any formal continuing education program will exist for the directors. As part of continuing education, the Board will receive management presentations with respect to the Corporation's operations and risks of the Corporation's business, as needed. In addition, individual directors identify their continuing education needs through a variety of means, including discussions with management and at Board and committee meetings.

4. Ethical Business Conduct

Describe what steps, if any, the Board will take to encourage and promote a culture of ethical business conduct.

General

The Board will expect directors and employees to act ethically at all times and to acknowledge their adherence to the policies of the Corporation, as adopted from time to time. Any material issues regarding compliance with the policies of the Corporation will be brought forward by management at either the Board or appropriate committee meetings or referred to the senior executive officers of the Corporation, as may be appropriate in the circumstances. The Board and/or appropriate committees or senior executive officers will determine what remedial steps, if any, are required. Any waivers from corporate policy that are granted for the benefit of a director or an employee will be granted only by the Board.

Environmental

The Board will take all reasonable measures within its control, according to domestic and internationally accepted measures, to avoid or minimize environmental contamination so that such contamination will cause as little degradation as reasonably possible to the quality of life or health of human beings, animals and vegetative resources.

Anti-Corruption

The Board shall not permit or countenance the offering, promising, making or causing to make, either directly or indirectly, of any bribe, gift (other than nominal value), loan, fee, reward, or entertainment of a nature and cost which is neither appropriate nor reasonable, for the benefit of any party, public official, any contractor or any other third party, and shall recognize without prejudice the principles of the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, signed in Paris on December 17, 1997, and entered into force on February 15, 1999, and the convention's commentaries (collectively, the "OECD Convention").

Social License to Operate

Heightened public monitoring and regulation of hydrocarbon resource producers, refiners, distributors and commercial/retail sellers, especially where their activities carry the potential for having negative impacts on communities and the environment, involves varying degrees of risk to the Corporation's reputation, relations with landowners and regulators and in extreme cases, even the ability to operate. Pennine maintains an active website that complies with TSXV requirements for timely disclosure and is the primary means of communicating with the general public, when required. While media attention and public perception remain largely beyond the control of Pennine's executive, employees, contractors and directors, the Corporation makes every effort in its corporate and field operations to engage all stakeholders in a respectful and transparent manner.

5. Nomination of Directors

Disclose what steps, if any, will be taken to identify new candidates for board nominations, including:

(i) who will identify new candidates; and

(ii) the process of identifying new candidates.

The responsibility to recommend to the Board suitable candidates as nominees for election or appointment as directors rests with the Nomination Committee comprised of independent board members Ray Gertz and Jeff Saxinger. The

Nomination Committee will canvass all of the members of the Board for their input prior to making a recommendation. In identifying new candidates for Board nomination, the Nomination Committee will consider, among other things:

- the competencies and skills that the Board considers to be necessary for the Board, as a whole to possess.
- the competencies and skills that the Board considers each existing director to possess.
- the competencies and skills that each new nominee will bring to the boardroom; and
- whether or not each new nominee can devote sufficient time and resources to his other duties as a member of the Board.

6. Compensation

Disclose what steps, if any, will be taken to determine compensation for the directors and the CEO, including:

(i) who determines compensation; and

(ii) the process of determining compensation.

The Compensation Committee was established on August 24, 2016 and comprises independent Board members Ray Gertz, Jeff Saxinger and Jonathan Harris, who retain responsibility for reviewing matters relating to the human resource policies and compensation of the directors and the Named Executive Officers of Pennine in the context of the budget and the business plan of Pennine. It is not anticipated that Pennine will pay any cash compensation to the non-management directors for attendance at board or committee meetings or ordinary Board responsibilities. The Audit Committee reviewed and approved the compensation paid to the CEO and the CFO for the fiscal years ended December 31, 2019 and 2020 set forth under the heading “Executive Compensation”. Such base annual compensation was determined based upon review of data for a number of other similar sized oil and gas companies of competitive salaries paid to executive officers and the time expected to be committed by the respective officer.

7. Other Board Committees

If the board has standing committees other than the audit, compensation corporate governance and nominating committees, identify the committees and describe their function.

It is not anticipated that the Board will create any other standing committees. Such other functions will be handled by the full Board.

8. Assessments

Disclose what steps, if any, that the board takes to satisfy itself that the Board, its committees, and its individual directors are performing effectively.

To date, the Board of Pennine has satisfied itself that the Board, its committees and individual directors are performing effectively through informal discussions. Going forward, a more formal process may be implemented.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

Except as disclosed herein, to the knowledge of management, no director or officer of the Corporation, or proposed nominee for election as a director of the Corporation, or associate or affiliate of them, is or has been indebted to the Corporation since the beginning of the last completed fiscal year of the Corporation.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Management of the Corporation is not aware of any other material interests, direct or indirect, of any director or nominee for director, or anyone who held office or any known associate or affiliate of such persons, in any transaction since the commencement of the Corporation's last completed financial year or in any proposed transaction that has materially affected or would materially affect the Corporation or any of its subsidiaries, except as set forth in this Information Circular.

AUDIT COMMITTEE

1.Audit Committee Charter:

1. Mandate

The primary function of the audit committee (the "**Committee**") is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting, and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements.
- Review and appraise the performance of the Company's external auditors.
- Provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

2. Composition

The Committee shall comprise three directors as determined by the Board of Directors, all of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her judgment as a member of the Committee.

All members of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

3. Meetings

The Committee shall meet at least quarterly, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

4. Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

Documents/Reports Review

1. Review and update this Charter annually.
2. Review the Company's financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information

(including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

External Auditors

3. Review annually the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company.
4. Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
5. Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
6. Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors.
7. Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
8. At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
9. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
10. Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
11. Review and pre-approve all audit and audit related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
    i. the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided.
    ii. such services were not recognized by the Company at the time of the engagement to be non-audit services; and
    iii. such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

    Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

Financial Reporting Processes

12. In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
13. Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
14. Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
15. Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
16. Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
17. Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
18. Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
19. Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.

20. Review certification process.
21. Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
22. Become familiar with International Financial Reporting Standards (IFRS).
23. Review any related party transactions.

2. Composition of Audit Committee. Each member is financially literate.

Ray Gertz- Independent

Jeff Saxinger P. Eng.- Independent

Jon Harris- non-Independent by virtue of his position as CEO

3. Relevant Experience

Ray Gertz:

Ray has been on the Audit committee of the Corporation since 2008. He is the majority owner and President of a private industrial Construction Company in Canada and internationally.

ASM Industries is a Calgary based firm specializing in a wide variety of metal processing applications. President Ray Gertz has proudly owned *ASM* for over a decade and a half, and during this time, has transformed a traditional heating and ventilation company into a dynamic business employing over eighty staff capable of designing and creating an array of custom metal products.

Jeff Saxinger P. Eng.

Jeff Saxinger is a Professional Engineer employed as a Project Engineering Manager with Vepica, a Global Engineering Procurement and Construction company operating in five countries. Jeff has served in various roles in Pennine Petroleum Corporation, from CEO, CFO and various committees of the Corporation since 2008 and has the operating experience to be on the Audit Committee.

Jon Harris

Jon Harris is a graduate Engineer and MBA from London Business School. He has served as on the Audit Committees of AIM-listed companies and currently is the CEO of Pennine.

4. Audit Committee Oversight

There have been no recommendations by the Audit Committee not adopted by the Board of Directors.

5. Reliance on Certain Exemptions

There has been no reliance on any exemptions since the last Audited Financial Statements

6. Pre-Approval Policies and Procedures

No Policies and Procedures have been adopted.

7. External Auditor Service Fees

The external Auditor YE 2019 was Davidson & Company LLC and were paid a fee of C$20,000 as Audit Fees and C$244 as CPO Fees. In YE 2018 EY LLC was paid Audit fees of C$22,500, Expenses of C$1,181.25, CPO of C$460 and C$280 CPO for 2019 until Auditor change. There are no other fees paid to the External Auditors.

8. Exemption

The Corporation, as Issuer is relying upon the exemptions in section 6.1 of Instrument 52-110 Audit Committees

The Corporation has not relied on the exemptions in section 2.4 or Part 8 of Multilateral Instrument 52-110 since the commencement of the financial year ended on December 31, 2020.

9. Management Contracts

The management functions of the Corporation are not performed by a person or company other than the directors and officers of the Corporation.

10. Other Matters

Management of the Corporation has no present knowledge that any matters will be brought before the Meeting other than those set forth in items in the notice of Meeting accompanying this Information Circular. If other matters are properly brought before the Meeting, it is the intention of the persons named in the enclosed Proxy to vote the Proxy on such matters in accordance with their best judgment and the Proxy confers such discretionary authority.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Financial information is provided in the Corporation's comparative financial statements and management's discussion and analysis for the fiscal periods ended December 31, 2019 and management quarterly statements to 30 September 2020. Securityholders may also contact the Corporation to request copies by facsimile, telephone or mail, of the Corporation's financial statements and management's discussion and analysis at:

Pennine Petroleum Corporation
315 - 39th Ave SE
Calgary, Alberta, T2G 1X5
Telephone: (403) 277-4421
Facsimile: (403) 277-4439

APPROVAL OF CIRCULAR

Management of the Corporation has approved the contents and the sending of this Information Circular.

Dated at Calgary, Alberta on March 15,2021.

(signed) “Jonathan Harris”
Jonathan Harris

(signed) “Jeff Saxinger.”
Jeff Saxinger