A copy of this preliminary short form prospectus has been filed with the securities regulatory authorities in each of the provinces of Canada, other than Québec, but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary short form prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the short form prospectus is obtained from the securities regulatory authorities.

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**1933 Act**"), or any state securities laws. Accordingly, except as permitted by the Underwriting Agreement (as defined herein) and pursuant to exemptions from the registration requirements of the 1933 Act and applicable state securities laws, these securities may not be offered or sold within the United States. This short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States. See "Plan of Distribution".*

Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada. *Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Executive Officer of the Corporation by sending a written request to 2500, 639 - 5th Avenue S.W., Calgary, Alberta, T2P 0M9, by faxing a written request to 403-984-1749, by calling 403-984-1750 or by e-mailing mass@manitok.com, and are also available electronically at www.sedar.com.*

PRELIMINARY SHORT FORM PROSPECTUS

New Issue **November 21, 2011**

MANITOK ENERGY INC.

$20,022,000
6,500,000 Common Shares
3,635,000 Flow-through Shares

Price: $1.85 per Common Share
$2.20 per Flow-through Share

This short form prospectus qualifies the distribution (the "**Offering**") of 6,500,000 common shares (the "**Offered Common Shares**") in the capital of Manitok Energy Inc. (the "**Corporation**") and 3,635,000 common shares in the capital of the Corporation to be issued as "flow-through shares" ("**Flow-through Shares**") within the meaning of the *Income Tax Act* (Canada) (the "**Tax Act**") at a price per Offered Common Share of $1.85 and a price per Flow-through Share of $2.20. See "Plan of Distribution". The Offered Common Shares and Flow-through Shares offered hereunder are collectively referred to herein as the "**Offered Shares**". The outstanding common shares in the capital of the Corporation ("**Common Shares**") are listed and posted for trading on the TSX Venture Exchange (the "**TSXV**") under the trading symbol "MEI". On November 18, 2011, the last day on which the Common Shares traded prior to the date of this short form prospectus, the closing price of the Common Shares on the TSXV was $1.76. The offering prices of $1.85 per Offered Common Share and $2.20 per Flow-through Share were determined by negotiation between the Corporation and RBC Dominion Securities Inc., on its own behalf and on behalf of Integral Wealth Securities Limited and Raymond James Ltd. (collectively, the "**Underwriters**").

	Offering Price	Underwriters' Fee(1)	Net Proceeds to the Corporation(2)
Per Offered Common Share	$1.85	$0.111	$1.739
Total Offered Common Shares	$12,025,000	$721,500	$11,303,500
Per Flow-through Share	$2.20	$0.132	$2.068
Total Flow-through Shares	$7,997,000	$479,820	$7,517,180
Total Offering	$20,022,000	$1,201,320	$18,820,680

Notes:

(1) The Corporation has agreed to pay a fee equal to 6% of the gross proceeds of the Offering to the Underwriters (the "**Underwriters' Fee**") in connection with the sale of the Offered Shares and the Over-allotment Shares (as hereinafter defined).

(2) After deducting the Underwriters' Fee, but before deducting the expenses of the Offering estimated to be $300,000, which will be paid from the proceeds of the Offering.

(3) The Corporation has granted the Underwriters an option (the "**Over-allotment Option**"), exercisable in whole or in part in the sole discretion of the Underwriters at any time or from time to time until that date which is 30 days after the Closing Date (as defined below), to purchase at a price of $1.85 per Offered Common Share that number of additional Common Shares (the "**Over-allotment Shares**") equal to up to 15% of the number of Offered Common Shares sold hereunder on the Closing Date (as hereinafter defined) to cover over-allotments, if any, and for market stabilization purposes. The Over-allotment Option and the Over-allotment Shares are qualified for distribution under this short form prospectus. If the Over-allotment Option is exercised in full, the total offering price, Underwriters' Fee and net proceeds to the Corporation will be $21,825,750, $1,309,545 and $20,516,205, respectively, before deducting the expenses of the Offering. A purchaser who acquires Over-allotment Shares forming part of the Underwriters' over-allocation position acquires those Over-allotment Shares under this short form prospectus, regardless of whether such over-allocation position is ultimately filled through the exercise of the Over-allotment Option or secondary market purchases. See "Plan of Distribution".

The following table summarizes the terms of the Over-allotment Option:

Underwriters' position	Maximum number of securities held	Exercise period	Exercise price
Over-allotment Option	15% of the number of Offered Common Shares sold pursuant to the Offering or 975,000 Over-allotment Shares assuming the Over-allotment Option is exercised in full	Exercisable at any time and from time to time until 30 days after the Closing Date	$1.85 per Over-allotment Share

The Corporation has applied to list the Offered Shares and the Over-allotment Shares on the TSXV. Such listing will be subject to the Corporation fulfilling all of the requirements of the TSXV.

Pursuant and subject to the terms and conditions of the Underwriting Agreement referred to under "Plan of Distribution", the Corporation has agreed to issue and sell, and the Underwriters have agreed to purchase from the Corporation, 6,500,000 Offered Common Shares at a price of $1.85 per Offered Common Share. The Underwriters have also agreed to act as, and the Corporation has appointed the Underwriters as, the sole and exclusive agents of the Corporation to offer 3,635,000 Flow-through Shares for sale, provided that in the event that less than 3,635,000 Flow-through Shares are sold by the Underwriters as agents, the Underwriters have agreed to purchase, as principals, the Flow-through Shares not sold by the Underwriters as agents in accordance with the conditions contained in the Underwriting Agreement referred to under "Plan of Distribution", subject to the approval of certain legal matters relating to the Offering on behalf of the Corporation by Gowling Lafleur Henderson LLP and on behalf of the Underwriters by Blake, Cassels & Graydon LLP.

Subject to applicable laws, the Underwriters may, in connection with the Offering, effect transactions which stabilize or maintain the market price of the Offered Common Shares at levels other than those which otherwise might prevail in the open market. Such transactions, if commenced, may be discontinued at any time. See "Plan of Distribution".

Subscriptions for Offered Shares and, if applicable, Over-allotment Shares will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that closing of the Offering will occur on or about December 5, 2011 or such other date not later than December 31, 2011 as the Corporation and the Underwriters may agree (the "**Closing Date**").

The Corporation will incur, on or before December 31, 2012, and renounce to each subscriber for Flow-through Shares hereunder, effective on or before December 31, 2011, certain "Canadian exploration expense" as defined in subsection 66.1(6) of the Tax Act that is capable of being renounced to purchasers pursuant to subsection 66(12.6) of the Tax Act ("**CEE**" or "**Qualifying Expenditures**"), in an amount equal to the aggregate purchase price paid by such subscriber. See "Certain Canadian Federal Income Tax Considerations".

In the opinion of Gowling Lafleur Henderson LLP, counsel to the Corporation, and Blake, Cassels & Graydon LLP, counsel to the Underwriters, based on the legislation in effect on the date of this short form prospectus, provided the Common Shares are listed on a "designated stock exchange" as defined in the Tax Act (which includes the TSXV) as of the date of issuance of the Offered Shares, the Offered Shares will be qualified investments under the Tax Act and the regulations thereunder (as in effect on the date hereof) for a trust governed by a registered retirement savings plan (an "**RRSP**"), a registered education savings plan, a registered retirement income fund (an "**RRIF**"), a deferred profit sharing plan, a registered disability savings plan and a tax-free savings account (a "**TFSA**" and collectively "**Exempt Plans**"). It is not anticipated that Exempt Plans will subscribe for Flow-through Shares as Exempt Plans, or the holders, annuitants, beneficiaries or subscribers of such Exempt Plans, as the case may be, do not benefit from the deduction of Qualifying Expenditures renounced by the Corporation, as described under the heading "Certain Canadian Federal Income Tax Considerations – Qualifying Expenditures". See "Eligibility for Investment".

The Underwriters may offer the Offered Common Shares at prices lower than that stated above. Notwithstanding any reduction by the Underwriters in the offering price for the Offered Common Shares specified above, the Corporation will receive a price of $1.85 per Offered Common Share purchased by the Underwriters under this short form prospectus. See "Plan of Distribution".

Except as described below, the Offered Shares and, if applicable, the Over-allotment Shares (other than Offered Shares and Over-allotment Shares issued to purchasers in the United States (as such term is defined in Regulation S under the 1933 Act)) will be issued and deposited in electronic form with CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee pursuant to the book-entry only system. Offered Shares and, if applicable, Over-allotment Shares issued to purchasers in the United States will be certificated and delivered to such holders on the Closing Date. No certificates representing Offered Shares or Over-allotment Shares will be issued to subscribers outside the United States, and registration will be made through the depositary services of CDS. Accordingly, except for U.S. holders, a subscriber will receive only a customer confirmation from the Underwriters or other registered dealers who are CDS participants and from or through whom a beneficial interest in Offered Shares or Over-allotment Shares is acquired. See "Plan of Distribution". Notwithstanding the foregoing, Offered Shares and Over-allotment Shares issued to purchasers in the United States will be certificated pursuant to the Underwriting Agreement referred to under "Plan of Distribution".

An investment in the Offered Shares is speculative and involves a number of risks. The risk factors identified under "Forward-looking Statements" and "Risk Factors" in this short form prospectus (including the documents incorporated herein by reference) should be carefully reviewed and evaluated by prospective subscribers before purchasing any Offered Shares. There is no guarantee that an investment in the Corporation will earn a specified rate of (or any) return in the short or long term. Investors should read this entire short form prospectus (including the documents incorporated herein by reference) and consult their own professional advisors to assess the tax and legal implications, risk factors and other aspects of their investment.

Information contained on the website of the Corporation shall not be deemed to be a part of this short form prospectus or incorporated herein by reference and should not be relied upon by prospective investors for the purpose of determining whether to invest in the Offered Shares.

The Corporation's head office is located at 2500, 639 – 5th Avenue S.W., Calgary, Alberta, T2P 0M9 and its registered office is located at 1400, 700 – 2nd Street S.W., Calgary, Alberta, T2P 4V5.

TABLE OF CONTENTS

NOTE TO READER

You should rely only on the information contained or incorporated by reference in this short form prospectus. The Corporation has not authorized anyone to provide you with different or additional information. If anyone provides you with different or inconsistent information, you should not rely on it. The Corporation is not making an offer to sell or seeking an offer to buy these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information contained in this short form prospectus is accurate only as of the date on the front of this short form prospectus and that information contained in any document incorporated by reference herein is accurate only as of the date of that document, regardless of the time of delivery of this short form prospectus or of any sale of the Offered Shares, and may be modified or superseded by a subsequently filed document which is also, or is deemed to be, incorporated by reference herein. The business, financial condition, results of operations and prospects of the Corporation may have changed since such dates.

FORWARD-LOOKING STATEMENTS

This short form prospectus and the documents incorporated herein by reference contain forward-looking statements and forward-looking information (collectively, "**forward-looking statements**"). These forward-looking statements relate to future events or the Corporation's future performance. All forward-looking statements contained herein that are not clearly historical in nature constitute forward-looking statements, and the words "may", "will", "should", "could", "expect", "plan", "intend", "anticipate", "believe", "estimate", "propose", "predict", "potential" and "continue", and the negatives of these terms and other comparable terminology are generally intended to identify forward-looking statements. Such statements represent the Corporation's internal projections, estimates or beliefs concerning, among other things, the amounts and timing of capital expenditures, anticipated future debt levels and revenues or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. These statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in the forward-looking statements. In addition, this short form prospectus and the documents incorporated herein by reference may contain forward-looking statements attributed to third-party industry sources. The Corporation believes that the expectations reflected in these forward-looking statements are reasonable, however, undue reliance should not be placed on these forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur.

Forward-looking statements in this short form prospectus and the documents incorporated herein by reference include, but are not limited to, statements with respect to:

- the use of net proceeds of the Offering;
- the quantity of reserves of the Corporation;
- expenses associated with the Offering;
- the performance characteristics of the Corporation's oil and gas properties;
- oil and natural gas production levels and timing for and production rates of wells;
- capital expenditure programs;
- future development and exploration activities and the timing thereof;
- future land expiries;
- schedules and timing of certain of the Corporation's projects and strategies for growth;
- future liquidity and financial capacity;
- projections of market prices and costs;
- supply and demand for oil and natural gas;
- expectations regarding the Corporation's ability to raise capital and to continually add to reserves through acquisitions and development;
- expectations relating to the award of exploration permits by governmental authorities; and
- treatment under government regulatory and taxation regimes.

Some of the risks and other factors which could cause actual results to differ materially from those expressed in the forward-looking statements contained in this short form prospectus and in certain documents incorporated herein by reference include, but are not limited to:

- general economic and business conditions in Canada and globally;
- the ability of management to execute its business plan;
- fluctuations in the price of oil and natural gas, interest rates and exchange rates;
- the risks of the oil and gas industry both domestically and internationally, such as operational risks in exploring for, developing and producing crude oil and natural gas and market demand;
- actions taken by governmental authorities, including increases in taxes and changes in government regulations and incentive programs;

- geological, technical, drilling and processing problems;
- risks and uncertainties involving geology of oil and gas deposits;
- risks inherent in marketing operations, including credit risk;
- the ability to enter into or renew leases;
- the uncertainty of estimates and projections relating to production, costs and expenses;
- potential delays or changes in plans with respect to exploration or development projects or capital expenditures;
- availability of sufficient financial resources to fund the Corporation's capital expenditures;
- uncertainty of finding reserves and developing and marketing those reserves;
- unanticipated operating events which could reduce production or cause production to be shut in or delayed;
- incorrect assessments of the value of acquisitions;
- the ability to locate satisfactory properties for acquisition or participation;
- shut-ins of connected wells resulting from extreme weather conditions;
- insufficient storage or transportation capacity;
- hazards that could result in substantial damage to wells, production facilities, other property and the environment or in personal injury;
- unexpected formations or pressures, premature decline of reservoirs and the invasion of water into producing formations;
- the ability to add production and reserves through development and exploration activities;
- the possibility that government policies or laws, including laws and regulations related to the environment, may change or governmental approvals may be delayed or withheld;
- uncertainty in amounts and timing of royalty payments;
- uncertainties inherent in estimating quantities of oil and natural gas reserves and cash flows to be derived therefrom;
- failure to obtain industry partner and other third-party consents and approvals, as and when required;
- stock market volatility and market valuations;
- failure to realize the anticipated benefits of acquisitions;
- competition for, among other things, capital, acquisition of reserves, undeveloped land and skilled personnel; and
- the other factors considered under "Risk Factors" in this short form prospectus, in the AIF (as defined herein), which is incorporated herein by reference, and in other filings by the Corporation with Canadian securities regulatory authorities.

In addition, this short form prospectus contains forward-looking statements concerning the anticipated Closing Date and the anticipated use of the net proceeds of the Offering. The closing of the Offering could be delayed if the Corporation is not able to obtain the necessary stock exchange approval or any other approvals required for completion of the Offering on the timeline it has planned. The Offering will not be completed at all if such approvals are not obtained or, unless waived, some other condition to the closing of the Offering is not satisfied. Accordingly, there is a risk that the Offering will not be completed within the anticipated time or at all. The Corporation intends to use the net proceeds from the issuance of the Offered Common Shares to fund the Corporation's ongoing exploration and development activities, to temporarily reduce bank indebtedness and for general corporate purposes. The Corporation intends to use the gross proceeds from the issuance of the Flow-through Shares to incur Qualifying Expenditures. See "Use of Proceeds". There may be circumstances that are not known to the Corporation at this time where reallocations of the net proceeds of the Offering may be advisable for business reasons that management believes are in the Corporation's best interest. Forward-looking statements contained in certain documents incorporated by reference in this short form prospectus are based on the key assumptions described in such documents. The reader is cautioned that such information, although considered reasonable by the Corporation, may prove to be incorrect. Actual results achieved during the forecast period will vary from the forward-looking statements provided in this short form prospectus and in the documents incorporated herein by reference as a result of numerous known and unknown risks and uncertainties and other factors which are discussed in the documents incorporated herein by reference.

With respect to forward-looking statements contained or incorporated by reference in this short form prospectus, the Corporation has made assumptions regarding: the impact of increasing competition; the general stability of the economic and political environment in which the Corporation operates; the timely receipt of any required regulatory approvals; the ability of the Corporation to obtain qualified staff, equipment and services in a timely and cost-efficient manner; drilling results; the ability of the operator of the projects in which the Corporation has an interest to operate the field in a safe, efficient and effective manner; the ability of the Corporation to obtain financing on acceptable terms; field production rates and decline rates; the ability to replace and expand oil and natural gas reserves through acquisition, exploration and development; the timing and costs of pipeline, storage and facility construction and expansion and the ability of the Corporation to secure adequate product transportation; future oil and natural gas prices; currency exchange and interest rates; the regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which the Corporation operates; and the ability of the Corporation to successfully market its oil and natural gas products. Management of the Corporation has included the above summary of assumptions and risks related to forward-looking statements contained in this short form prospectus and the documents incorporated herein by reference in order to provide potential purchasers of Offered Shares with a more complete perspective on the Corporation's future operations. Readers are cautioned that this information may not be appropriate for other purposes.

Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking statements contained in this short form prospectus and the documents incorporated herein by reference are expressly qualified by this cautionary statement. In addition, please note that information relating to reserves are deemed to be forward-looking information, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves and resources described can be economically produced in the future.

Risks and uncertainties are discussed more extensively under the heading "Risk Factors" in the AIF (as defined herein), which is incorporated by reference in this short form prospectus. Other than those documents incorporated by reference in this short form prospectus, information contained on the website of the Corporation shall not be deemed to be a part of this short form prospectus or incorporated herein by reference and should not be relied upon by prospective investors for the purpose of determining whether to invest in the Offered Shares.

Forward-looking statements are made as of the date of this short form prospectus or, in the case of documents incorporated herein by reference, as of the dates of such documents, and the Corporation disclaims any intent or obligation to update publicly any such forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable Canadian securities laws.

NON-GAAP AND NON-IFRS MEASURES

Certain documents incorporated herein by reference contain the terms "cash flow", "cash flow from operations", "cash flow netback", "cash flow per share", "operating netback" and "net earnings (loss) netback", which are not measures used under Canadian generally accepted accounting principles ("**GAAP**") or International Financial Reporting Standards ("**IFRS**"). The Corporation uses these measures to help evaluate its performance. Cash flow or cash flow from operations appears as a separate line on the Corporation's statements of cash flows above "changes in non-cash working capital" and is reconciled to net earnings (loss) and comprehensive earnings (loss). In the Corporation's disclosure, operating netback denotes petroleum and natural gas revenue less royalties, operating expenses and transportation and marketing expenses. Cash flow netback as used herein denotes net earnings plus non-cash items, including future income taxes expense (less any recovery), depletion, depreciation and accretion expense, and non-cash stock-based compensation expense. These terms are not defined by GAAP or IFRS and, consequently, they are referred to as non-GAAP or non-IFRS measures. The reader should be cautioned that these measures may not be directly comparable to measures by other companies where similar terminology is used.

BARRELS OF OIL EQUIVALENT

This short form prospectus and the documents incorporated herein by reference contain various references to the abbreviations boe and mcfe, which mean barrels of oil equivalent and thousand cubic feet of gas equivalent, respectively. Such abbreviations may be misleading, particularly if used in isolation. A boe conversion ratio of six thousand cubic feet to one barrel and an mcfe ratio of one barrel to six mcf is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. This conversion factor is an industry accepted norm and is not based on either energy content or current prices.

CURRENCY

Unless otherwise specified, in this short form prospectus (including the documents incorporated herein by reference) all dollar amounts are stated in Canadian dollars, and all references to "dollars" or "$" are to Canadian dollars.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Executive Officer of the Corporation by sending a written request to 2500, 639 – 5th Avenue S.W., Calgary, Alberta, T2P 0M9, by faxing a written request to 403-984-1749, by calling 403-984-1750 or by e-mailing mass@manitok.com, and are also available electronically on the System for Electronic Document Analysis and Retrieval (SEDAR) website at www.sedar.com.

The following documents of the Corporation, filed with Canadian securities regulatory authorities in each of the provinces of Canada other than Québec (collectively, the "**Filing Provinces**") are specifically incorporated by reference into and form an integral part of this short form prospectus:

1. the annual information form of the Corporation dated May 12, 2011 for the year ended December 31, 2010 (the "**AIF**");

2. the audited financial statements of the Corporation as at and for the six-month period ended December 31, 2010, and the 12 month period ended June 30, 2010, together with the notes thereto and the auditors' report thereon;

3. management's discussion and analysis of the financial condition and results of operations of the Corporation for the six month period ended December 31, 2010, and the 12 month period ended June 30, 2010 (the "**Annual MD&A**");

4. the unaudited interim financial statements of the Corporation as at and for the three and six months ended June 30, 2011, together with the notes thereto;

5. management's discussion and analysis of the financial condition and results of operations of the Corporation for the three and six months ended June 30, 2011 (the "**Interim MD&A**");

6. the joint management information circular and proxy statement (the "**Circular**") dated May 28, 2010 relating to the special meeting of shareholders of Desco Resources Inc. ("**Desco**") and the annual and special meeting of shareholders of Manitok Exploration Inc. both held on June 25, 2010 in respect of, among other things, the approval of the amalgamation between Desco and Manitok Exploration Inc. (the "**Amalgamation**") and the change of name of Desco to "Manitok Energy Inc.";

7. the management information circular of the Corporation dated May 6, 2011 relating to the annual and special meeting of shareholders of the Corporation held on June 22, 2011;

8. the business acquisition report of the Corporation dated November 10, 2011 relating to the acquisition of certain oil and natural gas assets in the central Alberta foothills area (the "**Foothills Properties**");

9. the material change report of the Corporation dated April 25, 2011 relating to the completion, by way of short form prospectus, of the sale of 17,968,750 Common Shares at a price of $1.60 per share for gross proceeds of $28,750,000 (the "**April Financing**");

10. the material change report of the Corporation dated November 10, 2011 relating to the acquisition of the Foothills Properties; and

11. the material change report of the Corporation dated November 21, 2011, relating to the Offering.

Any documents of the type required by National Instrument 44-101 *Short Form Prospectus Distributions* to be incorporated by reference in a short form prospectus, including any material change reports (except confidential material change reports), comparative interim financial statements, management's discussion and analysis for annual and interim financial periods, comparative financial statements for the most recently completed financial year (together with the accompanying report of the auditors), business acquisition reports and information circulars filed by the Corporation in the Filing Provinces subsequent to the date of this short form prospectus and prior to the termination of the Offering, shall be deemed to be incorporated by reference into this short form prospectus.

Any statement contained in this short form prospectus or in a document incorporated or deemed to be incorporated herein by reference shall be deemed to be modified or superseded for purposes of this short form prospectus to the extent that a statement contained herein or in any other subsequently filed document which also is, or is deemed to be,

incorporated herein by reference, modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it is made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this short form prospectus.

MANITOK ENERGY INC.

The Corporation was incorporated on July 8, 2009 pursuant to the *Business Corporations Act* (Alberta) under the name "Desco Resources Inc." as a "capital pool company" (as defined in the TSXV Corporate Finance Manual (the "**Manual**")) and possessed no assets, other than an experienced senior management team. On July 8, 2010, the Corporation completed the Amalgamation, elected a new board of directors, appointed a new management team and changed its name from "Desco Resources Inc." to "Manitok Energy Inc.". The Amalgamation constituted the Corporation's "qualifying transaction" (as defined in the Manual). For details regarding the Amalgamation, see the Circular, which is incorporated herein by reference.

The Corporation is a "reporting issuer" or the equivalent thereof in Alberta, British Columbia, Manitoba and Ontario and, upon the issuance of a receipt for the (final) short form prospectus in respect of the Offering by the Canadian securities regulatory authorities in each of the provinces of Alberta and Ontario which will deem a receipt to have been issued in each of the Filing Provinces other than Alberta and Ontario, will be a "reporting issuer" or the equivalent thereof in each of the Filing Provinces.

The head office of the Corporation is located at 2500, 639 – 5th Avenue S.W., Calgary, Alberta, T2P 0M9. The registered office of the Corporation is located at 1400, 700 – 2nd Street S.W., Calgary, Alberta, T2P 4V5.

SUMMARY DESCRIPTION OF THE BUSINESS

The Corporation is a public oil and gas exploration and development company focusing on conventional oil and gas reservoirs in the Canadian foothills. The Corporation's corporate strategy is that of being an "early mover" in the exploitation phase of the development life cycle of hydrocarbon reserves in the foothills region of western Alberta. The Corporation will continue to utilize its experience and expertise to develop the untapped conventional sweet oil and liquids-rich natural gas pools in this large and under-exploited region of the Western Canadian Sedimentary Basin.

RECENT DEVELOPMENTS

On October 31, 2011, the Corporation completed, jointly with Petrus Resources Ltd. ("**Petrus**"), the acquisition of the Foothills Properties for total cash consideration of approximately $83.4 million (before post-closing adjustments and acquisition-related expenses) with 50% of such cash consideration being paid by Manitok (the "**Asset Acquisition**"). Each of the Corporation and Petrus acquired an equal undivided 50% interest in the Foothills Properties. As part of the Asset Acquisition, Manitok acquired a 20.4% interest in the Hanlan/Robb sweet natural gas plant which has a processing capacity of 41 MMcf/d and current utilization of 40%. See the material change report of the Corporation dated November 10, 2011 and the business acquisition report of the Corporation dated November 10, 2011, both of which are incorporated herein by reference.

DESCRIPTION OF SECURITIES BEING DISTRIBUTED

The authorized capital of the Corporation consists of an unlimited number of Common Shares and an unlimited number of preferred shares, issuable in series. As at November 18, 2011, there were 51,665,531 Common Shares and nil preferred shares issued and outstanding.

The holders of Common Shares are entitled to one vote per share at all meetings of shareholders of the Corporation, except meetings at which only holders of a specified class of Common Shares are entitled to vote. In addition, the holders of Common Shares are entitled to receive dividends if, as and when declared by the board of directors of the Corporation and to receive the remaining property and assets of the Corporation upon dissolution, subject to the prior rights and privileges attaching to any other class of shares of the Corporation.

CONSOLIDATED CAPITALIZATION

The following table outlines the consolidated capitalization of the Corporation: (i) as at June 30, 2011 before giving effect to the Offering and the use of the net proceeds of the Offering; and (ii) as at June 30, 2011 after giving effect to the Offering and the use of the net proceeds of the Offering. This table should be read in conjunction with the unaudited financial statements of the Corporation for the three and six months ended June 30, 2011, together with the notes thereto, prepared in accordance with IFRS, and the Interim MD&A, each of which has been incorporated herein by reference.

($ thousands)	Outstanding as at June 30, 2011 before giving effect to the Offering (unaudited)	Outstanding as at June 30, 2011 after giving effect to the Offering[(1)] (unaudited)
Credit Facility[(2)]	$nil	$nil
Shareholders' Equity[(3)(4)]	$63,176,692	$81,997,372
	(51,665,531 Common Shares)	(61,800,531 Common Shares)

Notes:

(1) After giving effect to the issuance of the Offered Shares (but not the Over-allotment Shares) and the use of the net proceeds of the Offering of $18,820,680, but before deducting the expenses of the Offering estimated to be $300,000.

(2) The Corporation currently has a demand revolving credit facility (the "**Credit Facility**") with a Canadian Chartered Bank (the "**Bank**") for $30 million, which can be utilized as overdraft or in the form of prime based loans or bankers' acceptances. Interest on the Credit Facility is charged at the Bank's prime lending rate plus 1.0% or bankers' acceptances plus a stamping fee of 2.5%. As at November 18, 2011, the outstanding balance on the Credit Facility was approximately **$**16.9 million, which amount will be temporarily reduced by the Corporation using the net proceeds from the issuance of the Offered Common Shares and the Over-allotment Shares (if applicable). See "Use of Proceeds".

(3) See "Description of Securities being Distributed". As at the date hereof, there are (a) 61,800,531 Common Shares outstanding after giving effect to the Offering (excluding the Over-allotment Shares) and (b) stock options outstanding to acquire 3,845,000 Common Shares under the Corporation's stock option plan.

(4) In the event the Over-allotment Option is exercised in full, the outstanding balance for Common Shares as at September 30, 2011 after giving effect to the Offering will be $83,692,897 (62,775,531 Common Shares). See "Plan of Distribution".

TRADING PRICE AND VOLUME

The Common Shares are listed and posted for trading on the TSXV under the trading symbol "MEI". The following sets forth the market price ranges and trading volumes for the Common Shares on the TSXV for the periods indicated as reported by the TSXV:

	High ($/Share)	Low ($/Share)	Volume
2010[(1)]			
November	1.15	0.99	192,934
December	1.50	0.95	678,288
2011			
January	1.95	1.22	465,511
February	2.14	1.60	1,366,531
March	2.50	1.60	819,450
April	2.05	1.65	1,300,779
May	1.90	1.63	1,008,344
June	1.85	1.51	1,161,471
July	1.75	1.55	1,342,845
August	1.65	1.20	1,303,744
September	1.74	1.25	3,135,488
October	2.12	1.50	2,690,086
November 1 to 18	2.00	1.70	2,595,251

USE OF PROCEEDS

The estimated net proceeds to the Corporation from the sale of the Offered Shares (assuming the Over-allotment Option is not exercised) will be approximately $18,820,680, after deducting the Underwriters' Fee of $1,201,320 but before deducting the expenses of the Offering estimated to be $300,000. If the Over-allotment Option is exercised in full, the estimated net proceeds to the Corporation from the sale of the Offered Shares and the Over-allotment Shares will be approximately $20,516,205 after deducting the Underwriters' Fee of $1,309,545 but before deducting the expenses of the Offering estimated to be $300,000.

The Corporation intends to use all of the net proceeds from the sale of Offered Common Shares and the Over-allotment Shares (if any) under this Offering to temporarily reduce its indebtedness under the Credit Facility, thereby freeing up borrowing capacity which is intended to be redrawn and applied as needed to fund the Corporation's ongoing capital expenditure program and for general corporate purposes. The estimated net proceeds to the Corporation from the sale of the Offered Common Shares (assuming the Over-allotment Option is not exercised) will be approximately $11,303,500, after deducting the Underwriters' fee of $721,500 but before deducting the expenses of the Offering estimated to be $300,000. If the Over-allotment Option is exercised in full, the estimated net proceeds to the Corporation from the sale of the Offered Common Shares and the Over-allotment Shares will be approximately $12,999,025 after deducting the Underwriters' Fee of $829,725 but before deducting the expenses of the Offering estimated to be $300,000. Approximately $16.9 million of indebtedness was outstanding under the Credit Facility as at November 18, 2011. The principal purpose for the indebtedness was to fund the Asset Acquisition. The Corporation intends to use the net proceeds redrawn from the Credit Facility as follows:

	Assuming Over-allotment Option is not Exercised	**Assuming Over-allotment Option is Exercised in Full**
Land and seismic	$3,000,000	$3,000,000
Drilling activities	$8,303,500	$9,999,025
Total	$11,303,500	$12,999,025

The gross proceeds from the sale of the Flow-through Shares under this Offering will be used by the Corporation to incur Qualifying Expenditures on or before December 31, 2012.

The use of the net proceeds from the sale of Offered Common Shares under this Offering by the Corporation is consistent with the Corporation's stated business objectives. There is no particular significant event or milestone that must occur for the Corporation's business objectives to be accomplished. Due to the nature of the oil and natural gas industry, budgets are regularly reviewed in light of the success of expenditures and other opportunities which may become available to the Corporation. Potential investors are cautioned that notwithstanding the Corporation's current intentions regarding the use of the net proceeds of the Offering, there may be circumstances which are not known at this time where, for sound business reasons, a reallocation of the net proceeds may be necessary, depending on future operations on the Corporation's properties or unforeseen events. See "Risk Factors".

PRIOR SALES

The Corporation has not issued any Common Shares or securities convertible into Common Shares in the 12 months prior to the date hereof, other than as set forth below:

Date	Price	Number	Details
December 22, 2010	$1.00	10,031,500	Issuance of Common Shares upon the closing of the first tranche of a private placement
December 22, 2010	$1.15	6,618,559	Issuance of Flow-through Shares upon the closing of the first tranche of a private placement
December 30, 2010	$1.00	325,400	Issuance of Common Shares upon the closing of the second and final tranche of a private placement
December 30, 2010	$1.15	110,130	Issuance of Flow-through Shares upon the closing of the second and final tranche of a private placement
January 3, 2011	$1.23(1)	1,172,000(2)	Issuance of stock options to directors, officers, employees and key consultants of the Corporation
January 28, 2011	$1.55(1)	140,000(2)	Issuance of stock options to a new employee of and key consultants to the Corporation
April 14, 2011	$1.60	17,968,750	Issuance of Common Shares upon the closing of the April Financing
April 26, 2011	$1.78(1)	20,000(2)	Issuance of stock options to a key consultant to the Corporation
August 24, 2011	$1.30(1)	167,000(2)	Issuance of stock options to new employees of and key consultants to the Corporation
September 12, 2011	$1.32(1)	125,000(2)	Issuance of stock options to a new employee of the Corporation
October 5, 2011	$1.55(1)	100,000(2)	Issuance of stock options to a new employee of the Corporation
October 24, 2011	$1.98(1)	10,000(2)	Issuance of stock options to a key consultant to the Corporation
November 1, 2011	$1.90(1)	180,000(2)	Issuance of stock options to new employees of and key consultants to the Corporation
November 7, 2011	$1.92(1)	7,500(2)	Issuance of stock options to a new employee of the Corporation
November 14, 2011	$1.91(1)	320,000(2)	Issuance of stock options to new employees of the Corporation

Notes:

(1) Represents the per share exercise price of Common Shares issued upon the exercise of stock options.
(2) Each option is exercisable into one Common Share.

PRINCIPAL SECURITYHOLDERS

To the knowledge of the directors and officers of the Corporation, the only persons who beneficially own, directly or indirectly, or exercised control or direction over voting securities carrying more than 10% of the voting rights attached to the Common Shares are set out in the table below:

Name	Number of Common Shares Owned	Percentage of Outstanding Common Shares
Trapeze Asset Management Inc. and Trapeze Capital Corp., on behalf of their respective managed accounts(1)	13,760,500(2)	26.6%

Notes:

(1) Randall Abramson is a principal securityholder of Trapeze Asset Management Inc. and Trapeze Capital Corp.

(2) Based on information provided by Trapeze Asset Management Inc. and Trapeze Capital Corp.

As at the date hereof, 4,000,286, or 7.7%, of the total issued and outstanding Common Shares are legally owned, directly or indirectly, by all the directors and officers of the Corporation as a group.

PLAN OF DISTRIBUTION

Pursuant to an underwriting agreement dated effective November 15, 2011 (the "**Underwriting Agreement**") between the Corporation and the Underwriters, the Corporation has agreed to sell and the Underwriters have agreed to purchase 6,500,000 Offered Common Shares from the Corporation, subject to the terms and conditions contained therein, at a price of $1.85 per Offered Common Share. In addition, in the Underwriting Agreement, the Corporation has appointed the Underwriters as the sole and exclusive agents of the Corporation to offer 3,635,000 Flow-through Shares for sale at a price of $2.20 per Flow-through Share. The Underwriters have agreed that if less than all of the 3,635,000 Flow-through Shares are sold by the Underwriters as agents, the Underwriters will purchase, as principals, all of the Flow-through Shares not sold by the Underwriters as agents at the same price per Flow-through Share. The Corporation has agreed to pay the Underwriters a fee equal to 6% of the gross proceeds of the Offering (equal to $0.111 per Offered Common Share and $0.132 per Flow-through Share) and to pay the Underwriters a fee equal to 6% of the total gross proceeds from the sale of Over-allotment Shares.

The obligations of the Underwriters under the Underwriting Agreement are several and not joint and several, and may be terminated at their discretion upon the occurrence of certain stated events. The Underwriters are, however, obligated to take up and pay for all of the Offered Shares if any Offered Shares are purchased under the Underwriting Agreement.

Subscriptions for Offered Shares and, if applicable, Over-allotment Shares, will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. It is expected that closing of the Offering will occur on or about December 5, 2011 or such other date not later than December 31, 2011 as the Corporation and the Underwriters may agree.

The Underwriters may offer the Offered Common Shares at prices lower than that stated above. Notwithstanding any reduction by the Underwriters in the offering price for the Offered Common Shares specified above, the Corporation will receive a price of $1.85 per Offered Common Share purchased by the Underwriters under this short form prospectus.

The Offered Shares and, if applicable, the Over-allotment Shares, will be issued as "book-entry only" securities (other than Offered Shares and Over-allotment Shares issued to subscribers located in the United States (as such term is defined in Regulation S under the 1933 Act), which shares will be issued in definitive form to each purchaser) and will be directly deposited with CDS or its nominee and must be transferred through a participant (a "**Participant**") in the depository service of CDS. Registration of interests in and transfers of Offered Shares and Over-allotment Shares will be made only through the depository services of CDS. Except as described below, a purchaser acquiring a beneficial interest in Offered Shares or Over-allotment Shares (a "**Beneficial Owner**") will not be entitled to a certificate or other instrument from the transfer agent of the Corporation (the "**Transfer Agent**") or CDS evidencing that purchaser's interest therein, and such purchaser will not be shown on the records maintained by CDS, except through a Participant. Such purchaser will receive a confirmation of purchase from the Underwriters or other registered dealer from whom Offered Shares or Over-allotment Shares are purchased. Neither the Corporation nor the Underwriters will assume any liability for: (a) any aspect of the records relating to the beneficial ownership of the Offered Shares or Over-allotment Shares held by CDS or the payments relating thereto; (b) maintaining, supervising or reviewing any records relating to Offered Shares or Over-allotment Shares; or (c) any advice or representation made by or with respect to CDS and contained in this short form prospectus and relating to the rules governing CDS or any action to be taken by CDS or at the direction of its Participants. The rules governing CDS provide that it acts as the agent and depository for the Participants. As a result, Participants must look solely to CDS and Beneficial Owners must look solely to Participants with respect to the transfer, sale and other dealings with Offered Shares and Over-allotment Shares. As indirect holders of Offered Shares and/or Over-allotment Shares, investors should be aware that they (subject to the situations described below): (a) may not have the Offered Shares or Over-allotment Shares registered in their names; (b) may not have physical certificates representing their interests in the Offered Shares or Over-allotment Shares; (c) may not be able to sell the Offered Shares or Over-allotment Shares to institutions required by law to hold physical certificates for securities they own; and (d) may be unable to pledge Offered Shares or Over-allotment Shares as security. The Offered Shares and, if applicable, the Over-allotment Shares will be issued to Beneficial Owners in fully registered and certificated form only if: (a) CDS or the Corporation has notified the Transfer Agent that CDS is unwilling or unable to continue as the depository or CDS ceases to be a clearing agency in good standing under applicable laws and, in either case, the Corporation is unable or does not wish to locate a qualified successor depository; (b) the Corporation has determined, in is sole discretion, to terminate the book-entry only system in respect of the Offered Shares and, if applicable, the Over-allotment Shares and has communicated such determination to the Transfer Agent in writing; (c) the book-entry only system administered by CDS ceases to exist; or (d) CDS or the Corporation is required by law to provide registered and certificated Offered Shares or Over-allotment Shares, as applicable. Certificates representing any Offered Shares or Over-allotment Shares that are sold in the United States will be in the form of definitive physical certificates and will bear a legend to the effect that the securities represented thereby are not registered under the 1933 Act or applicable securities laws of any state of the United States and may only be offered, sold, pledged, transferred, or otherwise disposed of, directly or indirectly, pursuant to certain exemptions from the registration requirements of the 1933 Act and in accordance with applicable securities laws of any state of the United States.

The Corporation has granted to the Underwriters the Over-allotment Option (for the purposes of covering over-allotments, if any, and for market stabilization purposes), which option is exercisable in whole or in part in the sole discretion of the Underwriters at any time or from time to time until that date which is 30 days after the Closing Date and entitles the Underwriters to purchase up to an additional 975,500 Over-allotment Shares at a price of $1.85 per Over-allotment Share. This short form prospectus qualifies both the grant of the Over-allotment Option and the distribution of the Over-allotment Shares. If the Over-allotment Option is exercised in full, the total offering price, Underwriters' Fee and net proceeds to the Corporation will be $21,825,750, $1,309,545 and $20,516,205, respectively, before deducting the expenses of the Offering. A purchaser who acquires Over-allotment Shares forming part of the Underwriters' over-allocation position acquires those Over-allotment Shares under this short form prospectus, regardless of whether such over-allocation position is ultimately filled through the exercise of the Over-allotment Option or secondary market purchases.

Pursuant to applicable securities legislation, the Underwriters may not, throughout the period of distribution under this short form prospectus, bid for or purchase Common Shares. The foregoing restriction is subject to exceptions, on the condition that the bid or purchase is not engaged in for the purpose of creating actual or apparent active trading in, or raising the price of, the Common Shares. These exceptions include a bid or purchase permitted under the Universal Market Integrity Rules for Canadian Marketplaces of the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market-making activities and a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of distribution. Under the first-mentioned exception, in connection with the Offering, the Underwriters may over-allot or effect transactions which stabilize or maintain the market price for the Common Shares at levels other than those which might otherwise prevail in the open market. Those transactions, if commenced, may be discontinued at any time.

The Corporation has agreed with the Underwriters that it will not issue, or announce any intention to issue, any shares from treasury or any securities exchangeable for or convertible into shares from treasury for a period of 90 days after the Closing Date without the written consent of RBC Dominion Securities Inc., such consent not to be unreasonably withheld, delayed or conditioned. The foregoing restriction will not apply to the granting or exercising of employee stock options or the issuance of Common Shares upon the exercise of options or other exchangeable or convertible securities outstanding as of November 15, 2011.

The Corporation has agreed to indemnify the Underwriters and their affiliates and their respective directors, officers, employees, partners, shareholders and agents against certain liabilities.

The Corporation has applied to list the Offered Shares and the Over-allotment Shares on the TSXV. Such listing will be subject to the Corporation fulfilling all of the listing requirements of the TSXV.

The Offered Shares have not been and will not be registered under the 1933 Act or any securities or "blue sky" laws of any of the states of the United States. The Flow-through Shares offered hereunder will not be offered or sold within the United States. Except as permitted in the Underwriting Agreement and as expressly permitted by applicable laws of the United States, the Underwriters will not offer or sell the Offered Common Shares within the United States. The Underwriting Agreement permits the Underwriters to offer and resell the Offered Common Shares that they have acquired pursuant to the Underwriting Agreement, through their U.S. broker-dealer affiliates to "qualified institutional buyers" (as defined in Rule 144A ("**Rule 144A**" under the 1933 Act) in the United States, provided that such offers and sales are made in accordance with Rule 144A under the 1933 Act and applicable state securities laws. The Underwriting Agreement also permits the Underwriters to designate certain institutional accredited investors that meet the criteria in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the 1933 Act to whom the Underwriters acting as agents on behalf of the Corporation may offer and sell the Offered Common Shares in accordance with Section 4(2) of the 1933 Act and Rule 506 of Regulation D thereunder and applicable state securities laws. The Underwriting Agreement also provides that the Underwriters will offer and sell the Offered Shares outside the United States only in accordance with Regulation S promulgated under the 1933 Act.

This short form prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the Offered Shares in the United States. In addition, until 40 days after the commencement of the Offering, any offer or sale of Offered Common Shares within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the 1933 Act if such offer or sale is made otherwise than in accordance with an exemption from the registration requirements of the 1933 Act.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Gowling Lafleur Henderson LLP, counsel to the Corporation, and Blake, Cassels & Graydon LLP, counsel to the Underwriters (collectively, "**Counsel**"), the following is, as of the date hereof, a fair summary of the principal Canadian federal income tax considerations generally applicable to purchasers who acquire Offered Shares and who, at all material times, (i) are, or are deemed to be, individuals or corporations resident in Canada; (ii) deal at arm's length, and are not affiliated, with the Corporation; and (iii) who hold the Offered Shares as capital property, all within the meaning of the Tax Act. The Offered

Shares will generally constitute capital property to a purchaser unless the purchaser holds such securities in the course of carrying on a business or has acquired such securities in a transaction or transactions considered to be an adventure or concern in the nature of trade. The Offered Common Shares offered hereunder may be deemed to be capital property to certain purchasers by making the irrevocable election pursuant to subsection 39(4) of the Tax Act. Such an election will not be available in respect of the Flow-through Shares.

This summary is not applicable to a purchaser (i) that is a "principal-business corporations" within the meaning of the Tax Act, (ii) whose business includes trading or dealing in rights, licences or privileges to explore for, drill or take minerals, oil, natural gas or other related hydrocarbons, (iii) an interest in which constitutes a "tax shelter investment" within the meaning of the Tax Act, (iv) that is a "financial institution" as defined in the Tax Act for the purpose of the "mark-to-market" provisions of the Tax Act, (v) that is a partnership or a trust, (vi) that is a "specified financial institution" for purposes of the Tax Act or (vii) that has made a "functional currency" election under the Tax Act to determine its Canadian tax results in a currency other than the Canadian currency. Such purchasers should consult their own tax advisors.

This summary is based on the Tax Act and the regulations enacted thereunder (the "**Regulations**") in force as at the date hereof taking into account all published proposals for the amendment thereof to the date hereof (the "**Proposed Amendments**") and upon Counsel's understanding of the current administrative policies and assessing practices of the Canada Revenue Agency (the "**CRA**") published in writing prior to the date hereof. This summary does not otherwise take into account or anticipate any change in law or administrative practice, nor does it take into account provincial or territorial tax laws of Canada or tax laws of any foreign country. No assurances can be given that the Proposed Amendments to the Tax Act and the Regulations will be enacted as proposed or at all or that legislative, judicial or administrative changes will not modify or change the statements expressed herein.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular purchaser. Accordingly, potential purchasers should consult their own tax advisors for advice with respect to the income tax consequences of investing in the Offered Shares having regard to their own particular circumstances.

This summary assumes that (i) the Corporation will incur Qualifying Expenditures in an amount not less than the aggregate gross subscription proceeds for the issuance of the Flow-through Shares (the "**Commitment Amount**"), (ii) CEE in an amount equal to the Commitment Amount will be renounced to purchasers of Flow-through Shares hereunder with an effective date or dates of no later than December 31, 2011, (iii) such CEE will be incurred during a period (the "**Expenditure Period**") commencing on the Closing Date and ending on the earlier of (A) the date on which the Commitment Amount has been fully incurred in accordance with the terms of the Subscription Agreement (as defined in "Subscription for Flow-through Shares") and (B) December 31, 2012, and (iv) all expenses discussed herein will be reasonable in amount. This summary also assumes that the Corporation will make all filings in respect of the issuance of the Flow-through Shares and the renunciation of Qualifying Expenditures in the manner and within the time required by the Tax Act and the Regulations and that all renunciations will be validly made. In addition, while the Corporation will furnish each purchaser of Flow-through Shares hereunder with information with respect to renounced Qualifying Expenditures for purposes of filing income tax returns, the preparation and filing of returns will remain the responsibility of each purchaser. This summary is based upon the representation of the Corporation that it will be a "principal-business corporation" at all material times and that its Flow-through Shares, when issued, will be "flow-through shares" and will not be "prescribed shares", all within the meaning of the Tax Act and the Regulations. If any of the above assumptions are incorrect, the Corporation may be unable to renounce some or all of the Qualifying Expenditures which it has agreed to renounce hereunder.

The Canadian federal income tax consequences to a particular purchaser of Offered Shares hereunder will vary according to a number of factors, including the particular province in which the purchaser resides, carries on business or has a permanent establishment, the legal characterization of the purchaser as an individual or a corporation, the amount that would be the purchaser's taxable income but for the investment in the Offered Shares and the manner in which the proceeds from the Flow-through Shares are expended.

Qualifying Expenditures

The Corporation will be entitled to renounce to a purchaser of Flow-through Shares hereunder certain CEE incurred by it during the Expenditure Period in an amount equal to the subscription price thereof as permitted by and in accordance with the Tax Act. Such CEE that is properly renounced to a purchaser will be deemed to have been incurred by that purchaser on the effective date of the renunciation and will be added to such purchaser's cumulative CEE ("**CCEE**") account.

The Tax Act contains a one year "look-back" rule which, if certain conditions are satisfied, entitles the Corporation to have certain CEE incurred by it in 2012 renounced to purchasers effective on December 31, 2011. In other words, the purchasers are deemed to have incurred the CEE on December 31, 2011 even though the Corporation will not incur the CEE until 2012.

For this rule to apply in respect of a Flow-through Share, the purchaser must have paid the consideration in money for such share, and the Subscription Agreement in respect of such share must have been entered into, on or prior to December 31, 2011. In the event that the Corporation does not incur the amounts renounced under the one year "look-back" rule by the end of 2012, the Corporation will be required to reduce the amount of CEE renounced to the purchasers and the purchasers' income tax returns for the years in which the CEE was claimed will be reassessed accordingly. A purchaser will not be subject to any penalties for any such reassessment and will not be subject to any interest charges for any additional taxes payable if such taxes are paid by the purchaser on or prior to April 30, 2013.

A purchaser may deduct in computing such purchaser's income from all sources for a taxation year an amount not exceeding 100% of the balance of such purchaser's CCEE account at the end of that taxation year. Deductions claimed by a purchaser reduce the purchaser's CCEE account. To the extent that a purchaser does not deduct the balance of such purchaser's CCEE account at the end of the taxation year, the balance may be carried forward and deducted in subsequent taxation years in accordance with the provisions of the Tax Act. The right to deduct CCEE accrues to the initial purchaser of Flow-through Shares and is not transferable.

Certain restrictions apply in respect of the deduction of CCEE following an acquisition of control and on certain reorganizations of a corporate purchaser. Corporate purchasers should consult their own independent tax advisors for advice with respect to the potential application of these rules to them having regard to their own particular circumstances.

If a purchaser acquires Flow-through Shares through an Exempt Plan, the CEE renounced will not be available as a deduction against the income of the annuitant or beneficiary of such plan and the associated tax benefits will be lost.

Dividends on Offered Shares

Dividends received or deemed to be received on a purchaser's Offered Shares will be included in the purchaser's income as taxable dividends received from a taxable Canadian corporation. The normal gross up and dividend tax credit rules applicable to taxable dividends received from a taxable Canadian corporation, including the enhanced dividend tax credit in respect of "eligible dividends" designated by the Corporation to a purchaser, will apply to dividends received by a purchaser who is an individual. There may be limitations on the ability of the Corporation to designate dividends as eligible dividends. Dividends received or deemed to be received by a purchaser that is a corporation will normally be deductible in computing its taxable income. Certain corporations may be liable to pay a refundable tax of 33⅓% under Part IV of the Tax Act on such dividends.

Disposition of Offered Shares

A disposition or deemed disposition of an Offered Share (other than to the Corporation) will result in the realization of a capital gain (or capital loss) in the taxation year of the disposition equal to the amount by which the proceeds of disposition exceed (or are less than) the adjusted cost base of such share and reasonable expenses incurred by the purchaser for the purposes of making such disposition. One-half of any capital gain (a taxable capital gain) must be included in computing the income of a purchaser for the year in which the disposition takes place, while one-half of any capital loss (an allowable capital loss) will be required to be deducted against taxable capital gains realized by the purchaser in the same taxation year. Allowable capital losses not deducted in the year in which they arise may be deducted by a purchaser from taxable capital gains realized in any of the three preceding years, or any subsequent year, subject to the detailed provisions of the Tax Act in that regard.

Flow-through Shares purchased hereunder will be deemed to have been acquired by the purchaser for an initial cost of nil regardless of the subscription price paid. The cost for tax purposes of the Offered Common Shares purchased hereunder will be the amount paid to acquire such shares and reasonable costs associated with the acquisition. The adjusted cost base to a purchaser of an Offered Share will generally be the average cost of all Common Shares held by such purchaser as capital property at a particular time. Any tax consequences arising from a subsequent disposition of an Offered Share will be measured by reference to the adjusted cost base of the Offered Shares based on this averaging rule.

A purchaser that is a "Canadian-controlled private corporation" (as defined in the Tax Act) will be liable to pay an additional 6⅔% refundable tax on its "aggregate investment income" for the year, which is defined to include an amount in respect of taxable capital gains.

A purchaser who disposes of Flow-through Shares will retain the entitlement to the renunciation of CEE from the Corporation as described above as well as the ability to deduct any CCEE not previously deducted, and a subsequent purchaser of such shares will not be entitled to any renunciations of CEE.

Minimum Tax

Under the Tax Act, an alternative minimum tax is payable by an individual, other than certain trusts, equal to the amount by which the alternative minimum tax exceeds the tax otherwise payable. In calculating adjusted taxable income for the purpose of determining minimum tax, certain deductions and credits otherwise available, such as the deduction for CEE not used to reduce resource income, are disallowed and certain amounts not otherwise taxable are included in income, such as 80% of net capital gains. The Tax Act disallows the deduction of certain carrying charges for purposes of computing adjusted taxable income for minimum tax purposes that relate to an investment in Flow-through Shares to the extent that the deduction for such carrying charges exceeds the individual's resource income after deductions for resource expenses, including CEE. In computing adjusted taxable income for minimum tax purposes, a $40,000 exemption is provided. The federal rate of minimum tax is a flat 15%. Whether and to what extent the tax liability of a particular purchaser will be increased by the minimum tax will depend upon the amount of such purchaser's income, the sources from which it is derived and the nature and amounts of any deductions that such purchaser claims. Any additional tax payable for a year from the application of the minimum tax provisions is recoverable in subsequent years to the extent that tax otherwise determined exceeds the minimum tax for any of the following seven taxation years. Purchasers should consult their own independent tax advisors with respect to the potential alternative minimum tax consequences to them having regard to their own particular tax circumstances.

Cumulative Net Investment Loss

One-half of the amount of the CEE renounced to a purchaser will be added to the purchaser's cumulative net investment loss ("**CNIL**") account, as defined in the Tax Act. A purchaser's CNIL account may impact a purchaser's ability to access the lifetime capital gains exemption available on the disposition of certain qualified small business corporation shares and qualified farm property.

ELIGIBILITY FOR INVESTMENT

In the opinion of Counsel, subject to the provisions of any particular plan and provided that the Common Shares are listed at all relevant times on a "designated stock exchange" within the meaning of the Tax Act (which includes the TSXV) as of the date of issuance of the Offered Shares or the Over-allotment Shares, as applicable, the Offered Shares and the Over-allotment Shares, as applicable, will be qualified investments under the Tax Act and the regulations thereunder, as in effect on the date hereof, for Exempt Plans.

Notwithstanding that the Offered Shares and the Over-allotment Shares may be a qualified investment for a trust governed by a TFSA, the holder of a TFSA may be subject to adverse tax consequences on such Offered Shares or Over-allotment Shares held in the TFSA if such Offered Shares or Over-allotment Shares are a "prohibited investment" within the meaning of the Tax Act. The 2011 Federal Budget released on June 6, 2011 included proposed amendments to the Tax Act (the " **2011 Proposals**") that will, amongst other things, extend the "prohibited investment" rules to RRSPs and RRIFs. The 2011 Proposals are contained in Bill C-13, which received second reading on October 17, 2011 in the House of Commons. The Offered Shares and the Over-allotment Shares will generally be a "prohibited investment" if the holder of the TFSA (or, under the 2011 Proposals, the annuitant of the RRSP or RRIF, as applicable) does not d eal at arm's length with the Corporation for purposes of the Tax Act or the holder of the TFSA (or, under the 2011 Proposals, the annuitant of the RRSP or RRIF, as applicable) has a "significant interest", within the meaning of the Tax Act, in the Corporation or in a corporation, partnership or trust with which the Corporation does not deal at arm's length for purposes of the Tax Act. No assurance can be given that the 2011 Proposals will be enacted in their current form, or at all. **Prospective purchasers who intend to hold Offered Shares or Over-allotment Shares in their RRSPs, RRIFs or TFSAs should consult their own tax advisors with respect to their individual circumstances.**

It is not anticipated that Exempt Plans will subscribe for Flow-through Shares as Exempt Plans, or the holders, annuitants, beneficiaries or subscribers of such Exempt Plans, as the case may be, do not benefit from the deduction of Qualifying Expenditures renounced by the Corporation, as described under the heading "Certain Canadian Federal Income Tax Considerations – Qualifying Expenditures".

SUBSCRIPTION FOR FLOW-THROUGH SHARES

Subscriptions for Flow-through Shares hereunder will be made by the Underwriters, or any sub-agents of the Underwriters, as agents for and on behalf of all purchasers of Flow-through Shares hereunder. **Purchasers who place an order to purchase Flow-through Shares hereunder will be deemed to have authorized the Underwriters, or any sub-agents of the Underwriters, to execute, on their behalf, a subscription agreement providing for the purchase of Flow-through Shares (the "Subscription Agreement"). The Subscription Agreement will contain the following representations, warranties and covenants made by each purchaser to the Corporation, namely, that:**

(a) its subscription is subject to acceptance by the Corporation and is effective only upon such acceptance;

(b) the purchaser has received and reviewed a copy of this short form prospectus;

(c) except as provided in the Subscription Agreement and in this short form prospectus, the purchaser waives any right it may have to any potential incentive grants, credits or similar or like payments or benefits which accrue as a result of the operations relating to CEE and acknowledges that all such grants, credits, payments or benefits accrue to the benefit of the Corporation;

(d) the obligation of the Corporation to renounce Qualifying Expenditures shall be limited to the extent specifically stated in this short form prospectus and in the Subscription Agreement;

(e) neither the purchaser nor any beneficial purchaser for whom it is acting is a non resident of Canada for the purposes of the Tax Act;

(f) the purchaser is of the full age of majority and has the legal capacity and competence to enter into and be bound by the Subscription Agreement;

(g) the purchaser, if an individual, is of the full age of majority and is otherwise legally competent to enter into the Subscription Agreement;

(h) the purchaser, if other than an individual, has the necessary capacity and authority to enter into the Subscription Agreement and has taken all necessary action in respect thereof;

(i) the purchaser, and any beneficial purchaser for whom it is acting deals, and until January 1, 2013 will continue to deal, at arm's length with the Corporation for the purposes of the Tax Act;

(j) the purchaser has not entered into and will not knowingly enter into any agreement or arrangement to which the Corporation is not a party which will cause the Flow-through Shares to become "prescribed shares" for the purposes of the Tax Act; and

(k) the liability of the Corporation to renounce CEE is limited to the extent specifically stated in this short form prospectus and in the Subscription Agreement.

In addition, each purchaser will acknowledge that he/she/it has been encouraged to and should obtain independent legal and tax advice with respect to his/her/its subscription and, accordingly, has been independently advised as to the meanings of all terms contained in the Subscription Agreement relevant to the purchaser for purposes of giving representations, warranties and covenants under the Subscription Agreement.

In the Subscription Agreement, the Corporation will covenant and agree: (i) to incur on or before December 31, 2012 and renounce to each purchaser effective on or before December 31, 2011, CEE in an amount equal to the aggregate purchase price paid by such purchaser for Flow-through Shares hereunder, and (ii) that if the Corporation does not renounce to such purchaser, effective on or before December 31, 2011, CEE equal to such amount, or if there is a reduction in such amount renounced pursuant to the provisions of the Tax Act, the Corporation shall indemnify such purchaser for an amount equal to the amount of any tax payable or that may become payable under the Tax Act (and under any corresponding provincial legislation) by the purchaser as a consequence of such failure or reduction. The Subscription Agreement will contain additional representations, warranties, covenants and agreements by the Corporation in favour of each purchaser that will be consistent with and supplement the Corporation’s obligations as described in this short form prospectus.

Notwithstanding the foregoing, the Corporation may enter into one or more subscription agreements for Flow-through Shares issuable hereunder on such other terms as may be agreed to by the Corporation and the applicable purchaser.

RISK FACTORS

An investment in the Offered Shares should be considered highly speculative due to various factors, including the nature of the Corporation's involvement in the exploration for, and the acquisition, development and production of, oil and natural gas reserves and resources. The Corporation's business is subject to the risks normally encountered in the oil and natural gas industry, such as the marketability of oil and natural gas, competition with companies having greater resources, acquisition, exploration and production risks, need for capital, fluctuations in the market price and demand for oil and natural gas and the regulation of the oil and natural gas industry by various levels of government. The oil and natural gas reserves, recovery and production information incorporated by reference in this short form prospectus are estimates only and the actual production and ultimate reserves recovered from the Corporation's properties and acquisitions may be greater or less than the estimates contained in this short form prospectus. The success of acquisitions and further exploration or development projects cannot be assured. Investors must rely upon the ability, expertise, judgment, discretion, integrity and good faith of the management of the Corporation.

Risk factors relating to the Corporation are discussed in the AIF, Interim MD&A and Annual MD&A, each of which is incorporated by reference in this short form prospectus. These risk factors, together with all of the other information included herein or incorporated by reference in this short form prospectus, should be carefully reviewed and considered before a decision is made to invest in the securities offered hereunder. Such risks may not be the only risks facing the Corporation. Additional risks not currently known may also negatively impact the Corporation's business operations and results of operation. Readers are cautioned that the risk factors contained in and incorporated by reference in this short form prospectus are not exhaustive.

Risks Related to Flow-through Shares

The tax treatment applicable with respect to oil and gas activities and flow-through shares constitutes a major factor when considering an investment in the Flow-through Shares offered hereunder. There is no guarantee that the taxation laws and regulations and the current administrative practices of both the federal and provincial tax authorities will not be amended or construed in such a way that the tax considerations for a subscriber holding Flow-through Shares will not be altered, and moreover there is no guarantee that there will not be any differences of opinion between the federal and provincial tax authorities with respect to the tax treatment of Flow-through Shares and the activities contemplated by the Corporation's exploration and development programs. See "Certain Canadian Federal Income Tax Considerations".

The Flow-through Shares offered hereunder are designed for investors whose income is subject to high marginal tax rates. The right to deduct CEE accrues to the initial purchaser of Flow-through Shares and is not transferable. No guarantee can be given that Canadian tax laws will not be amended, that the amendments announced with respect to such laws will be adopted or that the current administrative practices of the tax authorities will not be modified. In addition, there is no guarantee that the expected tax deductions will be accepted by the CRA. Consequently, the tax considerations for subscribers holding or selling Flow-through Shares may be fundamentally altered. See "Certain Canadian Federal Income Tax Considerations".

There is no guarantee that an amount equal to the total proceeds of the sale of Flow-through Shares hereunder will be expended on or prior to December 31, 2012 on Qualifying Expenditures that will permit the Corporation to renounce such amount to subscribers as CEE and resulting in the deductions described under "Certain Canadian Federal Income Tax Considerations". If the Corporation does not expend an amount equal to the gross proceeds from the sale of Flow-through Shares hereunder so as to incur sufficient qualifying CEE on or prior to December 31, 2012, the Corporation shall reduce the amount of CEE that it has renounced in favour of the subscribers and the subscribers will be reassessed and will remit the tax benefits from which they would have benefited. Subscribers will not be subject to penalties for any such reassessment and no interest will be payable on such additional tax if such tax is paid by April 30, 2013. The Corporation shall be obligated to indemnify subscribers of Flow-through Shares hereunder for tax payable pursuant to any such reassessment pursuant to the terms and conditions set out in the Subscription Agreement. However, there can be no assurances that the Corporation will have sufficient funds to satisfy such obligations.

Volatility of Market Price of Common Shares

The market price of the Common Shares may be volatile. The volatility may affect the ability of holders to sell the Common Shares at an advantageous price. Market price fluctuations in the Common Shares may be due to the Corporation's operating results failing to meet the expectations of securities analysts or investors in any quarter, downward revision in securities analysts' estimates, lack of liquidity, governmental regulatory action, adverse change in general market conditions or economic trends, acquisitions, dispositions or other material public announcements by the Corporation or its competitors, along with a variety of additional factors, including, without limitation, those set forth under "Forward-looking Statements". In addition, the market price for securities in the stock markets, including the TSXV, recently experienced significant price and trading fluctuations. These fluctuations have resulted in volatility in the market prices of securities that often has been unrelated or disproportionate to changes in operating performance. These broad market fluctuations may adversely affect the market price of the Common Shares.

Use of Proceeds

The Corporation currently intends to allocate the proceeds received from the Offering as described under "Use of Proceeds" in this short form prospectus. However, management will have discretion in the actual application of the proceeds, and may elect to allocate proceeds differently from that described in "Use of Proceeds" if it is believed it would be in the best interests of the Corporation to do so as circumstances change subject to contractual obligations set forth in the Underwriting Agreement. The failure by management to apply these funds effectively could have a material adverse effect on the business of the Corporation.

Future Financing

The Corporation may undertake future financings involving the issuance of equity or debt to fund its future exploration, development, acquisitions and operations. There can be no assurance that additional financing will be available to the Corporation when needed or on terms acceptable to the Corporation. The Corporation's inability to raise funding to support ongoing operations and to fund capital expenditures or acquisitions may limit the Corporation's growth or may have a material adverse effect upon the Corporation. The Corporation cannot predict the size of future issuances of equity or the issuance of debt or the effect, if any, that future issuances and sales of the Corporation's securities will have on the market price of the Common Shares.

Risks Associated with Acquisitions

Acquisitions of oil and gas properties or companies are based in large part on engineering, environmental and economic assessments made by the acquirer, independent engineers and consultants. These assessments include a series of assumptions regarding such factors as recoverability and marketability of oil and natural gas, environmental restrictions and prohibitions regarding releases and emissions of various substances, future prices of oil and gas and operating costs, future capital expenditures and royalties and other government levies which will be imposed over the producing life of the reserves. Many of these factors are subject to change and are beyond the control of the Corporation. All such assessments involve a measure of geological, engineering, environmental and regulatory uncertainty that could result in lower production or reserves or higher operating or capital expenditures than anticipated.

Although select title and environmental reviews are conducted prior to any purchase of resource assets, such reviews cannot guarantee that any unforeseen defects in the chain of title will not arise to defeat the Corporation's title to certain assets or that environmental defects or deficiencies do not exist or are greater than anticipated.

Possible Failure to Realize Anticipated Benefits of Acquisitions

Achieving the benefits of future acquisitions, including, the Foothills Acquisition, the Corporation may complete will depend in part on successfully consolidating functions and integrating operations, procedures and personnel in a timely and efficient manner, as well as the Corporation's ability to realize the anticipated growth opportunities and synergies from combining the acquired businesses and operations with those of the Corporation. Integrating the assets acquired under such acquisitions will require the dedication of substantial management effort, time and resources, which may divert management's focus and resources from other strategic opportunities and from operational matters during this process. The integration process may result in the loss of key employees and the disruption of ongoing business, customer and employee relationships and this may adversely affect the Corporation's ability to achieve the anticipated benefits of such acquisitions.

Facility Throughput

The Corporation's Hanlan/Robb processing facilities process natural gas from the Western Canadian Sedimentary Basin ("**WCSB**"). Throughput at these facilities is dependent on a number of factors, including the level of exploration and development activity within the WCSB, the long-term supply and demand dynamics for natural gas, ethane and NGLs and the regulatory environment for market participants. These factors may result in the Corporation being unable to maintain throughput at its facilities. Consequently, the Corporation may be exposed to declining cash flows and profitability arising from reduced natural gas, ethane and natural gas liquid throughput and from rising operating costs.

Operations

The Corporation's business is subject to risks in the operation of its facilities. Operating risks include:

- the breakdown or failure of equipment, information systems or processes;
- the performance of equipment at levels below those originally intended (whether due to misuse, unexpected degradation or design, construction or manufacturing defects);
- failure to maintain adequate supplies of spare parts;
- operator error; and
- labour disputes, fires, explosions, fractures, acts of terrorists and saboteurs, and other similar events, many of which are beyond our control.

The occurrence or continuance of any of these events could reduce earnings and cash flows.

Joint Ownership

Many of our material assets are jointly held and are governed by contractual arrangements. As a result, certain decisions regarding these assets require the approval of our partners. While we believe we have prudent governance and contractual rights in place, there can be no assurance that we will not encounter disputes with partners that may impact operations or cash flows.

Market Conditions

As a result of the weakened global economic situation and the downturn in oil, natural gas and other commodity prices, the Corporation, along with all other oil and gas issuers, will face reduced cash flow and restricted access to capital until these conditions improve. A prolonged period of adverse market conditions may impede the Corporation's ability to finance planned capital expenditures. In addition, a prolonged period of adverse market conditions may impede the Corporation's ability to refinance its credit facility or arrange alternative financing when the facility becomes due or if the lending limits under the facility are reduced upon periodic review. In each case, the Corporation's ability to maintain and grow its reserves and fully exploit its properties for the benefit of the shareholders would be adversely affected.

Market for the Offered Shares

The Corporation has applied to have the Offered Shares and the Over-allotment Shares listed on the TSXV. Such listing is subject to the Corporation fulfilling all the listing requirements of the TSXV. There can be no assurance that an active public market for trading in the Offered Shares and the Over-allotment Shares will persist after completion of the Offering or, if developed, that such a market will be sustained at the purchase price.

Dividends are Discretionary

The Corporation is not obligated to pay dividends on the Common Shares. The payment of dividends is at the sole discretion of the Corporation's board of directors and, as at the date hereof, the Corporation has not paid dividends. In addition, the Corporation's credit facilities may restrict its ability to pay dividends, and thus the Corporation's ability to pay dividends on its Common Shares will depend on, among other things, the Corporation's level of indebtedness at the time of the proposed dividend and whether it is in compliance with such facilities. Any reduction or elimination of dividends could cause the market price of the Common Shares to decline and could further cause the Common Shares to become less liquid, which may result in losses to shareholders.

Forward-looking Statements may Prove Inaccurate

Investors are cautioned not to place undue reliance on forward-looking statements. By their nature, forward-looking statements involve 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 statements or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate.

Additional information on the risks, assumptions and uncertainties associated with an investment in the Offered Shares is found in this short form prospectus under the heading "Forward-looking Statements".

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Corporation are Kenway Mack Slusarchuk Stewart LLP, Chartered Accountants, of Calgary, Alberta.

The registrar and transfer agent for the Common Shares is Valiant Trust Company of Calgary, Alberta, with a co-agent in Toronto, Ontario.

INTERESTS OF EXPERTS

Certain legal matters in connection with the qualification for distribution of the Offered Shares will be passed upon on behalf of the Corporation by Gowling Lafleur Henderson LLP and on behalf of the Underwriters by Blake, Cassels & Graydon LLP. As at the date hereof, the partners and associates of each of Gowling Lafleur Henderson LLP, as a group, and the partners and associates of Blake, Cassels & Graydon LLP, as a group, each beneficially own, directly or indirectly, less than one percent of the outstanding Common Shares. Reserves estimates incorporated by reference into this short form prospectus are based upon reports prepared by Sproule Associates Limited ("**Sproule**"), the Corporation's independent reserves evaluator, and GLJ Petroleum Consultants Ltd. ("**GLJ**"), the reserves evaluator for the Foothills Properties. As of the date hereof, none of the "designated professionals" (as defined in Form 51-102F2 under National Instrument 51-102 *Continuous Disclosure Obligations*) of either Sproule or GLJ has any registered or beneficial interest, direct or indirect, in any securities or other property of the Corporation.

In addition, none of the aforementioned persons or companies, nor any director, officer or employee of any of the aforementioned persons or companies, is or is expected to be elected, appointed or employed as a director, officer or employee of the Corporation or of any associate or affiliate of the Corporation except for Mr. Gregory Peterson, a director and the corporate secretary of the Corporation, who is a partner at Gowling Lafleur Henderson LLP, which law firm provides legal services to the Corporation.

Kenway Mack Slusarchuk Stewart LLP has confirmed that it is independent of the Corporation in accordance with the relevant rules and related interpretation prescribed by the Institute of Chartered Accountants of Alberta.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the province in which the purchaser resides for the particulars of these rights or consult with a legal advisor.

CONSENTS OF AUDITORS

Kenway Mack Slusarchuk Stewart LLP

We have read the short form prospectus of Manitok Energy Inc. (the "**Corporation**") dated ●, 2011 relating to the sale and issue of common shares and flow-through shares of the Corporation. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the incorporation by reference in the above-mentioned short form prospectus of our report to the shareholders of Desco Resources Inc. on the balance sheet of Desco Resources Inc. as at December 31, 2009 and the statements of loss, comprehensive loss and deficit and cash flows for the period then ended. Our report is dated April 19, 2010.

We also consent to the incorporation by reference in the above-mentioned short form prospectus of our report to the shareholders of the Corporation on the balance sheet of the Corporation as at December 31, 2010 and the statements of net earnings (loss), comprehensive earnings (loss) and retained earnings (deficit), and cash flows for the six months then ended. Our report is dated April 20, 2011.

●
Chartered Accountants

Calgary, Canada
●, 2011

Consent of Ernst & Young LLP

We have read the short form prospectus of Manitok Energy Inc. (the "**Corporation**") dated ●, 2011 relating to the sale and issue of common shares and flow-through shares of the Corporation. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the incorporation by reference in the above-mentioned short form prospectus of our report to the directors of the Corporation on the schedules of revenue, royalties and operating expenses of the Alberta Foothills Properties acquired by the Corporation for the years ended December 31, 2010 and 2009. Our report is dated November 3, 2011.

●
Chartered Accountants

Calgary, Canada
●, 2011

Certificate of the Corporation

Dated: November 21, 2011

This short form prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of Canada, other than Québec.

(signed) "*Massimo Geremia*" President and Chief Executive Officer	(signed) "*Robert Dion*" Vice President, Finance and Chief Financial Officer

On behalf of the Board of Directors

(signed) "*Bruno Geremia*" Director	(signed) "*Gregory Peterson*" Director

CERTIFICATE OF THE UNDERWRITERS

Dated: November 21, 2011

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this short form prospectus as required by the securities legislation of each of the provinces of Canada, other than Québec.

RBC DOMINION SECURITIES INC.

(signed) "*Derek Neldner*"

INTEGRAL WEALTH SECURITIES LIMITED

(signed) "*John Gibson*"

RAYMOND JAMES LTD.

(signed) "*Gregg Delcourt*"