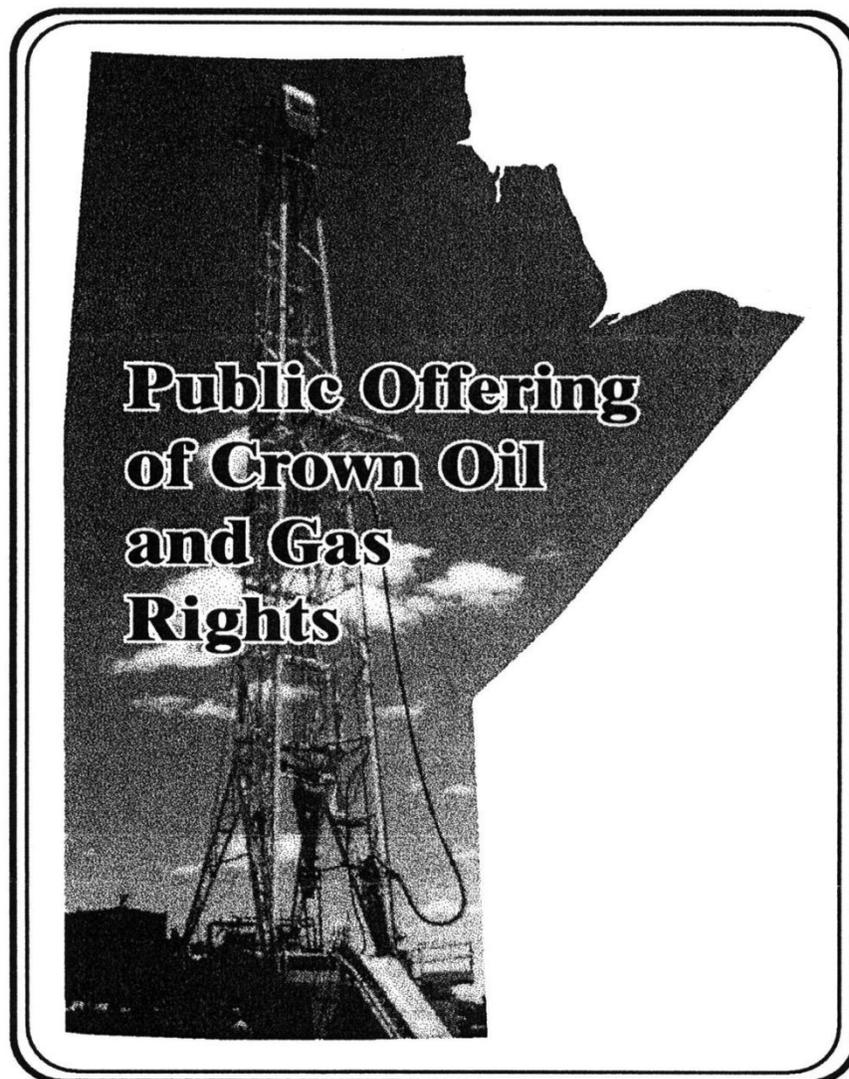


This Notice of Public Offering of Crown Oil and Gas Rights consists of two parts. As indicated in the notices, the two sales are being held separately. Please refer to the specific instructions for each part.

Part One - Manitoba Public Offering of Crown Oil and Gas Rights.

Part Two - Federal Crown Leasing of Public Lands Oil and Gas Rights.



Closing Date: November 14, 2012 1:00 P.M. Winnipeg, Manitoba



Part One

PUBLIC OFFERING OF CROWN OIL AND GAS RIGHTS

The undersigned will receive offers to purchase oil and gas leases as described in **SCHEDULE A**, up to 1:00 P.M. (Manitoba official time) on the 14th day of November, 2012.

Each offer must be enclosed in a separately sealed envelope with "Lease Offer – November 14, 2012" clearly indicated on the outside of the envelope, and be accompanied, where applicable, by the following:

- a) The cash bid of the bidder;
- b) Rent for each lease for the first year at the rate of \$3.50 per hectare;
- c) An application fee of \$400.00 per lease;
- d) Method of payment (electronic transfer of funds company account);
- e) The full name and address for service of the party the agreement is to be issued to;
- f) Where the agreement is to be issued in undivided interests, each interest should be clearly indicated;
- g) The G.S.T. Registration Number for each party wishing to have an interest in the agreement.

The bonus, rental and fee must be submitted by electronic funds transfer. All authorizations for electronic funds transfer must be filed with the Branch on an approved form (Attachment No. 1) as set forth in Informational Notice 09-02 (enclosed). It is the company's responsibility to ensure that relevant account information remains current. A company may cancel this authorization at any time by written notice to the Petroleum Registrar. **Authorizations for the November 14, 2012 sale must be received no later than October 17, 2012. Bank drafts and certified cheques will not be accepted**, unless the bidder has been granted special prior exemption by the Petroleum Registrar.

The bidder is responsible for having sufficient funds in its account on sale day to cover all bids, rentals and fees. If the Branch is notified by the bank that insufficient funds are available, the parcel(s) will be awarded to the next highest bidder. Manitoba reserves the right to refuse future bids and/or posting requests by that bidder.

The bidder may request that consideration be given on another parcel or parcels, if an offer on one or more parcels is not successful, provided that the intent and order of choice is clearly stated and provided that alternative offers are for specific amounts. Any offer received contrary to these conditions or the regulation, will not be considered.

All offers should be mailed to:

Petroleum Registrar
Manitoba Innovation, Energy and Mines
Petroleum Branch
1395 Ellice Avenue, Suite 360
Winnipeg Manitoba R3G 3P2

or handed to any person acting for the Registrar at the office of the Petroleum Branch, 1395 Ellice Avenue, Suite 360, Winnipeg, Manitoba.

Leases granted shall be subject to the applicable Acts and Regulations in force from time to time.

Manitoba reserves the right to reject any or all offers received and to refund to the person making an offer any funds received from them.

Printed sale results will be provided, when available, to all parties participating in the sale and to other parties upon request. Sale results may be obtained by contacting Angela Hiebert, Crown Oil & Gas Rights Clerk at (204) 945-6578 or through our home page on the internet at www.gov.mb.ca/iem/petroleum.

Dated at Winnipeg, Manitoba this 10th day of October, 2012.

The Petroleum Branch is committed to providing quality service to all its clients. If you have any comments regarding the Manitoba Crown Land Tenure System and administrative policies related to the Crown Disposition Regulation, please contact the undersigned at the address noted above, or by telephone at (204) 945-8102 and fax at (204) 945-0586.

Dan Surzyshyn
Petroleum Registrar

Schedule A
Oil and Gas Leases
November 14, 2012

Parcel No.	Section	Township	Range	Meridian	Hectares
A1	Lsd. 8 of 30 Below Base of Lower Amaranth	1	25	WPM	16
A2	W $\frac{1}{2}$ & Ptns E $\frac{1}{2}$ of 9 (Undiv. $\frac{1}{2}$ Interest)	7	21	WPM	255.54
A3	S $\frac{1}{2}$ of 17 (Undivided $\frac{1}{2}$ Interest)	7	21	WPM	128
A4	W $\frac{1}{2}$ of 20 (Undivided $\frac{1}{2}$ Interest)	7	21	WPM	128
A5	Ptn. SW $\frac{1}{4}$ of 22 (Undivided $\frac{1}{2}$ Interest)	7	21	WPM	63.375
A6	N $\frac{1}{2}$ of 29	12	26	WPM	128
A7	SE $\frac{1}{4}$ of 29	12	26	WPM	64
A8	NE $\frac{1}{4}$ of 36	12	27	WPM	64
A9	All 28	13	29	WPM	768
	* All 29				
	* All 32				
A10	NW $\frac{1}{4}$ of 16	16	26	WPM	64
A11	N $\frac{1}{2}$ of 19	16	26	WPM	128
A12	S $\frac{1}{2}$ of 28	16	26	WPM	128
A13	E $\frac{1}{2}$ of 29	16	26	WPM	128
A14	* W $\frac{1}{2}$ of 29	16	26	WPM	128
A15	SE $\frac{1}{4}$ of 30	16	26	WPM	64
A16	NE $\frac{1}{4}$ of 34	16	26	WPM	64

Schedule A
Oil and Gas Leases
November 14, 2012

Parcel No.	Section	Township	Range	Meridian	Hectares
A17	* NE¼ of 10	16	27	WPM	64
A18	N½ of 11	16	27	WPM	128
A19	S½ of 11	16	27	WPM	128
A20	SW¼ of 34	16	27	WPM	64
A21	E½ of 29	17	26	WPM	128
A22	W½ of 29	17	26	WPM	128

* Refer to Addendum

ADDENDUM TO
PUBLIC OFFERING OF
CROWN OIL AND GAS RIGHTS

November 14, 2012

Parcel A9

These parcels are under private surface ownership with the S½ of 29-13-29 WPM, N½ of 32-13-29 WPM and the SE¼ of 32-13-29 WPM being under conservation agreement with Manitoba Habitat Heritage Corporation. Special conditions may be placed on drilling and production operations in these areas.

Parcel A14

This parcel is under private surface ownership with the NW¼ being possibly owned by conservation agencies or under Conservation Agreement. Special conditions may be placed on drilling and production operations in this area.

Parcel A17

This parcel is under private surface ownership in an area that may be owned by conservation agencies or under Conservation Agreement. Special conditions may be placed on drilling and production operations in this area.

For further information regarding the above noted parcels, please contact:

Mr. Keith Lowdon, Director
Petroleum Branch
Innovation, Energy and Mines
Ph: (204) 945-6574

Manitoba

Industry, Economic Development
and Mines



Petroleum

360-1395 Ellice Avenue
Winnipeg MB R3G 3P2
CANADA

Phone: (204) 945-6577
Fax: (204) 945-0586

October 13, 2005

INFORMATIONAL NOTICE 05-02

Withdrawal of Crown Oil and Gas Rights from Disposition

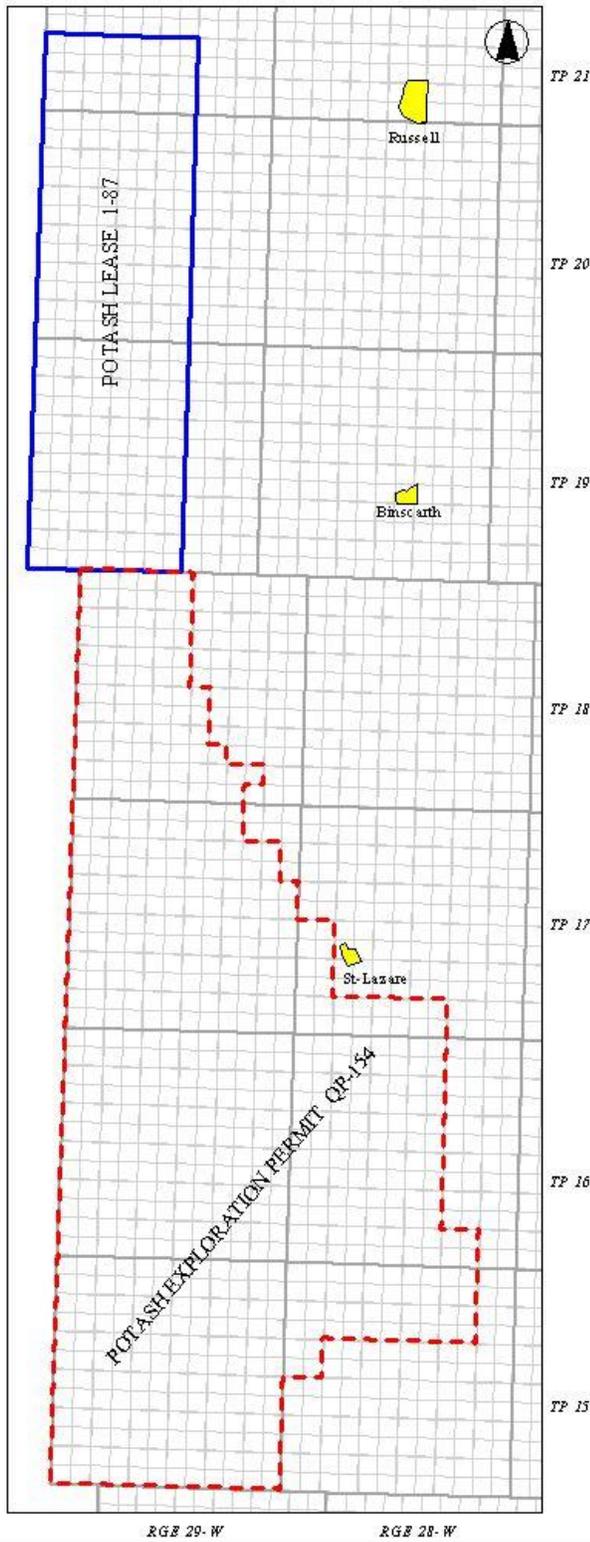
Effective immediately, the Department of Industry, Economic Development and Mines will not be accepting applications under Subsection 2(2) of the Crown Disposition Regulation for the disposition of Crown oil and gas rights by public sale in the area currently under potash disposition for exploration and/or development ("potash disposition area") outlined in Schedule A. This Notice does not affect the rights of holders of existing dispositions of Crown oil and gas rights in the potash disposition area.

A potash lease in the Russell area has been held by the Manitoba Potash Corporate since 1987. The Department is in the process of issuing a potash exploration permit in the St. Lazare area to Agrium Inc. The term of the potash exploration permit is five years and may be extended in accordance with the provisions of the Potash Exploration Permit Regulation under *The Mines and Minerals Act*.

Oil and gas operations have the potential to adversely impact the integrity of potash deposits. In order to mitigate this risk, the Department has decided not to dispose of Crown oil and gas rights in the potash disposition area while holders of potash dispositions undertake activities to evaluate potash deposits. The Department hopes the orderly development of the province's subsurface resources will maximize the value of these resources for the future benefit of all Manitobans.

The Department's decision not to dispose of oil and gas rights in the potash disposition area will be reviewed at the end of the term of the potash exploration permit or earlier in the event of surrender of all or a portion of the permit area or termination of the potash lease or exploration permit.

John N. Fox, P.Eng.
Director



SCHEDULE A
POTASH DISPOSITION AREA

-  POTASH EXPLORATION PERMIT
-  POTASH LEASE

SCALE: 1:250 000

DATED: SEPT. 27, 2005



Innovation, Energy and Mines

Petroleum Branch
360-1395 Ellice Ave, Winnipeg MB R3G 3P2
T 204-945-6577 F 204-945-0586
www.manitoba.ca

INFORMATIONAL NOTICE 09-02

MAY 7, 2009

**Mandatory Electronic Fund Transfer at
Manitoba Public Offerings of Crown Oil and Gas Lease Rights**

On August 23, 1995, the Petroleum Branch introduced electronic transfer of funds for payment of bonuses, rentals and fees submitted with bid offerings at Manitoba Public Offerings of Crown Oil and Gas Lease Rights. This initiative has been very well received by industry and has resulted in a significant reduction in administrative activities for both industry and Branch staff.

To streamline Crown oil and gas procedures, effective with the August 13, 1997 sale, the Petroleum Branch requires mandatory payment of bonuses, rentals and fees be submitted with bid offerings by Electronic fund transfer. Bank drafts or certified cheques are not acceptable unless the bidder has been granted special exemption by the Petroleum Registrar.

All authorizations for electronic funds transfer must be filed with the Branch on an approved form (Attachment No. 1). The authorization should be prepared on company letterhead, witnessed or executed under seal and submitted to the Branch not less than five weeks prior to the date of the sale.

An authorization provided to the Branch does not have to be renewed for each sale. However, it is the company's responsibility to ensure that relevant account information remains current. A company may cancel this authorization at any time by written notice to the Petroleum Registrar.

On sale day, once the successful bids are determined, the total amount owing by the company (any bonus, rental or fee) will be electronically withdrawn from the company's account.

The bidder is responsible for having sufficient funds in its account on sale day to cover all its bids, rentals and fees. If we are notified by the bank that insufficient funds are available, the parcel(s) will be awarded to the next highest bidder. The Department reserves the right to refuse future bids and/or posting requests by that bidder.

If you have any questions or comments in this regard, please contact the Petroleum Registrar at least one week prior to the sale date.

Keith Lowdon
Director

ATTACHMENT NO. 1

(COMPANY LETTERHEAD)

Date:

Phone:

Innovation, Energy and Mines
Petroleum Branch
360 - 1395 Ellice Avenue
Winnipeg, MB R3G 3P2

Attention: **Mr. Keith Lowdon**
Director of Petroleum

Dear Sir:

Re: Remittance for Crown Oil and Gas Rights

Please accept this document as authority for Manitoba Innovation, Energy and Mines to debit our bank account on the understanding that any such debit will only be used to facilitate the payment by (name of company) for successful bids for Crown oil and gas rights. The debit will be limited to the amount of said successful bids, including any bonus, fees and applicable rent. The treatment of each payment shall be the same as if (name of company) had issued a cheque authorizing the bank to pay the amount indicated from our account.

It is further understood and agreed that (name of company) will have recourse to Innovation, Energy and Mines for the recovery of debits made by the Department for purposes that have not been authorized by this document.

This authorization may be canceled by (name of company) at any time by written notice to the Department.

Your receipt of this authorization constitutes delivery by us.

Dated: _____

(Name of company)

(Corporate Seal)

Per: _____
Treasurer, Comptroller or Director or Manager of Finance,
or similar authority. The signatory should have some
responsibility for financial or banking matters in the company.

Account Name:

Account No.:

Bank:

Branch:

Address:

Bank Transit No.:



Innovation, Energy and Mines

Petroleum Branch
360-1395 Ellice Ave, Winnipeg MB R3G 3P2
T 204-945-6577 F 204-945-0586
www.manitoba.ca

INFORMATIONAL NOTICE 11-02

March 23, 2011

**SCHEDULE OF PUBLIC OFFERINGS OF MANITOBA
CROWN OIL AND GAS RIGHTS - 2012**

The Department of Innovation Energy and Mines has scheduled four Public Offerings of Crown Oil and Gas Rights in 2012.

The sale dates and corresponding closing dates prior to which the Department will entertain requests to have rights posted are:

<u>Sale Date</u>	<u>Closing Date for Posting</u>
February 8, 2012	November 11, 2011
May 9, 2012	February 10, 2012
August 8, 2012	May 11, 2012
November 14, 2012	August 10, 2012

Posting requests must be in writing, indicate the form of disposition requested and be received at the office of the Petroleum Branch, Winnipeg, Manitoba on or before the respective closing date shown above. In determining the terms and conditions under which such rights shall be offered for sale preference will be given to requests containing drilling commitments indicating time limits and deepest formation to be tested.

Sale Notices, listing the parcels offered and outlining sale procedures together with any special terms and conditions will be:

1. Mailed to all parties on the mailing list maintained by the Petroleum Branch; and,
2. Posted on the Department's internet site located at www.gov.mb.ca/stem/petroleum.

Keith Lowdon,
Director

Cette information existe également en français.



Innovation, Energy and Mines

Petroleum Branch
360-1395 Ellice Ave, Winnipeg MB R3G 3P2
T 204-945-6577 F 204-945-0586
www.manitoba.ca

INFORMATIONAL NOTICE 12-02

April 4, 2012

**SCHEDULE OF PUBLIC OFFERINGS OF MANITOBA
CROWN OIL AND GAS RIGHTS - 2013**

The Department of Innovation Energy and Mines has scheduled four Public Offerings of Crown Oil and Gas Rights in 2013.

The sale dates and corresponding closing dates prior to which the Department will entertain requests to have rights posted are:

<u>Sale Date</u>	<u>Closing Date for Posting</u>
February 13, 2013	November 16, 2012
May 15, 2013	February 15, 2013
August 14, 2013	May 17, 2013
November 13, 2013	August 16, 2013

Posting requests must be in writing, indicate the form of disposition requested and be received at the office of the Petroleum Branch, Winnipeg, Manitoba on or before the respective closing date shown above. In determining the terms and conditions under which such rights shall be offered for sale preference will be given to requests containing drilling commitments indicating time limits and deepest formation to be tested.

Sale Notices, listing the parcels offered and outlining sale procedures together with any special terms and conditions are available **5 weeks prior to the Sale Date** and will be:

Mailed to all parties on the mailing list maintained by the Petroleum Branch; and,

Posted on the Department's internet site located at www.gov.mb.ca/iem/petroleum.

Keith Lowdon,
Director

Cette information existe également en français.

PART TWO

FEDERAL CROWN LEASING OF PUBLIC LANDS OIL AND GAS RIGHTS

CLOSING DATE: November 14, 2012 - 2:00 p.m. Ottawa, Ontario.

Public Notice

FEDERAL CROWN LEASING OF PUBLIC LANDS OIL AND GAS RIGHTS

Invitation to Tender - PL 12 - 01

Pursuant to the Public Lands Oil and Gas Regulations, sealed tenders addressed to the Chief, Public Lands Section, Frontier Lands Management Division, Energy Sector, 17th Floor, 580 Booth Street, Ottawa, Ontario K1A 0E4, will be received up to 2:00 p.m., November 14, 2012, for the acquisition of leases to the oil and gas rights of those lands described in the attached schedule.

Tenders will be opened at 2.30 p.m. in Room 17D1, 580 Booth Street, Ottawa, Ontario.

Individual Tenders are to be submitted in respect to each parcel.

The offer in each case must be accompanied by the full amount of the bonus, together with the rental in the amount of \$5.00 per hectare for the first year and the lease fee in the amount of \$100.00. The bonus, rental and lease fee must be in the form of bank draft or certified cheque payable to Receiver General for Canada. The legal name of the party by whom the offer is made together with information as to jurisdiction of Incorporation and address for service must be indicated.

A royalty from oil and gas and their products produced and marketed from the said lands or used off the said lands by the lessee shall be payable to Receiver General for Canada. The amount payable as royalty for any year to Her Majesty shall be determined according to the laws of the Province for that particular year except in the case where the provincial rate of royalty for oil is less than 12½% in which case the rate of 12½% shall apply and in the case of where the provincial rate of royalty for gas is less than 15% in which case the rate of 15%, shall apply. The term of the lease shall be five years.

Tenders may be submitted on a priority basis so that if a tender on one parcel is not successful, it may be transferred in part or entirely to the bid that has been submitted on a second parcel. This transfer must not be conditional upon the tender on the second parcel also being unsuccessful. If the tender resulting from such a transfer is also unsuccessful, a further transfer of all or part may be made to another parcel, and so on. The order of choice and fixed cash offer for each choice must be clearly stated. A conditional bid is not acceptable and should such be tendered, only the basic amount of the tender will be considered as the amount of the bid. In the event of a tie bonus, the parties concerned may be requested to submit new tenders.

The highest or any tender will not necessarily be accepted.

“Tender - Federal Oil and Gas Rights, Parcel _____” must be indicated on the outside of the sealed envelope containing the tender.

Specimen copies of the form of lease may be obtained from:

Chief, Public Lands Section
Frontier Lands Management Division
Natural Resources Canada
17th Floor, 580 Booth Street
Ottawa, Ontario K1A 0E4 Telephone (613) 996-0911

Dated at Ottawa, Ontario, This 23rd day of August, 2012.

Schedule – Parcels 2112 - 2120

Parcel Number	Section	Township	Range	Meridian	Hectares
2112	SW¼ of 7	3	21	WPM	64
2113	SE¼ of 36	5	25	WPM	64
2114	SE¼ of 5	11	26	WPM	63
2115	SE¼ of 23	11	26	WPM	64
2116	SW¼ of 35	11	26	WPM	64
2117	NW¼ of 18	16	26	WPM	64
2118	NE¼ of 21	16	26	WPM	64
2119	NW¼ of 28	17	26	WPM	64
2120	NW¼ of 2	11	28	WPM	64