

OPEN RANGE ENERGY CORP.
Encor Place
Suite 1100, 645 - 7th Avenue S.W.
Calgary, AB T2P 4G8

INFORMATION CIRCULAR

PURPOSE OF SOLICITATION

This information circular is furnished in connection with the solicitation of proxies by the management of Open Range Energy Corp. (the “Corporation” or “Open Range”) for use at the annual meeting (the “Meeting”) of holders of common shares (“Common Shares” or “Shares”) of the Corporation to be held in the Strand/Tivoli Room of the Metropolitan Conference Centre, 333 – 4th Avenue S.W., Calgary, Alberta on Tuesday, May 15th, 2007, at the hour of 10:00 a.m. MDT and at any adjournments thereof for the purposes set out in the accompanying Notice of Meeting. Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone by regular employees of the Corporation. Pursuant to National Instrument 54-101, arrangements have been made with clearing agencies, brokerage houses and other financial intermediaries to forward proxy solicitation material to the beneficial owners of the Shares. The cost of any such solicitation will be borne by the Corporation.

VOTING OF PROXIES

All Shares represented at the Meeting by properly executed proxies will be voted and where a choice with respect to any matter to be acted upon has been specified in the instrument of proxy, the Shares represented by the proxy will be voted in accordance with such specifications. **In the absence of any such specifications, the management designees, if named as proxy, will vote IN FAVOUR of all the matters set out herein.**

The enclosed Instrument of Proxy confers discretionary authority upon the management designees, or other persons named as proxy, with respect to amendments to or variations of matters identified in the notice of Meeting and any other matters which may properly come before the Meeting. At the date of this Information Circular, the Corporation is not aware of any amendments to, or variations of, or other matters which may come before the Meeting. In the event that other matters come before the Meeting, then the management designees intend to vote in accordance with the judgment of the management of the Corporation.

Proxies, to be valid, must be deposited at the office of the registrar and transfer agent of the Corporation, Valiant Trust Company, Suite 310, 606 - 4th Street S.W., Calgary, Alberta T2P 1T1, not less than 48 hours, excluding Saturdays, Sundays and statutory holidays, preceding the Meeting or an adjournment of the Meeting.

ADVICE TO BENEFICIAL SHAREHOLDERS ON VOTING THEIR SHARES

The information set forth in this section is of significant importance to many shareholders of the Corporation, as a substantial number of shareholders do not hold their Shares in their own name. Shareholders who do not hold their shares in their own name (referred to in this Information Circular as “**Beneficial Shareholders**”) should note that only proxies deposited by shareholders whose names appear on the records of the Corporation as the registered holders of Shares can be recognized and acted upon at the Meeting. If Shares are listed in an account statement provided to a shareholder by a broker, then, in

almost all cases, those shares will not be registered in the shareholder's name on the records of the Corporation. Such shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the nominee of The Canadian Depository for Securities Limited, which acts as depository for many Canadian brokerage firms). Shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, a broker and its agents and nominees are prohibited from voting shares for the broker's clients. Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Shares are communicated to the appropriate person.

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

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

APPOINTMENT OF PROXY

A Shareholder has the right to designate a person (who need not be a Shareholder of the Corporation) other than A. Scott Dawson or Harley L. Winger, the management designees, to attend and act for him or her at the Meeting. Such right may be exercised by inserting in the blank space provided, the name of the person to be designated and deleting therefrom the names of the management designees or by completing another proper instrument of proxy and, in either case, depositing the instrument of proxy with the registrar and transfer agent of the Corporation, Valiant Trust Company, Suite 310, 606 - 4th Street S.W., Calgary, Alberta T2P 1T1, not less than 48 hours, excluding Saturdays, Sundays and statutory holidays, preceding the Meeting or adjournment of the Meeting.

REVOCATION OF PROXIES

A shareholder who has given a proxy may revoke it as to any matter upon which a vote has not already been cast pursuant to the authority conferred by the proxy.

A shareholder may revoke a proxy by depositing an instrument in writing, executed by him or his attorney authorized in writing, or, if the shareholder is a corporation, under its corporate seal or signed by a duly authorized officer or attorney for the corporation:

1. at the offices of the registrar and transfer agent of the Corporation, Valiant Trust Company, Suite 310, 606 - 4th Street S.W., Calgary, Alberta T2P 1T1, at any time, not less than 48 hours, excluding Saturdays, Sundays and statutory holidays, preceding the Meeting or adjournment of the Meeting at which the proxy is to be used; or
2. at the registered office of the Corporation, Suite 1600, 333 - 7th Avenue S.W., Calgary, Alberta, T2P 2Z1, at any time up to and including the last business day preceding the day of the Meeting at which the proxy is to be used; or
3. with the Chairman of the Meeting on the day of the Meeting or an adjournment of the Meeting.

In addition, a proxy may be revoked by the shareholder executing another form of proxy bearing a later date and depositing same at the offices of the registrar and transfer agent of the Corporation within the time period set out under the heading "VOTING OF PROXIES", or by the shareholder personally attending the Meeting and voting his shares.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Corporation is authorized to issue an unlimited number of Common Shares and an unlimited number of preferred shares, of which 19,763,841 Common Shares are issued and outstanding and entitled to vote at the Meeting on the basis of one vote for each Common Share held.

The holders of Common Shares of record at the close of business on the record date, set by the directors of the Corporation to be March 26, 2007 (the "**Record Date**"), are entitled to vote such shares at the Meeting on the basis of one vote for each share held, except to the extent that:

1. such person transfers his shares after the Record Date; and
2. the transferee of those shares produces properly endorsed share certificates or otherwise establishes his ownership to the shares;

and makes a demand to the registrar and transfer agent of the Corporation, not later than 10 days before the Meeting, that his name be included on the shareholders' list.

The by laws of the Corporation provide that two persons present and representing in person or by proxy not less than five percent of the issued Shares entitled to vote at the Meeting, constitute a quorum for the Meeting.

To the knowledge of the directors and senior officers of the Corporation, there are no persons who, as at the date hereof, beneficially own, directly or indirectly, or exercises control or direction over shares carrying more than ten percent of the voting rights attached to the Shares.

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the Corporation's directors, the only matters to be placed before the Meeting are those matters set forth in the accompanying notice of Meeting relating to the receipt of the financial statements and auditors' report thereon, the election of directors and the appointment of auditors.

I. Election of Directors

The board of directors (the “**Board**” or “**Board of Directors**”) presently consists of five directors, all of whom are elected annually. It is proposed that the number of directors for the ensuing year be fixed at five. It is proposed that the persons named below will be nominated at the Meeting. Each director elected will hold office until the next annual meeting of shareholders or until his successor is duly elected or appointed pursuant to the by-laws of the Corporation unless his office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (Alberta) the (“**ABCA**”) or the Corporation’s by-laws. **It is the intention of the management designees, if named as proxy, to vote FOR the election of said persons to the board of directors.** Management does not contemplate that any of such nominees will be unable to serve as directors; however, if, for any reason any of the proposed nominees do not stand for election or are unable to serve as such, proxies in favour of management designees will be voted for another nominee in their discretion unless the Shareholder has specified in his proxy that his Shares are to be withheld from voting in the election of directors.

The following information relating to the nominees as directors is based on information received by the Corporation from said nominees.

<u>Name of Proposed Nominee, Place of Residence and Position with the Corporation</u>	<u>Principal Occupation for Past Five Years</u>	<u>Director Since</u>	<u>Number of Common Shares of the Corporation held directly and indirectly⁽⁵⁾</u>
A. Scott Dawson ⁽²⁾ Calgary, Alberta President, Chief Executive Officer, Director	President and Chief Executive Officer of the Corporation. Formerly President and Chief Executive Officer of Tempest Energy; prior thereto, President and Chief Executive Officer of Tier One Energy Corp. from October 1996 to November 1999.	Inception, November 2005	693,896
Kenneth J. Faircloth ⁽¹⁾⁽³⁾ Calgary, Alberta Director	Retired since March 2002; prior thereto an analyst with Raymond James Ltd; prior thereto employed with Richardson Greenshields of Canada Ltd.	Inception, November 2005	125,556
Kenneth S. Woolner ⁽¹⁾⁽²⁾⁽⁴⁾ Calgary, Alberta Director	Chairman of privately owned Oban Energy Ltd.; prior thereto, Executive Chairman of White Fire Energy Ltd.; prior thereto, a senior officer at Lightning Energy Ltd. and Velvet Exploration Ltd.	Inception, November 2005	228,177 ⁽⁶⁾
Harley L. Winger ⁽³⁾⁽⁴⁾ Calgary, Alberta Chairman and Director	Partner of Burstall Winger LLP law firm.	Inception, November 2005	355,382 ⁽⁷⁾
Dean R. Jensen ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾ Calgary, Alberta Director	Partner with Toscana Capital Corporation, a private merchant bank; prior thereto, senior lending positions with the National Bank of Canada.	Inception, November 2005	38,000 ⁽⁸⁾

Notes:

- (1) Member of the audit committee of the Corporation.
- (2) Member of the reserves committee of the Corporation.
- (3) Member of the compensation committee of the Corporation.
- (4) Member of the corporate governance and nominating committee of the Corporation.
- (5) In addition, each director has options to purchase 45,000 Shares; with the exception of A. Scott Dawson who has the option to purchase 215,000 Shares; granted pursuant to the Stock Option Plan. See "Directors' Compensation and Options".
- (6) Includes 58,500 Shares held by 1135570 Alberta Ltd., a corporation controlled by Mr. Woolner.
- (7) Includes 17,658 Shares held by Harley Trading Corporation, a corporation controlled by Mr. Winger.
- (8) Includes 2,000 Shares held in Mr. Jensen's children's RESP and 1,000 Shares held in Mr. Jensen's spousal RRSP.
- (9) The Corporation does not have an executive committee of the Board of Directors.

As of the date hereof, no proposed director of the Corporation is or has been, within the past 10 years, a director or executive officer or of any company (including Open Range) that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days;
- (b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade order or similar order or an order that denied the company access to any exemption under applicable securities legislation for a period of more than 30 consecutive days; or
- (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

As of the date hereof, no proposed director of the Corporation has, within the past 10 years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

II. Appointment of Auditors

KPMG LLP have been the auditors of the Corporation since inception, November, 2005.

The management designees, if named as proxy, intend to vote the Shares represented by any such proxy FOR the appointment of KPMG LLP, Chartered Accountants, as auditors of the Corporation at a remuneration to be fixed by the Board of Directors.

EXECUTIVE COMPENSATION

Executive Officers' Compensation

The Corporation currently has eight executive officers. During the financial year ended December 31, 2006, the Corporation paid aggregate cash compensation of \$1,172,916 to its executive officers. The Form 51-102F6 *Statement of Executive Compensation*, defines "Named Executive Officers" as the Chief Executive Officer, the Chief Financial Officer and each of the Corporation's three most highly compensated executive officers other than the Chief Executive Officer and Chief Financial Officer, who were serving as executive officers during the most recently completed financial year whose total

salary and bonus exceeds \$150,000. For the purposes of this Information Circular “Named Executive Officers” includes all eight of the Corporation’s executive officers.

The following table sets forth all compensation paid by the Corporation for the financial years ended December 31, 2005 and 2006 to the Named Executive Officers:

Summary Compensation Table

Name and Principal Position of Each Named Executive Officer ⁽⁴⁾	Annual Compensation				Long Term Compensation			All Other Compensation (\$)
	Year Ended Dec. 31 ⁽¹⁾	Salary (\$)	Bonus (\$)	Other Annual Compensation (\$) ⁽²⁾⁽³⁾	Securities Under Options SARs Granted (#)	Shares or Unit Subject to Resale Restrictions(\$)	LTIP Payouts (\$)	
A. Scott Dawson President and Chief Executive Officer	2006	100,000	75,000	Nil	65,000	Nil	Nil	Nil
	2005	8,333	Nil	Nil	150,000	Nil	Nil	Nil
Gerald Costigan Executive Vice-President	2006	100,000	60,000	Nil	50,000	Nil	Nil	Nil
	2005	8,333	Nil	Nil	100,000	Nil	Nil	Nil
John Mueller Vice-President, Engineering and Chief Operating Officer ⁽⁶⁾	2006	125,000	50,000	Nil	85,000	Nil	Nil	Nil
	2005	10,417	Nil	Nil	75,000	Nil	Nil	Nil
Lyle Michaluk Vice-President, Finance and Chief Financial Officer ⁽⁸⁾	2006	43,333	25,000	Nil	105,000	Nil	Nil	Nil
Jamie Beninger Vice-President, Land	2006	100,000	35,000	Nil	30,000	Nil	Nil	Nil
	2005	8,333	Nil	Nil	75,000	Nil	Nil	Nil
James Bland Vice-President, Exploration	2006	100,000	35,000	Nil	30,000	Nil	Nil	Nil
	2005	8,333	Nil	Nil	75,000	Nil	Nil	Nil
David Griffith Vice-President, Geophysics	2006	125,000	35,000	Nil	30,000	Nil	Nil	Nil
	2005	10,417	Nil	Nil	75,000	Nil	Nil	Nil

Name and Principal Position of Each Named Executive Officer ⁽⁴⁾	Annual Compensation			Long Term Compensation				
	Year Ended Dec. 31 ⁽¹⁾	Salary (\$)	Bonus (\$)	Other Annual Compensation (\$) ⁽²⁾⁽³⁾	Securities Under Options SARs Granted (#)	Shares or Unit Subject to Resale Restrictions(\$)	LTIP Payouts (\$)	All Other Compensation (\$)
Daniel M. Boyko Vice-President, Business Development and Exploitation ⁽⁷⁾	2006	100,000	35,000	Nil	30,000	Nil	Nil	Nil
Doug Penner Vice-President, Finance and Chief Financial Officer ⁽⁵⁾	2006 2005	29,583 8,333	Nil Nil	Nil Nil	Nil 75,000	Nil Nil	Nil Nil	Nil Nil

Notes:

- (1) Represents period from January 1 to December 31.
- (2) Perquisites and other personal benefits do not exceed the lesser of \$50,000 and 10 percent of the total of the annual salary and bonus for the Named Executive Officers.
- (3) The aggregate amount of other compensation as defined by applicable securities regulations was not greater than the lesser of \$10,000 and 10 percent of the total annual salary and bonus.
- (4) All Named Executive Officers commenced salaried employment at the earliest on December 1, 2005.
- (5) Mr. Penner ceased to hold the office of Vice-President, Finance and Chief Financial Officer as of May 18, 2006.
- (6) Mr. Mueller ceased to hold the office of Vice-President, Engineering and Operations as of May 18, 2006, and was appointed Vice-President, Engineering and Chief Operating Officer on the same date.
- (7) Mr. Boyko was appointed to his position as Vice-President, Business Development and Exploitation on May 18, 2006.
- (8) Mr. Michaluk was appointed to his position as Vice-President, Finance and Chief Financial Officer on September 5, 2006.

Long-Term Incentive Plans

The Corporation does not have any plan providing compensation intended to motivate performance over a period greater than one financial year, other than the Incentive Stock Option Plan.

Incentive Stock Option Plan

The November 2005 Incentive Stock Option Plan (“**Plan**”) provides that the Board of Directors of the Corporation may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Corporation, or any subsidiary of the Corporation, the option to purchase Common Shares. The Plan was implemented at inception and provides for a rolling maximum of ten percent of the Corporation’s issued and outstanding shares at the time of grant on a non-diluted basis, and such amount shall increase or decrease as the number of issued and outstanding shares of the Corporation changes to be reserved for issuance (the “**Plan Limit**”). On December 13, 2005 1,034,000 options were granted at the price of the common shares of Open Range on the preceding day of \$4.61 per share. An additional 140,000 options were granted on January 4, 2006 at \$4.75 per share. 204,000 options were granted on May 17, 2006 at \$4.00 per share. 10,000 options were granted on July 7, 2006 at \$3.40 per share. 100,000 options were granted on July 25, 2006 at \$3.24 per share. 1,000 options were granted on August 2, 2006

at \$3.90 per share. 15,000 options were granted on September 22, 2006 at \$3.03 per share. 310,000 options were granted on November 16, 2006 at \$3.10 per share. In 2006, 141,000 options with an average exercise price of \$4.55 were forfeited as a result of employee departures. The 1,673,000 options currently outstanding represent 8.5 percent of the 19,763,841 currently outstanding Common Shares. Exercise prices range from \$4.75 to \$3.03 with a weighted average exercise price of \$4.17.

Pursuant to the Plan, the options vest as to one third on each of the first, second and third anniversaries of the date of the grant. The number of Common Shares reserved for any one person may not exceed two percent of the outstanding Shares. The Board of Directors is to determine the price per Common Share and the number of Common Shares which may be allotted to each director, officer, employee and consultant and all other terms and conditions of the option, subject to the rules of the Toronto Stock Exchange (the "TSX"). The price per Common Share set by the directors shall not be less than the closing price of the Common Shares on the TSX on the last business day prior to the date on which such option is granted.

Options may be exercisable for up to five years from the date of grant, but the Board of Directors has the discretion to grant options which are exercisable for a different period. Options under the Plan are non-assignable. If prior to the exercise of an option, the holder ceases to be a director, officer, employee or consultant, the option shall be limited to the number of Common Shares purchasable by him/her immediately prior to the time of his/her cessation of office or employment and he/she shall have no right to purchase any other shares. Options must be exercised within 90 days of termination of employment or cessation of position with the Corporation, provided that if the cessation of office, directorship, consulting arrangement or employment was by reason of death or disability, the option must be exercised within 180 days, subject to the expiry date.

Option Grants During the Most Recently Completed Financial Year

The following table sets forth information regarding the options granted to the Named Executive Officers of the Corporation between January 1, 2006 and December 31, 2006. No stock SARs have been granted by the Corporation. To date, there were no additional options granted to the Named Executive Officers after December 31, 2006.

<u>Name</u>	<u>Securities Under Options/SARs Granted (#)</u>	<u>Exercise or Base Price (\$/Security)</u>	<u>Market Value of Securities Underlying Options/SARs on the Date of Grant (\$/Security)</u>	<u>Expiration Date</u>
A. Scott Dawson	15,000	\$4.00	\$4.00	May 17, 2011
President and Chief Executive Officer	50,000	\$3.10	\$3.10	November 16, 2011
Gerald Costigan	15,000	\$4.00	\$4.00	May 17, 2011
Executive Vice-President	35,000	\$3.10	\$3.10	November 16, 2011
John Mueller	75,000	\$4.00	\$4.00	May 17, 2011
Vice-President, Engineering and Chief Operating Officer ⁽¹⁾	10,000	\$3.10	\$3.10	November 16, 2011
Lyle Michaluk	100,000	\$3.24	\$3.24	July 25, 2011
Vice-President, Finance and Chief Financial Officer ⁽²⁾	5,000	\$3.10	\$3.10	November 16, 2011
Jamie Beninger	15,000	\$4.00	\$4.00	May 17, 2011
Vice-President, Land	15,000	\$3.10	\$3.10	November 16, 2011

<u>Name</u>	<u>Securities Under Options/SARs Granted (#)</u>	<u>Exercise or Base Price (\$/Security)</u>	<u>Market Value of Securities Underlying Options/SARs on the Date of Grant (\$/Security)</u>	<u>Expiration Date</u>
James Bland	15,000	\$4.00	\$4.00	May 17, 2011
Vice-President, Exploration	15,000	\$3.10	\$3.10	November 16, 2011
David Griffith	15,000	\$4.00	\$4.00	May 17, 2011
Vice-President, Geophysics	15,000	\$3.10	\$3.10	November 16, 2011
Daniel M. Boyko	15,000	\$4.00	\$4.00	May 17, 2011
Vice-President, Business Development and Exploitation ⁽³⁾	15,000	\$3.10	\$3.10	November 16, 2011

Note:

- (1) Mr. Mueller ceased to hold the office of Vice-President, Engineering and Operations as of May 18, 2006, and was elected Vice-President, Engineering and Chief Operating Officer on the same date.
- (2) Mr. Michaluk was appointed to the office of Vice-President, Finance and Chief Financial Officer on September 5, 2006.
- (3) Mr. Boyko was elected to his position as Vice-President, Business Development and Exploitation on May 18, 2006.

The following table sets out information regarding option exercises and year end option values for the Corporation's Named Executive Officers:

Aggregated Option Exercises and Year End Option Values

<u>Named Executive Officer</u>	<u>Securities Acquired on Exercise (#)</u>	<u>Aggregate Value Realized (\$)</u>	<u>Unexercised Options at Fiscal Year-End (#)</u>		<u>Value of Unexercised in the Money Options at Fiscal Year-End⁽¹⁾ (\$)</u>	
			<u>Exercisable</u>	<u>Unexercisable</u>	<u>Exercisable</u>	<u>Unexercisable</u>
A. Scott Dawson President and Chief Executive Officer	Nil	Nil	50,000	165,000	Nil	\$ 10,000
Gerald Costigan Executive Vice-President	Nil	Nil	33,333	116,667	Nil	\$ 7,000
John Mueller Vice-President, Engineering and Chief Operating Officer ⁽²⁾	Nil	Nil	25,000	135,000	Nil	\$ 2,000
Lyle Michaluk Vice-President, Finance and Chief Financial Officer ⁽³⁾	Nil	Nil	Nil	105,000	Nil	\$ 7,000
Jamie Beninger Vice-President, Land	Nil	Nil	25,000	80,000	Nil	\$ 3,000
James Bland Vice-President, Exploration	Nil	Nil	25,000	80,000	Nil	\$ 3,000

Named Executive Officer	Securities Acquired on Exercise (#)	Aggregate Value Realized (\$)	Unexercised Options at Fiscal Year-End (#)		Value of Unexercised in the Money Options at Fiscal Year-End ⁽¹⁾ (\$)	
			Exercisable	Unexercisable	Exercisable	Unexercisable
David Griffith Vice-President, Geophysics	Nil	Nil	25,000	80,000	Nil	\$ 3,000
Daniel M. Boyko Vice-President, Business Development and Exploitation ⁽⁴⁾	Nil	Nil	25,000	80,000	Nil	\$ 3,000

Note:

- (1) Value is calculated based upon the difference between the exercise price of the options and the closing price on the TSX of \$3.30 as at December 31, 2006.
- (2) Mr. Mueller ceased to hold the office of Vice-President, Engineering and Operations as of May 18, 2006, and was elected Vice-President, Engineering and Chief Operating Officer on the same date.
- (3) Mr. Michaluk was appointed to the office of Vice-President, Finance and Chief Financial Officer on September 5, 2006.
- (4) Mr. Boyko was elected to his position as Vice-President, Business Development and Exploitation on May 18, 2006.

Termination of Employment or Change of Control

The Corporation has entered into agreements with substantially the same terms for each of the Named Executive Officers of the Corporation (the “**Employment Agreements**”). These Employment Agreements provide for salaries to be reviewed by the Board of Directors or the compensation committee at the end of each fiscal year. If the Employment Agreements are terminated by the Corporation without cause or as a result of a change of control of the Open Range, the Named Executive Officers will be entitled to severance payouts equal to: (i) 24 months salary for the President and Chief Executive Officer; (ii) 18 months salary for each of the Executive Vice-President and the Vice-President, Engineering and Chief Operating Officer; and (iii) 12 months salary for each of the Vice-President, Finance and Chief Financial Officer, the Vice-President, Land, the Vice-President, Geophysics, the Vice-President, Exploration, and the Vice-President, Business Development and Exploitation.

Directors’ Compensation

Other than being reimbursed by the Corporation for their expenses, the aggregate cash compensation paid to the directors of the Corporation for services rendered in their capacities as directors, during the fiscal year ended December 31, 2006, was \$15,000. The directors will each be paid an amount of \$20,000 in 2007.

Aggregated Unexercised Options for Directors other than A. Scott Dawson

<u>Name</u>	<u>Securities Under Options/SARs Granted (#)</u>	<u>Exercise or Base Price (\$/Security)</u>	<u>Market Value of Securities Underlying Options/SARs on the Date of Grant (\$/Security)</u>	<u>Expiration Date</u>
Harley L. Winger	30,000	\$4.61	\$4.61	December 13, 2010
Calgary, Alberta Director	15,000	\$3.10	\$3.10	November 16, 2011
Kenneth J. Faircloth	30,000	\$4.61	\$4.61	December 13, 2010
Calgary, Alberta Director	15,000	\$3.10	\$3.10	November 16, 2011
Kenneth S. Woolner	30,000	\$4.61	\$4.61	December 13, 2010
Calgary, Alberta Director	15,000	\$3.10	\$3.10	November 16, 2011
Dean R. Jensen	30,000	\$4.61	\$4.61	December 13, 2010
Calgary, Alberta Director	15,000	\$3.10	\$3.10	November 16, 2011

Composition of the Compensation Committee

The compensation committee is composed of Harley L. Winger, Kenneth J. Faircloth and Dean R. Jensen. None of the committee members are employees of the Corporation.

Report on Executive Compensation

Meetings of the compensation committee are held periodically to review employee compensation policies and to consider the overall compensation to be paid by the Corporation to its employees and senior officers.

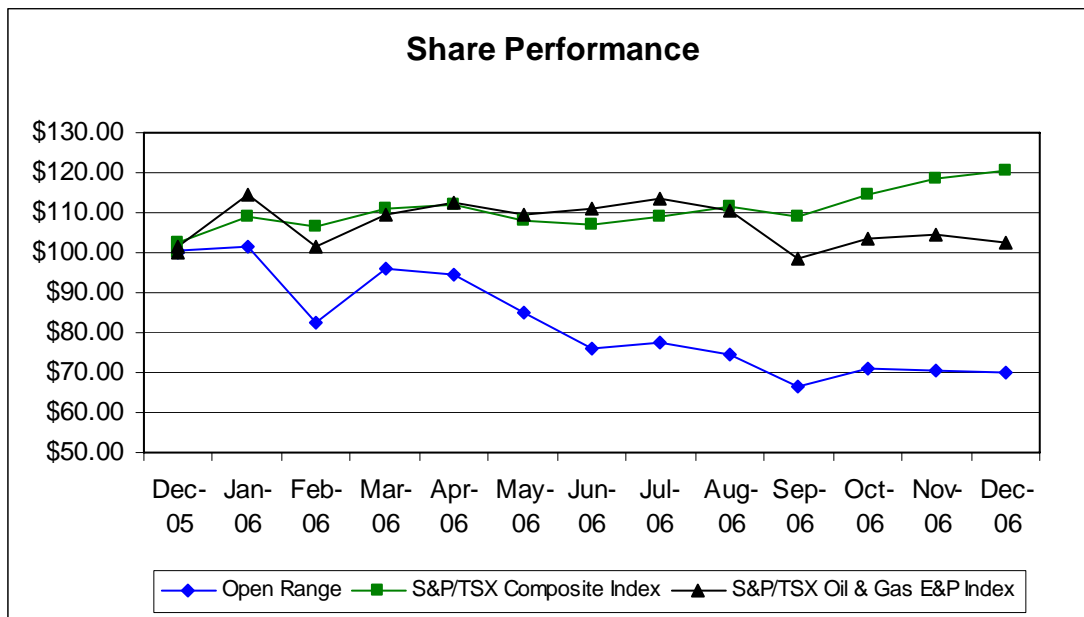
Currently the compensation program for employees of the Corporation is comprised of salary and benefits, the incentive stock option plan, and employee bonuses. The compensation committee views total compensation as a linked strategy towards achieving overall performance targets and has designed a total compensation package of short and long term compensation with fixed and variable compensation components. The philosophy of the committee is that if the Corporation does well the employees will also do well and will be rewarded through either additional cash bonuses, additional option allotments or combinations of any or all of the foregoing. The intent of the committee is to recognize and reward individual performance as well as to provide a competitive industry level of compensation, taking into consideration the individual's experience and performance and the financial performance of the Corporation. The Corporation reviews industry compensation information and compares its level of overall compensation with those of comparable sized oil and gas exploration companies. Generally, the committee targets base salaries at levels approximating those holding similar positions in comparably sized companies in the industry and hopes to achieve superior total compensation levels through the fixed and variable components.

It is intended by the Corporation that stock options continue to be the principal form of long term variable compensation incentive. The quantum and granting of options are related to individual performance and are used as incentives to attract, retain and motivate a highly qualified staff.

The policy of the compensation committee with respect to compensation for the President is to set the base salary slightly lower than the median for public companies of comparable size and complexity, using competitive data from industry surveys to help determine the level of compensation. These salary and option entitlements are also determined based on the Corporation's overall success.

Performance Graph

The following graph and table compare the yearly percentage change in the cumulative shareholder return on the Common Shares from December 2, 2005, the date that the Common Shares began trading on the TSX, (assuming a \$100 investment was made at the closing price on December 2, 2005) with the cumulative total return of The S&P / TSX Composite Index and the TSX Oil and Gas Exploration & Production Index, assuming reinvestment of dividends.



CORPORATE GOVERNANCE

General

The Board of Directors believes that good corporate governance improves corporate performance and benefits all shareholders. The Canadian Securities Administrators (the "CSA") have adopted National Policy 58-201 *Corporate Governance Guidelines*, which provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Corporation. In addition, the CSA have implemented National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101"), which prescribes certain disclosure by the Corporation of its corporate governance practices. This disclosure is presented below.

Board of Directors

Composition of the Board

The Board is comprised of five directors. Each of Kenneth J. Faircloth, Kenneth S. Woolner and Dean R. Jensen is independent for the purposes of NI 58-101, so that a majority of the directors is independent. A. Scott Dawson and Harley L. Winger are not independent for the purposes of NI 52-101 as Mr. Dawson is a senior officer of the Corporation and Mr. Winger is a partner of a law firm which receives advisory fees as legal counsel to the Corporation.

Harley L. Winger is the Chairman of the Board of the Corporation and is responsible for chairing meetings of the Board. He also sits on the corporate governance committee and the compensation committee. As Chairman of the Board, Mr. Winger is responsible for providing direction to the Board in overseeing operations and strategic planning. To that end, he is responsible to call meetings of the Board as required between the regularly schedule quarterly meetings. He is readily available for consultation with the Corporation's Chief Executive Officer and Chief Financial Officer. Though Mr. Winger is not considered an independent director under NI 58-101, the Board believes Mr. Winger executes his duties with independence and provides appropriate guidance to the other independent directors, each of whom has sufficient experience and capability to fulfill his duties in an independent-minded manner.

There were five meetings of the Board during the financial year ended December 31, 2006 and two meetings of the Board since that time. Each director attended each meeting during that period.

The independent directors of the Corporation regularly meet for a portion of each Board meeting without non-independent directors and management participants being present. Both independent and non-independent directors are expected to regularly meet in the form of audit committee, compensation committee, corporate governance and nominating committee and reserves committee meetings. There were four meetings of the audit committee, two meetings of the compensation committee, and one meeting of each of the corporate governance and nominating committee and reserves committees held during the financial year ended December 31, 2006 and one meeting of each of the audit committee and reserves committee since that time.

Certain of the directors are also directors of other reporting issuers, as follows:

Director	Other Reporting Issuers
A. Scott Dawson	Glamis Resources Ltd., Rockyview Energy Inc.
Kenneth J. Faircloth	Accrete Energy Inc.
Kenneth S. Woolner	Brompton Group, Highpine Oil & Gas Limited, Orleans Energy Ltd.
Harley L. Winger	Canoro Resources Ltd., Culane Energy Corp., Excelsior Energy Inc., Glamis Resources Ltd., Redcliffe Energy Inc., Rival Energy Ltd.

Board Mandate

The mandate of the Board of Directors pursuant to the ABCA is to manage or supervise the management of the business and affairs of the Corporation. The Board has a written charter, the text of which is attached as Schedule "A" hereto.

The Board discharges its responsibilities directly and through its committees. At regularly scheduled meetings, the Board and management discuss the issues relevant to the Corporation's strategy and business.

The Chairman of the Board and the chair of each committee of the Corporation have been charged by the Board with: (i) the responsibility for calling and attending regularly scheduled meetings of the Board and of each committee, as applicable; and (ii) facilitating the effective administration of the charter of the Board and of each committee, respectively. The Board typically advises each such chair annually of the mandate of each committee, including a review of the text of any committee charter, and advises on an ongoing basis of any changes to any of the Board or committee charters.

There were five meetings of the Board during the financial year ended December 31, 2006. One regularly scheduled Board meeting is generally held in each fiscal quarter, with additional meetings called as the need arises. The nature of the business discussed and conducted by the Board at any particular meeting is dependent upon the then current state of the Corporation's business and the opportunities or risks which the Corporation faces at that time. However, every Board meeting includes a review of the Corporation's financial and operational status and performance and a report from any Board committees that have met since the last Board meeting.

The full Board has responsibility for administering the Board's relationship to management. Management's responsibilities include developing the Corporation's strategic planning process and producing the strategic plan. The Board's responsibilities include: adopting the Corporation's strategic planning process and approving the strategic plan; reviewing and approving the Corporation's major business development initiatives; and the general review of the Corporation's operating results, including the evaluation of the general and specific performance of management.

In order to assist in fulfilling this mandate, the Board is provided with an operating review of the Corporation by management on a quarterly basis. The Board of Directors expects senior management to present to the Board of Directors for discussion and approval, as required, an analysis of all major strategic initiatives, including proposed operating budgets, long-term plans, acquisitions and divestitures of a material nature, and all other proposed or actual material changes in all parts of the Corporation's business. The Board of Directors regularly reviews reports from management with respect to the performance and business risks of the Corporation's business units, as well as management's expectations and planned actions with respect to such units. In conjunction with these reviews, the Board discusses various strategic planning matters and identifies business and other risks associated with the activities of the Corporation, as it considers appropriate.

The Board is responsible for understanding the principal risks associated with Open Range's business on an ongoing basis and management is responsible to ensure that the Board and its committees are kept well informed of these changing risks on a timely basis.

Assessments

The Board, its committees and each individual director are assessed annually regarding his, her or its effectiveness and contribution. Such assessment considers:

- i. in the case of the Board or a Board committee, its mandate or charter, and
- ii. in the case of an individual director, the applicable position description(s), as well as the competencies and skills each individual director is expected to bring to the Board.

Position Descriptions

The Board has developed written position descriptions for the Chairman or the Chair of each committee. These descriptions are set out fully in written charter of the Board, the text of which is attached as Schedule “A” hereto.

Orientation and Continuing Education of Board Members

New Board members receive an orientation package which includes current reports on operations and results, and public disclosure filings by the Corporation. In addition, management of the Corporation makes itself available for discussion with all Board members.

Measures to Encourage Ethical Business Conduct

The Board has adopted a written code of business conduct and ethics, and encourages and promotes a culture of ethical business conduct. The Board has implemented levels of authority within the Corporation’s organization, which impose limitations and checks on the types of decisions that may be taken by any given person. This applies to various financial and other business-related decisions, from purchase orders to budgets. This written code applies to the directors, officers and employees of the Corporation. The Corporation monitors compliance with the code by requiring each director, officer and employee to affirm in writing on an annual basis their agreement to abide by the code and to advise of any conflicts of interest. The Board will review any alleged breaches of the code, to the extent that the management of the Corporation is unable to make a determination as to whether a breach of the code has taken place. A copy of the code of business conduct may be obtained by contacting the Vice-President, Finance and Chief Financial Officer of the Corporation by mail at: Suite 1100, 645 – 7th Avenue S.W., Calgary, Alberta, T2P 4G8.

Nomination of Board Members

The corporate governance and nominating committee will consider the Board’s size each year when it considers the number of directors to propose to the Board for recommendation to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board’s duties effectively and to maintain a diversity of view and experience.

Prior to nominating or appointing individuals as directors, the corporate governance and nominating committee has adopted a process involving the following steps:

- i. considering what competencies and skills the Board, as a whole, should possess; and
- ii. assessing what competencies and skills each existing director possesses.

Determination of Compensation of Directors and Officers

The Board’s mandate includes reviewing and approving appropriate practices for determining and establishing compensation for the directors of the Corporation to ensure it reflects the responsibilities and risks of being a director of a public company.

The compensation committee's mandate includes developing appropriate compensation policies for the senior management and directors of the Corporation, including the Corporation's incentive stock option plan, and evaluating senior management. These responsibilities include reporting and making

recommendations to the Board of Directors for its consideration and approval. The compensation committee meets at least annually to fulfill its mandate.

The compensation committee is currently comprised of Kenneth J. Faircloth, Harley L. Winger and Dean R. Jensen, all of whom are independent directors.

Board Committees

Under the ABCA and the by-laws of the Corporation, the Board may appoint a committee of directors and delegate to such committee any of the powers of the directors, subject to the ABCA. The Board of Directors has formally appointed four committees: the audit committee, the compensation committee, the corporate governance and nominating committee and the reserves committee. The Board does not have an executive committee.

The Board has developed the mandate of each committee and reviews such mandates regularly. The Board reviews the recommendations of all its committees, and decides on whether and how to implement such recommendations.

The mandate of the audit committee is described in the Corporation's 2006 annual information form ("AIF"), which mandate is available on the System for Electronic Document Analysis and Retrieval (SEDAR) website at www.sedar.com and is incorporated herein by reference. The mandate of the compensation committee is described above and under the heading "Compensation of Executive Officers – Composition of the Compensation Committee".

The corporate governance and nominating committee is responsible for the development of the overall governance of the Corporation; the continuing assessment of corporate governance matters; making recommendations to the Board of Directors regarding the Corporation's approach to corporate governance; and reviewing the composition of the Board to ensure that an appropriate number of directors with adequate competencies and skills sit on the Board. The corporate governance and nominating committee meets at least annually to fulfill its mandate.

The corporate governance committee is currently comprised of Kenneth S. Woolner, Harley L. Winger and Dean R. Jensen, all of whom are independent directors.

The reserves committee is responsible for periodic review and updating of the Corporation's internal reserves data, meeting with the Corporation's independent reserves evaluators, independent of management and reviewing the way the Corporation's reserves information is evaluated and presented. The reserves committee is comprised of A. Scott Dawson, Kenneth S. Woolner and Dean R. Jensen, the majority of whom are independent directors.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

There has been no indebtedness outstanding by directors or senior officers of the Corporation to the Corporation or its subsidiaries at any time since the end of the last completed financial year of the Corporation.

INTEREST OF INSIDERS IN MATERIAL TRANSACTIONS

There are no material interests, direct or indirect, of any insider of the Corporation, any proposed nominee for election as a director of the Corporation or any associate or affiliate of any such person in any transaction during the year ended December 31, 2006, or in any proposed transaction, that has materially affected or would materially affect the Corporation.

Harley L. Winger, a director of the Corporation, and Jarrod Isfeld, Secretary of the Corporation are partners of the law firm Burstall Winger LLP, which firm has provided and continues to provide legal services to the Corporation in the ordinary course of business.

ADDITIONAL INFORMATION

Information concerning the business of the Corporation and its principal oil and gas properties, as well as selected financial information can be found in the Corporation's AIF, which is available on the SEDAR website at www.sedar.com. Information concerning the mandate and composition of the Corporation's Audit Committee of the Board of Directors can be found in Schedule "A" to the AIF.

Financial information is provided in the Corporation's audited financial statements and accompanying managements' discussion and analysis ("MD&A") for the year ended December 31, 2006. The 2006 audited financial statements and MD&A have been mailed to registered shareholders concurrently with the mailing of this information circular and are available on the SEDAR website at www.sedar.com.

Under National Instrument 54-102, any person or company who wishes to receive interim financial statements from the Corporation may deliver a written request for such material to the Corporation or the Corporation's agent, together with a signed statement that the person or company is the owner of securities of the Corporation. Shareholders who wish to receive interim financial statements are encouraged to send the enclosed mail card, together with the completed form of proxy, in the addressed envelope provided, to the Corporation's transfer agent, Valiant Trust Company, Suite 310, 606 - 4th Street S.W., Calgary, Alberta T2P 1T1. The Corporation will maintain a supplemental mailing list of persons or companies wishing to receive interim financial statements.

Additional information relating to the Corporation is available on the SEDAR website at www.sedar.com.

GENERAL

All matters referred to herein for approval by the shareholders require a majority of the shareholders voting, in person or by proxy, at the Meeting.

Unless otherwise stated, the information contained herein is given as of the 26th day of March, 2007.

SCHEDULE "A"

OPEN RANGE ENERGY CORP. Board of Directors Charter December 31, 2006

MAJOR GOALS

The major goals and responsibilities of the Board of Directors of Open Range Energy Corp. (the "**Corporation**") are to:

- Oversee the management of the business and affairs of the Corporation;
- Establish policy direction and the fundamental objectives of the Corporation;
- Protect and enhance the assets of the owners of the Corporation and to look after their interests in general;
- Ensure continuity in the governance of the Corporation.

MAJOR DUTIES

1. Determine and control in broad terms the purposes, goals, activities, and general characteristics of the Corporation. These duties range from establishing objectives, scope of operations, fundamental strategies and policies and key strategic initiatives down to approving annual budgets, long-range plans, major capital investments, mergers and acquisitions, issuance of stock options and stock, and other specific actions that are likely to have a substantial effect on the Corporation or that the Board is legally required to take. Day-to-day operation of the Corporation's business is, generally speaking, the responsibility of management.
2. Appoint a chief executive officer and other senior officers, define their respective duties, monitor and evaluate their performance, provide for adequate succession, and replace the chief executive officer or other officers when appropriate.
3. Identify the principal risks of the Corporation's business and ensure the implementation of appropriate systems to manage these risks.
4. Oversee corporate financial operations, including:
 - debt and equity financings;
 - selection of outside auditors for approval by the shareholders; and
 - appoint an audit committee, oversee the activities of the audit committee and receive and consider the recommendations of the audit committee with respect to the financial statements of the Corporation and related disclosures, reports to shareholders and other related communications, establishment of appropriate financial policies and integrity of accounting systems and internal controls.

5. Set policies related to, and assist management in its relations and sensitive communications with:
 - shareholders;
 - the investing public;
 - governments and regulatory agencies;
 - employees;
 - the financial community;
 - communities in which the Corporation operates; and
 - appoint a corporate governance committee, oversee the activities of the corporate governance committee and receive and consider the recommendations of the corporate governance committee.
6. Require the Corporation to comply with appropriate laws and regulations.
7. Manage Board operations:
 - fix the size of the Board and, subject to the approval of the shareholders, determine its membership;
 - appoint a Chairman, appropriate committees including an audit committee, compensation committee and corporate governance committee, and committee chairmen;
 - define the duties of the Chairman and the committees;
 - be responsible, through the corporate governance committee, for developing the Corporation's approach to governance issues generally, including its response to any applicable governance guidelines;
 - formulate, through the corporate governance committee, rules and guidelines governing and regulating the affairs of the Board such as tenure, retirement and compensation of directors;
 - ensure that the information needs of the members of the Board are being met; and
 - assess any actual, apparent or perceived conflicts arising as a result of any individual business interests of directors.

ROLE AND RESPONSIBILITIES OF THE CHIEF EXECUTIVE OFFICER, CHAIRMAN OF THE BOARD

Chairman of the Board

The Chairman of the Board shall have, among others, the following responsibilities:

- in conjunction with the Chief Executive Officer, planning the meetings of the Board, establishing the agenda of these meetings, and coordinating the activities of the Corporate Secretary as regards the affairs of the Board and its committees;
- chairing all of the meetings of the Board, ensuring the proper and efficient conduct thereof, ensuring that all members are able to express their opinions on the topics being discussed and making sure that the decisions made by the Board are clear;
- ensuring that all strategically important issues are communicated to the Board for approval and that the Board receives the information, reports, documents it needs to allow its members to assume their role fully;
- following up on the implementation of decisions made by the Board;
- ensuring that all policies of the Board relating to compliance with regulations as well as ethics and conduct standards are communicated to all interested parties;
- receiving any complaint respecting breaches of the code of ethics on the part of the independent directors and bringing these to the attention of the Board in order that the matter may be dealt with appropriately; and
- ensuring that the Board and each of its committees respect their respective mandates (or charters).

Chief Executive Officer

The Chief Executive Officer shall have, among others, the following responsibilities:

- in conjunction with the Chairman, planning the meetings of the Board and establishing the agenda of the meetings;
- supervising the management team and employees of the Corporation;
- in collaboration with the management team, preparing strategic plans and budgets, financial statements and any other information respecting the affairs of the Corporation that must periodically be submitted to the Board for approval or verification;
- ensuring the daily management and execution of the strategic plan of the Corporation as well as implementing the decisions, guidelines and policies of the Board;

- ensuring the efficient use of resources available to the Corporation to reach its strategic objectives, including its objectives in terms of growth and short- and long-term profitability;
- representing the Corporation before the principal interested parties: employees, shareholders, financial world, governments and general public; and
- receiving any complaint respecting breaches of the code of ethics on the part of the officers and employees and bringing these to the attention of the Board in order that the matter may be dealt with appropriately.

Committee Chairs

Every chair of a Board committee shall have, among others, the following responsibilities:

- planning committee meetings, establishing the agenda of these meetings and coordinating the activities of the Corporate Secretary as regards the affairs of the committee; and
- chairing all of the meetings of the committee, ensuring the proper and efficient conduct hereof, ensuring that all members are able to express their opinions on the topics being discussed and making sure that the decisions or recommendations made by the committee are clear.

The chair of a committee shall report to the Board in matters relating to his mandate and to the work of his committee.