

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 and special meeting (the "Meeting") of holders of common shares ("Common Shares" or "Shares") of the Corporation to be held in the Royal Room of the Metropolitan Conference Centre, 333 - 4th Avenue S.W., Calgary, Alberta on May 15, 2008, at 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 ("**Shareholders**" or "**shareholders**"), 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 Broadridge Financial Solutions ("**Broadridge**") (formerly ADP Investor Communications). Broadridge 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 Broadridge. Broadridge 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 a Broadridge sticker on it cannot use that proxy to vote Shares directly at the Meeting. The proxy must be returned to Broadridge 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 Lyle D. Michaluk, 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.

REVOCAION 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 21,812,941 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, 2008 (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 as at the date hereof, there are no persons who beneficially own, directly or indirectly, Common Shares carrying more than 10% of the voting rights of the outstanding Common Shares of the Corporation, except as noted below:

<u>Name and Municipality of Residence</u>	<u>Type of Ownership</u>	<u>Number of Common Shares</u>	<u>Percentage of Common Shares</u>
Resolute Performance Fund – Toronto, ON	Common Shares	2,687,000	12%

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 in the 2007 Annual Report of the Corporation, the appointment of auditors, the approval of the amended share option plan and the election of directors.

I. Financial Statements

At the Meeting, shareholders will receive the audited financial statements of the Corporation for the most recently completed financial year of the Corporation (being the year ended December 31, 2007), together with the auditors' report thereon in the 2007 Annual Report of the Corporation.

II. Appointment of Auditors

KPMG LLP have been the auditors of the Corporation since 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 of the Corporation (the "**Board**" or the "**Board of Directors**").

III. Approval of Amended Share Option Plan

Shareholders will be asked at the Meeting to adopt a resolution approving the Corporation's share option plan (the "**Share Option Plan**" or the "**Plan**") inclusive of the Amendments thereto (as hereinafter defined).

Amendment of the Share Option Plan is deemed advisable following issuance by the Toronto Stock Exchange (the "**TSX**") of Staff Notice 2006-0001 dated June 6, 2006 (the "**TSX Notice**"), which requires shareholder approval for all amendments, including ministerial amendments, to security-based compensation arrangements (such as the Share Option Plan) for all issuers that only have "general" amendment provisions in their plans. The original amendment provisions of the Share Option Plan were adopted by the Shareholders and granted the Board a general power of amendment. Pursuant to this power of amendment, the Board was, prior to the effective date of the TSX Notice; able to make amendments to the Share Option Plan subject to obtaining any required regulatory or Shareholder approval.

As a consequence of the TSX Notice, the Corporation proposes that the amendment provisions of the Share Option Plan, that is, Section 16 of the Share Option Plan, be replaced by new amendment provisions which are summarized below. Such new amendment provisions, together with certain other amendments to the Share Option Plan as are also summarized below (collectively, the "**Amendments**"), were approved by the Board on March 18, 2008, and have been conditionally approved by the TSX, but are subject to approval by the shareholders at the Meeting.

The Amendments have:

- (a) provided that each participant shall enter into an option agreement in prescribed form in respect of their options;

- (b) made provisions, in accordance with the policies of the TSX, that the Board of Directors of the Corporation may at any time or from time to time, in its sole discretion amend, suspend or terminate the Plan or any option agreement, or any portion thereof, and may do so without shareholder approval, subject to those provisions of applicable law, if any, that require the approval of shareholders or any governmental regulatory body. Without limiting the generality of the foregoing, the Board of Directors of the Corporation may make the following types of amendments to the Plan or any option agreement without seeking shareholder approval:
- (i) amendments of a "housekeeping nature", including for the purpose of curing any ambiguity, inconsistency, error or omission in the Plan;
 - (ii) amendments necessary to comply with the provisions of applicable law (including the rules, regulations and policies of the TSX);
 - (iii) amendments necessary in order for option awards to qualify for favourable treatment under applicable taxation laws;
 - (iv) amendments respecting administration of the Share Option Plan;
 - (v) amendments regarding the terms and conditions in which vesting of options occurs, including the acceleration of vesting;
 - (vi) amendments regarding the terms and conditions in respect of the applicable Option Price in respect of Options held by non-Insider participants;
 - (vii) amendments necessary to suspend or terminate Options or the Plan in accordance with applicable law; and
 - (viii) any other amendment, whether fundamental or otherwise, not requiring Shareholder approval under applicable law;
- (c) provided that, if an Option is to expire during a period when the participant is prohibited by the Corporation from trading in common shares of the Corporation pursuant to its policies ("**Blackout Period**"), or within ten (10) business days of expiry of such Blackout Period, the term of such Option shall automatically be extended for a period of ten (10) business days immediately following the end of the Blackout Period ("**Blackout Extension Period**"); and
- (d) removed the provision that the normal expiry date of any option granted may be extended for a period of not more than six (6) months following its initial expiry date, if the Optionee is restricted from exercising any options as a result of any blackout or restricted period imposed by the Corporation or as a result of applicable law.

(Capitalized terms used above and not otherwise defined in this Information Circular, in describing the Amendments, shall have the meaning ascribed thereto in the Share Option Plan.)

The full text of the revised form of Share Option Plan, inclusive of the Amendments thereto described above, which is to be approved by the Shareholders at the Meeting, is attached as Schedule "B" hereto.

At the Meeting, the Shareholders will be asked to approve the following resolution:

"BE IT RESOLVED THAT:

1. The Share Option Plan of Open Range Energy Corp. (the "**Corporation**"), including the Amendments thereto, all as more fully set forth and described in the Information Circular of the Corporation, and in the form attached as Schedule "B" to the Information Circular, be and is hereby approved and adopted, affirmed, ratified and confirmed; and

2. Any one (1) director or officer of the Corporation be authorized to make all such arrangements, to do all acts and things and to sign and execute all documents and instruments in writing, whether under the corporate seal of the Corporation or otherwise, as may be considered necessary or advisable to give full force and effect to the foregoing."

If named as proxy, the management designees intend to vote the Common Shares represented by such proxy FOR approval of the Plan, unless otherwise directed in the instrument of proxy.

The resolution must be approved by a simple majority of the votes of Shareholders cast in person or by proxy at the Meeting.

IV. Election of Directors

The Board 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.

Name of Proposed Nominee, Place of Residence and Position with the Corporation	Principal Occupation for Past Five Years	Director Since	Number of Common Shares Beneficially Owned, Directly or Indirectly, or Controlled or Directed ⁽⁵⁾
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.	Inception, November 2005	721,096
Kenneth J. Faircloth ⁽¹⁾⁽³⁾ Calgary, Alberta Director	Retired since March 2002; formerly an analyst with Raymond James Ltd; prior thereto employed with Richardson Greenshields of Canada Ltd.	Inception, November 2005	95,556
Kenneth S. Woolner ⁽¹⁾⁽²⁾⁽⁴⁾ Calgary, Alberta Director	Chairman of privately owned Oban Energy Ltd.; formerly Executive Chairman of White Fire Energy Ltd.; prior thereto, a senior officer at Lightning Energy Ltd. and Velvet Exploration Ltd.	Inception, November 2005	94,731
Harley L. Winger ⁽³⁾⁽⁴⁾ Calgary, Alberta Chairman and Director	Partner of Burstall Winger LLP law firm.	Inception, November 2005	440,882 ⁽⁶⁾
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 ⁽⁷⁾

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 230,000 Shares; granted pursuant to the Share Option Plan. See "Directors' Compensation and Options".
- (6) Includes 26,158 Shares held by Harley Trading Corporation, a corporation controlled by Mr. Winger.
- (7) Includes 2,000 Shares held in Mr. Jensen's children's RESP and 1,000 Shares held in Mr. Jensen's spousal RRSP.
- (8) The Corporation does not have an executive committee of the Board of Directors.

No proposed director of the Corporation is, as of the date of this information circular, 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; or

(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.

No proposed director of the Corporation is, as of the date of this information circular, or has been within the past 10 years, a director or executive officer of any company (including Open Range) that, while that person was acting in that capacity, or 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.

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.

EXECUTIVE COMPENSATION

Executive Officers' Compensation

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.

The following table sets forth all compensation paid by the Corporation for the financial years ended December 31, 2007, 2006 and 2005 to the Named Executive Officers:

Summary Compensation Table

Name and Principal Position of Each Named Executive Officer ⁽⁴⁾	Year Ended Dec. 31 ⁽¹⁾	Annual Compensation			Long Term Compensation			All Other Compensation (\$)
		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	2007	175,000	90,000	Nil	15,000	Nil	Nil	Nil
	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	2007	150,000	75,000	Nil	15,000	Nil	Nil	Nil
	2006	100,000	60,000	Nil	50,000	Nil	Nil	Nil
	2005	8,333	Nil	Nil	100,000	Nil	Nil	Nil

Name and Principal Position of Each Named Executive Officer ⁽⁴⁾	Year Ended Dec. 31 ⁽¹⁾	Annual Compensation			Long Term Compensation			
		Salary (\$)	Bonus (\$)	Other Annual Compensation (\$) ⁽²⁾⁽³⁾	Securities Under Options SARs Granted (#)	Shares or Unit Subject to Resale Restrictions(\$)	LTIP Payouts (\$)	All Other Compensation (\$)
John Mueller	2007	140,000	60,000	Nil	15,000	Nil	Nil	Nil
Vice-President, Engineering and Chief Operating Officer ⁽⁵⁾	2006	125,000	50,000	Nil	85,000	Nil	Nil	Nil
	2005	10,417	Nil	Nil	75,000	Nil	Nil	Nil
Lyle Michaluk	2007	135,000	50,000	Nil	15,000	Nil	Nil	Nil
Vice-President, Finance and Chief Financial Officer ⁽⁶⁾	2006	43,333	25,000	Nil	105,000	Nil	Nil	Nil
James Bland	2007	130,000	45,000	Nil	15,000	Nil	Nil	Nil
Vice-President, Exploration	2006	100,000	35,000	Nil	30,000	Nil	Nil	Nil
	2005	8,333	Nil	Nil	75,000	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. 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.
- (6) 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 Share Option Plan.

Incentive Share Option Plan

Open Range has adopted a share option plan (the "**Share Option Plan**" or "**the Plan**") for directors, officers, employees and consultants of the Corporation or any of its subsidiaries or affiliates. The maximum number of Common Shares issuable pursuant to the Share Option Plan is 10% of the issued and outstanding Common Shares of the Corporation. As of the date hereof, this represents 2,181,294 Common Shares of the Corporation.

The November 2005 Incentive Share Option 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. Shareholders are being asked to approve an amendment to the Share Option Plan in order to bring the Share Option Plan in compliance with the TSX. See particulars of Matters to be Acted Upon - Approval of Amended Share Option Plan.

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 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.

Under the Share Option Plan, the number of Common Shares reserved for issuance pursuant to the Share Option Plan to any one person shall not exceed five percent (5%) of the outstanding Common Shares. The number of Common Shares issued to insiders within a one (1) year period pursuant to the Share Option Plan and all other security based compensation arrangements of the Corporation shall not exceed ten percent (10%) of the issued and outstanding Common Shares. The number of Common Shares issuable to insiders pursuant to the Share Option Plan and all other security based compensation arrangements of the Corporation shall not exceed ten percent (10%) of the issued and outstanding Common Shares. The number of Common Shares reserved for issuance to optionees (the "**Optionee**") that are not officers, employees or consultants to the Corporation or its subsidiaries will not exceed two percent (2%) in the aggregate of the issued and outstanding Common Shares. As of the date hereof, there are outstanding options to purchase a total of 2,061,500 Common Shares, issued to directors, officers, employees and consultants of the Corporation which represents nine percent (9%) of the issued and outstanding Common Shares of the Corporation. No options issued to date have been exercised.

Under the Share Option Plan, an Optionee may make an offer (the "**Surrender Offer**") to the Corporation, at any time, for the disposition and surrender by the Optionee to the Corporation (and the termination thereof) of any of the Options granted under the Plan for an amount (not to exceed fair market value) specified therein by the Optionee and the Corporation may, but is not obligated to, accept the Surrender Offer, subject to any regulatory approval required. If the Surrender Offer, either as made or as renegotiated, is accepted, the Options in respect of which the Surrender Offer relates shall be surrendered and deemed to be terminated and cancelled and shall cease to grant the Optionee any further rights under the Plan upon payment of the amount of the agreed Surrender Offer by the Corporation to the Optionee.

If the outstanding shares of the Corporation are increased, decreased, changed into or exchanged for a different number or kind of shares of securities of the Corporation through re-organization, merger, recapitalization, stock dividend, subdivision or consolidation, an appropriate and proportionate adjustment shall be made in the maximum number or kind of shares as to which options may be granted under the Share Option Plan. A corresponding adjustment changing the number or kind of shares

allocated to unexercised options or portions thereof, which shall have been granted prior to any such change, shall likewise be made. Any such adjustment in the outstanding options shall be made without change in the aggregate purchase price applicable to the unexercised portion of the option but with a corresponding adjustment in the price for each share or other unit of any security covered by the option. Upon the liquidation or dissolution of the Corporation or upon a re-organization, arrangement, merger or consolidation of the Corporation with one or more corporations as a result of which the Corporation or other entity, is not the surviving corporation, or upon the sale of substantially all of the property or more than sixty-six and two-thirds (66 2/3%) percent of the then outstanding shares of the Corporation to another corporation or other entity, the Share Option Plan shall terminate, and any options theretofore granted under the Plan shall terminate (with or without any consideration as determined by the Board in its absolute discretion) unless provision is made in writing in connection with such transaction for the continuance of the Share Option Plan and for the assumption of options theretofore granted, or the substitution for such options of new options covering the shares of a successor employer or other entity, corporation, or a parent or subsidiary thereof, with appropriate adjustments as to number and kind of shares and prices, in which event the Share Option Plan and options theretofore granted shall continue in the manner and upon the terms so provided. If the Share Option Plan and unexercised options shall terminate pursuant to the foregoing sentence all persons then entitled to exercise an unexercised portion of options then outstanding shall have the right at such time as the Corporation shall designate, prior to consummation of the event which results in the termination of the Share Option Plan, to exercise their options to the full extent not theretofore exercised. In addition, whether or not the Share Option Plan and unexercised options terminate pursuant to the foregoing, the Board shall have the right, in its absolute discretion, to accelerate any unvested and unexercised portion of options then outstanding in the event of a reorganization, arrangement, merger, consolidation of the Corporation with one or more corporations or other entities as contemplated by the foregoing or a take-over bid for all of the outstanding Common Shares.

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, 2007 and December 31, 2007. No SARs have been granted by the Corporation. To date, there were no additional options granted to the Named Executive Officers after December 31, 2007.

<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, President & Chief Executive officer	15,000	3.60	3.60	May 17, 2012
Gerald Costigan, Executive Vice-President	15,000	3.60	3.60	May 17, 2012
John Mueller, Vice-President, Engineering and Chief Operating Officer ⁽¹⁾	15,000	3.60	3.60	May 17, 2012
Lyle Michaluk, Vice-President Finance & Chief Financial Officer ⁽²⁾	15,000	3.60	3.60	May 17, 2012
James Bland, Vice-President, Exploration	15,000	3.60	3.60	May 17, 2012

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

Notes:

- (1) 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.
- (2) Mr. Michaluk was appointed to his position as Vice-President, Finance and Chief Financial Officer on September 5, 2006.

Aggregated Option Exercises and Year End Option Values

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
A. Scott Dawson President and Chief Executive Officer	Nil	Nil	121,667	108,333	Nil	Nil
Gerald Costigan, Executive Vice-President	Nil	Nil	83,333	81,667	Nil	Nil
John Mueller, Vice-President, Engineering and Chief Operating Officer ⁽²⁾	Nil	Nil	78,333	96,667	Nil	Nil
Lyle Michaluk Vice-President, Finance and Chief Financial Officer ⁽³⁾	Nil	Nil	35,000	85,000	Nil	Nil
James Bland, Vice-President, Exploration	Nil	Nil	60,000	60,000	Nil	Nil

Notes:

- (1) Value is calculated based upon the difference between the exercise price of the options and the closing price on the TSX of \$2.81 as at December 31, 2007.
- (2) Mr. Mueller ceased to hold 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.
- (3) Mr. Michaluk was appointed to his position as Vice-President, Finance and Chief Financial Officer on September 5, 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 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 and the Vice-President, Exploration.

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, 2007, was \$80,000. The directors will each be paid an amount of \$20,000 in 2008.

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 share 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

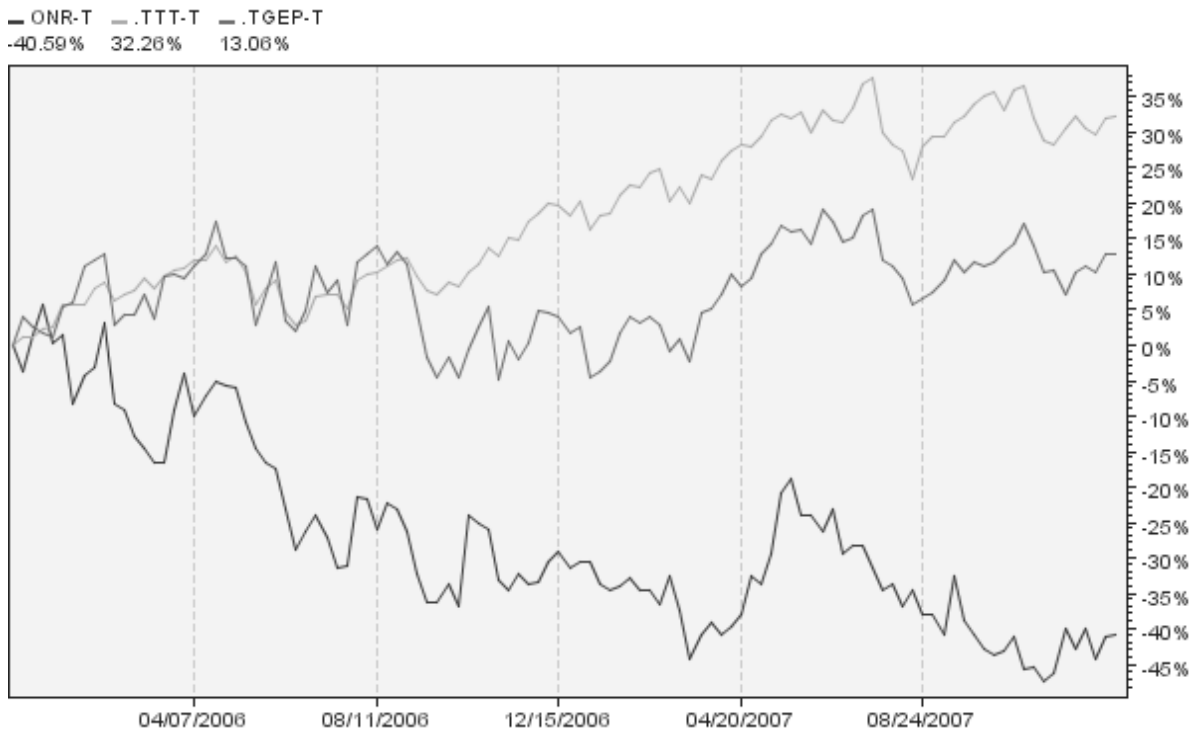
overall compensation with those of comparable sized oil and gas exploration companies. Generally, the committee targets base salaries at levels approximating those holding similar positions in comparably sized companies in the industry and hopes to achieve superior total compensation levels through the fixed and variable components.

It is intended by the Corporation that share 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 for the last three (3) years, (assuming a \$100 investment was made at the closing price on December 2, 2005, the date the Common Shares began trading on the TSX) 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.



EQUITY COMPENSATION PLAN

The Corporation has the Share Option Plan under which equity securities of the Corporation (being Common Shares). The following table sets forth summary information regarding the Corporation's equity compensation plans as at December 31, 2007.

Plan Category	Number of Common Shares to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders: - Share Option Plan ⁽¹⁾	1,926,500	\$4.08	252,794
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	1,926,500		252,794

Note:

- (1) The maximum number of Common Shares issuable upon the exercise of options granted under the Share Option Plan is 10% of the issued and outstanding Common Shares of the Corporation.

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 58-101 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 four meetings of the Board during the financial year ended December 31, 2007 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, one meeting 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, 2007 and one meeting of each of the audit committee and reserves committee.

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

Director	Other Reporting Issuers
A. Scott Dawson	Glamis Resources Ltd.
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

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 schedule 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, 2007. 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 share 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, the majority 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 2007 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, the majority 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, 2007, 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, 2007. The 2007 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, 2008.

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.

SCHEDULE "B"

OPEN RANGE ENERGY CORP.

SHARE OPTION PLAN

1. Purpose of Plan

The purpose of this plan is to develop the interest of officers, directors, employees of, and consultants to, Open Range Energy Corp. and its subsidiaries or persons providing services on an ongoing basis thereto in the growth and development of the Corporation and its subsidiaries by providing them with the opportunity through share options to acquire an increased proprietary interest in the Corporation.

2. Defined Terms

Where used herein, the following terms shall have the following meanings, respectively:

- (a) **"Board"** means the board of directors of the Corporation;
- (b) **"Common Shares"** means the common shares of the Corporation or, in the event of an adjustment contemplated by Article 11 hereof, such other Common Shares to which an Optionee may be entitled upon the exercise of an Option as a result of such adjustment;
- (c) **"Committee"** means a special committee of the board of directors appointed from time to time by the Board to administer the Plan or, if no such committee is appointed, the Board;
- (d) **"Corporation"** means Open Range Energy Corp., and includes any successor corporation thereof;
- (e) **"Exchange"** means the Toronto Stock Exchange or, if the Common Shares are not then listed and posted for trading on the Toronto Stock Exchange, on such stock exchange in Canada on which such shares are listed and posted for trading as may be selected for such purpose by the Board;
- (f) **"insider"**, **"associate"** and **"affiliate"** have the meaning set forth in the *Securities Act* (Ontario);
- (g) **"Insider"** means an insider of the Corporation and any person who is an associate or an affiliate of an insider of the Corporation;
- (h) **"Option"** means an option to purchase Common Shares granted pursuant to the provisions hereof;
- (i) **"Optionees"** means persons to whom Options are granted and which Options, or a portion thereof, remain unexercised;
- (j) **"Plan"** means this share option plan of the Corporation, as the same may be amended or varied from time to time;

- (k) **"Service Provider"** means a person or company engaged by the Corporation to provide services for an initial, renewable or extended period of twelve months or more;
- (l) **"Security Based Compensation Arrangements"** means (i) stock option plans for the benefit of employees, insiders, Service Providers or any one of such groups; (ii) individual stock options granted to employees, Service Providers or Insiders if not granted pursuant to a plan previously approved by the Corporation's shareholders; (iii) stock purchase plans where the Corporation provides financial assistance or where the Corporation matches the whole or a portion of the securities being purchased; (iv) stock appreciation rights involving issuances by the Corporation of securities from treasury; (v) any other compensation or incentive mechanism involving the issuance or potential issuances of securities of the Corporation; and (vi) security purchases from treasury by an employee, Insider or Service Provider which is financially assisted by the Corporation by any means whatsoever.

3. **Administration**

The Plan shall be administered by the Committee pursuant to rules of procedure fixed by the Board.

4. **Granting of Options**

The Committee may from time to time designate directors, officers, employees of, and consultants to, the Corporation or its subsidiaries and other persons providing services on an ongoing basis to the Corporation or its subsidiaries to whom Options may be granted and the number of Common Shares to be optioned to each, provided that the number of Common Shares to be optioned shall not exceed the limitations provided in Clause 5 hereof.

5. **Limitations to the Plan**

Notwithstanding any other provision of the Plan, Options granted under the Plan shall be subject to the following limitations:

- (a) the maximum number of Common Shares issuable on exercise of outstanding Options at any time shall be limited to 10% of the issued and outstanding Common Shares;
- (b) the number of Common Shares reserved for issuance to any one Optionee will not exceed 5% of the issued and outstanding Common Shares;
- (c) the number of Common Shares issuable to Insiders, at any time, under all Security Based Compensation Arrangements, shall not exceed 10% of the issued and outstanding Common Shares;
- (d) the number of Common Shares reserved for issuance to Optionees that are not officers, employees or consultants to the Corporation or its subsidiaries, will not exceed 2% in the aggregate of the issued and outstanding Common Shares; and
- (e) the number of Common Shares issued to Insiders, within any one year period, under all Security Based Compensation Arrangements, shall not exceed 10% of the issued and outstanding Common Shares.

For the purposes of paragraph 5(a), any increase in the issued and outstanding Common Shares (whether it is a result of exercise of Options or otherwise) will result in an increase in the number of

Common Shares that may be issued on Options outstanding at any time and any increase in the number of Options granted will, upon exercise, make new grants available under the Plan.

Options that are cancelled, terminated or expire prior to the exercise of all or a portion thereof shall result in the Common Shares that were reserved for issuance thereunder being available for a subsequent grant of Options pursuant to this Plan to the extent of any Common Shares issuable thereunder that are not issued under such cancelled, terminated or expired Option.

6. Vesting

The Committee may, in its sole discretion, determine: (i) the time during which Options shall vest; (ii) the method of vesting; (iii) that no vesting restriction shall exist; and (iv) any acceleration of vesting and, in the absence of any determination by the Committee to the contrary, Options will vest and be exercisable as to one-third (1/3) of the total number of Common Shares subject to the Options on each of the first, second and third anniversaries of the date of grant (computed in each case to the nearest full share) (subject to acceleration of vesting in the discretion of the Committee).

7. Option Price

The exercise price of Options granted under the Plan shall be fixed by the Committee when such Option is granted, provided that following listing of the Common Shares, such price shall not be less than the closing price of the Common Shares on the Exchange (or such other principal stock exchange on which the Common Shares may then trade) on the last trading day immediately prior to the date of grant, or such other price as may be determined under the applicable rules and regulations of all regulatory authorities to which the Corporation is subject, including the Exchange.

8. Option Terms

The period during which an Option is exercisable shall, subject to the provisions of the Plan requiring or permitting acceleration of rights of exercise, be such period, not in excess of five (5) years, as may be determined from time to time by the Committee but subject to the rules of any stock exchange or other regulatory body having jurisdiction, and in the absence of any determination to the contrary will be five years from the date of grant. However, if an Option is to expire during a period when the participant is prohibited by the Corporation for trading in Common Shares of the Corporation pursuant to its blackout policies (a "**Blackout Period**"), or within ten (10) business days of expiry of such Blackout Period, the term of such Option be extended for a period of ten (10) business days immediately following the end of the Blackout Period ("**Blackout Extension Period**"). Each Option shall, among other things, contain provisions to the effect that the Option shall be personal to the Optionee and shall not be assignable. In addition, each Option shall provide that:

- (a) upon the death of the Optionee, the Option shall terminate on the date determined by the Committee which shall not be more than twelve months from the date of death and, in the absence of any determination to the contrary, will be six months from the date of death; and
- (b) if the Optionee shall no longer be a director or officer of or be in the employ of, or consultant or other Service Provider to, either the Corporation or a subsidiary of the Corporation, the Option shall terminate on the expiry of the period (the "**Termination Date**") not in excess of six months prescribed by the Committee at the time of grant, following the date that the optionee ceases to be a director or officer of, or an employee of or a consultant or other Service Provider to, either the Corporation or a subsidiary of the Corporation and, in the absence of any determination to the contrary, will be 90 days following the date that the Optionee ceases to be a director or officer of, or an employee

of or a consultant or other Service Provider to, the Corporation or any subsidiary of the Corporation; provided that the number of Common Shares that the Optionee (or his or her heirs or successors) shall be entitled to purchase until such date of termination, shall be the number of Common Shares which the optionee was entitled to purchase on the date of death or the date the Optionee ceased to be an officer, director, employee, consultant or other service provider, as the case may be.

The Plan does not confer upon an Optionee any right with respect to continuation of employment by the Corporation or any subsidiary thereof, nor does it interfere in any way with the right of the Optionee, the Corporation or a subsidiary thereof to terminate the Optionee's employment or service provision at any time.

9. **Exercise of Option**

Subject to the provisions of the Plan, an Option may be exercised from time to time by delivery to the Corporation at its head office in Calgary, Alberta or such other place as may be specified by the Corporation, of a written notice of exercise specifying the number of Common Shares with respect to which the Option is being exercised and accompanied by payment in full of the purchase price of the shares then being purchased or otherwise in accordance with the provision of the applicable option agreement.

10. **Surrender Offer**

An Optionee may make an offer (the "**Surrender Offer**") to the Corporation, at any time, for the disposition and surrender by the Optionee to the Corporation (and the termination thereof) of any of the Options granted hereunder for an amount (not to exceed fair market value) specified therein by the Optionee and the Corporation may, but is not obligated to, accept the Surrender Offer, subject to any regulatory approval required. If the Surrender Offer, either as made or as renegotiated, is accepted, the Options in respect of which the Surrender Offer relates shall be surrendered and deemed to be terminated and cancelled and shall cease to grant the Optionee any further rights thereunder upon payment of the amount of the agreed Surrender Offer by the Corporation to the Optionee.

11. **Alterations in Shares**

If the outstanding shares of the Corporation are increased, decreased, changed into or exchanged for a different number or kind of shares of securities of the Corporation through re-organization, merger, recapitalization, stock dividend, subdivision or consolidation, an appropriate and proportionate adjustment shall be made in the maximum number or kind of shares as to which options may be granted under the Plan. A corresponding adjustment changing the number or kind of shares allocated to unexercised options or portions thereof, which shall have been granted prior to any such change, shall likewise be made. Any such adjustment in the outstanding options shall be made without change in the aggregate purchase price applicable to the unexercised portion of the option but with a corresponding adjustment in the price for each share or other unit of any security covered by the option. Upon the liquidation or dissolution of the Corporation or upon a re-organization, arrangement, merger or consolidation of the Corporation with one or more corporations as a result of which the Corporation or other entity, is not the surviving corporation, or upon the sale of substantially all of the property or more than sixty-six and two-thirds (66 2/3%) percent of the then outstanding shares of the Corporation to another corporation or other entity, the Plan shall terminate, and any options theretofore granted hereunder shall terminate (with or without any consideration as determined by the Board in its absolute discretion) unless provision is made in writing in connection with such transaction for the continuance of the Plan and for the assumption of options theretofore granted, or the substitution for such options of new options covering the shares of a successor

employer or other entity, corporation, or a parent or subsidiary thereof, with appropriate adjustments as to number and kind of shares and prices, in which event the Plan and options theretofore granted shall continue in the manner and upon the terms so provided. If the Plan and unexercised options shall terminate pursuant to the foregoing sentence all persons then entitled to exercise an unexercised portion of options then outstanding shall have the right at such time as the Corporation shall designate, prior to consummation of the event which results in the termination of the Plan, to exercise their options to the full extent not theretofore exercised. In addition, whether or not the Plan and unexercised options terminate pursuant to the foregoing, the Board shall have the right, in its absolute discretion, to accelerate any unvested and unexercised portion of options then outstanding in the event of a reorganization, arrangement, merger, consolidation of the Corporation with one or more corporations or other entities as contemplated by the foregoing or a take-over bid for all of the outstanding common shares of the Corporation.

Adjustments under this Section shall be made by the Board whose determination as to what adjustments shall be made, and the extent thereof, shall be final, binding and conclusive. No fractional share shall be issued under the Plan on any such adjustment.

12. No Rights as a Shareholder

An Optionee shall not have any of the rights or privileges of a shareholder of the Corporation in respect of any Common Shares issuable upon exercise of an Option until certificates representing such Common Shares have been issued and delivered.

13. Regulatory Authorities Approvals

The Plan shall be subject to the approval, if required, of any stock exchange on which the Common Shares are listed for trading. Any Options granted prior to such approval and after listing on any such stock exchange shall be conditional upon such approval being given and no such Options may be exercised unless such approval, if required, is given.

14. Options to Companies

The provisions herein in respect of the grant of Options shall apply, with appropriate modifications, to the grant of Options to a company either: (i) wholly-owned by any person to whom Options may otherwise be granted hereunder; or (ii) controlled by any person to whom Options may otherwise be granted hereunder (and the shares of which are held directly or indirectly by any such person and such person's spouse, minor children and/or minor grandchildren), subject to any requirements of any applicable regulatory authority having jurisdiction.

15. Option Agreements

A written agreement will be entered into between the Corporation and each Optionee to whom an Option is granted hereunder, which agreement will set out the number of Common Shares subject to Option, the exercise price, the vesting dates, the expiry date and any other terms approved by the Committee, all in accordance with the provisions of this Plan. The agreement will be in such form as the Committee may from time to time approve or authorize the officers of the Corporation to enter into and may contain such terms as may be considered necessary in order that the Option will comply with any provisions respecting Options in the income tax or other laws in force in any country or jurisdiction of which the person to whom the Option is granted may from time to time be a resident or citizen or the rules of any regulatory body having jurisdiction over the Corporation. Such agreements may also contain such other provisions not inconsistent with the provisions hereof as the Committee may determine.

16. Amendment or Discontinuance of the Plan

Subject to the exceptions set out below, the committee may at any time or from time to time, in its sole discretion amend, suspend or discontinue the Plan at any time without Shareholder approval, provided that no such amendment shall be made without the approval of any stock exchange on which the Common Shares may be listed, if required by such stock exchange, without the consent of the Optionee, if it alters or impairs any Option previously granted to such Optionee under the Plan, or without shareholder approval, subject to those provisions of applicable law, if any, that require the approval of shareholders or any governmental regulatory body. Without limiting the generality of the foregoing, the Committee may make the following types of amendments to the Plan or any option agreement without seeking shareholder approval;

- (a) amendments of a "housekeeping" nature including, without limiting the generality of the foregoing, any amendment for the purpose of curing any ambiguity, error or omission in the Plan or option agreement or to correct or supplement any provision of the Plan that is inconsistent with any provision of the Plan or option agreement;
- (b) amendments necessary to comply with the provisions of applicable law (including, without limitation, the rules, regulations and policies of the TSX);
- (c) amendments necessary in order for awards to qualify for favourable treatment under applicable taxation laws;
- (d) amendments respecting administration of the Plan;
- (e) any amendment regarding the terms and conditions in which vesting occurs in respect of Options granted pursuant to the Plan, including the acceleration of vesting in any option agreement;
- (f) any amendment regarding the terms and conditions in respect of the Option Price in respect to Options held by Participants that are not insiders;
- (g) amendments necessary to suspend or terminate Options, option agreements or the Plan in accordance with applicable law; and
- (h) any other amendment, whether fundamental or otherwise, not requiring shareholder approval under applicable law.

Shareholder approval will be required for the following types of amendments:

- (a) amendments to the number of shares issuable under the Plan; and
- (b) amendments required to be approved by shareholders under applicable law (including, without limitation, the rules, regulations and policies of the TSX).

Except as expressly set forth herein, no action of the Committee, the Board of Directors of the Corporation or shareholders shall alter or impair the rights of an Optionee, under any award previously granted to the Optionee.

17. **Effective Time**

This amended Plan shall be effective as of March 18, 2008.