



**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS
OF PETROMAROC CORPORATION**

to be held on December 17, 2018

and

MANAGEMENT INFORMATION CIRCULAR AND PROXY STATEMENT

for the proposed

PLAN OF ARRANGEMENT

involving

PETROMAROC CORPORATION,

WOLVERINE ENERGY AND INFRASTRUCTURE INC.

and

THE SHAREHOLDERS OF PETROMAROC CORPORATION

Dated as of November 14, 2018

Neither the TSX Venture Exchange Inc. nor any securities regulatory authority has in any way passed upon the merits of the Arrangement described in this Circular.



LETTER TO PETROMAROC SHAREHOLDERS

November 14, 2018

Dear Fellow Shareholders of PetroMaroc Corporation:

It is my pleasure to extend to you, on behalf of the board of directors (the "**PetroMaroc Board**") of PetroMaroc Corporation ("**PetroMaroc**"), an invitation to attend the special meeting (the "**PetroMaroc Meeting**") of the shareholders (the "**PetroMaroc Shareholders**") of PetroMaroc to be held at 10:00 a.m. (Toronto time) on Monday, December 17, 2018 at the offices of Fogler, Rubinoff LLP, Suite 3000, 77 King Street West, TD North Tower, Toronto, Ontario, M5K 1G8.

The Arrangement

PetroMaroc has entered into an arrangement agreement dated September 7, 2018, and amended as of November 14, 2018 (the "**Arrangement Agreement**") with Wolverine Energy and Infrastructure Inc. ("**Wolverine**") whereby, subject to the terms and conditions contained therein, Wolverine will acquire all of the outstanding common shares in the capital of PetroMaroc (the "**PetroMaroc Shares**"), pursuant to a plan of arrangement (the "**Arrangement**") under Section 192 of the *Canada Business Corporations Act*.

Under the terms of the Arrangement, PetroMaroc Shareholders (other than PetroMaroc Shareholders who validly exercising dissent rights) will receive, in exchange for each PetroMaroc Share held, 0.052942 of a common share in the capital of Wolverine (each whole share, a "**Wolverine Share**") at a deemed price of \$1.00 per Wolverine Share (the "**Arrangement Consideration**").

51% Premium

The Arrangement Consideration represents consideration to PetroMaroc Shareholders of \$0.052942 per PetroMaroc Share, which represents a 51% premium over the closing price of the PetroMaroc Shares on the TSX Venture Exchange (the "**TSXV**") on June 1, 2018, the last trading day prior to the announcement of the entering into of a letter of intent announcing the intention of PetroMaroc and Wolverine to enter into the Arrangement Agreement.

PetroMaroc Options

All of the outstanding incentive stock options to purchase PetroMaroc Shares granted under PetroMaroc's stock option plan (the "**PetroMaroc Options**") held by holders of PetroMaroc Options (each a "**PetroMaroc Optionholder**") having an exercise price equal to \$0.05 (the "**PetroMaroc ITM Options**") immediately prior to the effective time of the Arrangement (the "**Effective Time**") will be cancelled in exchange for an option to acquire from Wolverine (each, a "**Wolverine Option**") subject to certain adjustments, the number of Wolverine Shares equal to the product obtained when: (a) the number of PetroMaroc Shares subject to such PetroMaroc ITM Option immediately prior to the Effective Time, is multiplied by (b) the exchange ratio as detailed above at an aggregate exercise price equal to the aggregate exercise price of the PetroMaroc ITM Options being exchanged therefor.

PetroMaroc Meeting

At the PetroMaroc Meeting, the PetroMaroc Shareholders will be asked to consider and, if deemed advisable, pass a special resolution approving the Arrangement (the "**Arrangement Resolution**"). To be effective, the Arrangement Resolution must be passed, with or without variation, at the Meeting by an affirmative vote of at least two-thirds (66⅔%) of the votes cast at the Meeting in person or by proxy by the PetroMaroc Shareholders. In addition, PetroMaroc Shareholders will be asked to consider and, if deemed advisable, pass a special resolution approving the reduction of stated capital of PetroMaroc (the "**Reduction of Stated Capital Resolution**"). To be effective, the Reduction of Stated Capital Resolution must be passed, with or without variation, at the Meeting by an affirmative vote of at least two-thirds (66⅔%) of the votes cast at the Meeting in person or by proxy by the PetroMaroc Shareholders. Completion of the Arrangement is also subject to certain required regulatory approvals, including the approval of the TSXV.

Support Agreements

Each of the directors and senior officers of PetroMaroc and certain other significant PetroMaroc Shareholders together holding an aggregate of approximately 54.66% of the issued and outstanding PetroMaroc Shares as of the date hereof have entered into voting and support agreements with PetroMaroc and Wolverine agreeing to support the Arrangement and vote PetroMaroc Shares beneficially owned or controlled or subsequently acquired by them in favour of the Arrangement Resolution and the Reduction of Stated Capital Resolution and to otherwise support the Arrangement, subject to certain exceptions.

Board Recommendation

The PetroMaroc Board has determined that the Arrangement is in the best interests of PetroMaroc and the PetroMaroc Shareholders and **unanimously recommends that PetroMaroc Shareholders vote IN FAVOUR OF each of the Arrangement Resolution and the Reduction of Stated Capital Resolution.** The determination of the PetroMaroc Board is based on various factors described more fully in the accompanying management information circular and proxy statement (the "**Circular**").

The accompanying Circular provides a description of the Arrangement and includes certain additional information to assist you in considering how to vote on the Arrangement Resolution and the Reduction of Stated Capital Resolution. You are urged to read this information carefully and, if you require assistance, to consult your tax, financial, legal or other professional advisors.

Vote Information

Your vote is very important regardless of the number of PetroMaroc Shares you own. If you are a registered PetroMaroc Shareholder (i.e., your name appears on the register of the PetroMaroc Shares maintained by or on behalf of PetroMaroc) (a "**Registered PetroMaroc Shareholder**") and you are unable to attend the PetroMaroc Meeting in person, we encourage you to complete, sign, date and return the accompanying form of proxy (the "**Form of Proxy**") so that your PetroMaroc Shares can be voted at the PetroMaroc Meeting (or at any adjournments or postponements thereof) in accordance with your instructions. To be effective, the enclosed Form of Proxy must be received by PetroMaroc's transfer agent, Computershare Investor Services Inc. (according to the instructions on the Form of Proxy), **no later than 10:00 a.m. (Toronto time) on Thursday, December 13, 2018** or 10:00 a.m. on the date that is the second last business day immediately preceding the PetroMaroc Meeting (or any adjournment or postponement thereof). The deadline for the deposit of Forms of Proxy may be waived or extended by the Chair of the PetroMaroc Meeting at his discretion, without notice.

If you hold PetroMaroc Shares through a broker, custodian, nominee or other intermediary, you are a beneficial PetroMaroc Shareholder. You should follow the instructions provided by your intermediary to ensure your vote is counted at the PetroMaroc Meeting and should arrange for your intermediary to complete the necessary steps to ensure that you receive the Arrangement Consideration as soon as possible following completion of the Arrangement.

Also enclosed is a letter of transmittal ("**Letter of Transmittal**") for PetroMaroc Shareholders containing complete instructions on how to receive Arrangement Consideration upon completion of the Arrangement. If you are a Registered PetroMaroc Shareholder, we encourage you to complete, sign, date and return the Letter of Transmittal in accordance with the instructions set out therein and in the Circular, together with the certificate(s), if any, representing your PetroMaroc Shares to the Depository (as defined in the Circular) at the address specified in the Letter of Transmittal in order to facilitate delivery of the Arrangement Consideration that will be issued to you upon completion of the Arrangement. The Letter of Transmittal contains other procedural information relating to the Arrangement and should be reviewed carefully.

Completion of the Arrangement is dependent on many factors. Subject to obtaining the requisite approvals of the PetroMaroc Shareholders and the Ontario Superior Court of Justice (Commercial List) (the "**Court**"), it is anticipated that the Arrangement will be completed as soon as practicable following receipt of the final order of the Court, which is expected to be obtained on or about December 19, 2018, and following the satisfaction or waiver of all other conditions precedent in the Arrangement.

The accompanying Circular contains a detailed description of the Arrangement and the matters to be considered at the PetroMaroc Meeting, as well as detailed information regarding Wolverine. It also includes certain risk factors relating to Wolverine, PetroMaroc and the completion of the Arrangement and the potential consequences of a PetroMaroc Shareholder exchanging PetroMaroc Shares for Wolverine Shares in connection with the Arrangement.

On behalf of PetroMaroc, I would like to thank all PetroMaroc Shareholders for their continuing support.

Yours truly,

"Dennis A. Sharp"

Dennis A. Sharp
Chairman and Chief Executive Officer

PETROMAROC CORPORATION

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the special meeting (the "**Meeting**") of the shareholders (the "**Shareholders**") of PetroMaroc Corporation (the "**Corporation**" or "**PetroMaroc**") will be held at the offices of Fogler, Rubinoff LLP at 77 King Street West, Suite 3000, TD Centre North Tower, Toronto, Ontario M5K 1G8, on December 17, 2018, at 10:00 a.m. (Toronto time) for the following purposes:

1. in accordance with the amended interim order of the Ontario Superior Court of Justice (Commercial List) dated November 5, 2018 (the "**Amended Interim Order**"), to consider and, if deemed advisable, to pass, with or without variation, a special resolution (the "**Arrangement Resolution**"), the full text of which is set forth in Schedule "A" to the management information circular (the "**Circular**") accompanying this notice of meeting (the "**Notice of Meeting**"), authorizing and approving a plan of arrangement (the "**Arrangement**") under section 192 of the *Canada Business Corporations Act* (the "**CBCA**"), involving PetroMaroc, Wolverine Energy and Infrastructure Inc. ("**Wolverine**") and the Shareholders by which, subject to the terms and conditions of the arrangement agreement between Wolverine and PetroMaroc dated September 7, 2018 and amended November 14, 2018 (the "**Arrangement Agreement**"), Wolverine will acquire all of the issued and outstanding common shares in the capital of PetroMaroc (the "**PetroMaroc Shares**"), as more particularly described in the Circular;
2. to consider and, if deemed advisable, to pass, with or without variation, a special resolution (the "**Reduction of Stated Capital Resolution**"), the full text of which is set forth in Schedule "B" to the Circular, authorizing the reduction of the stated capital of PetroMaroc to meet the solvency test in subsection 192(2) of the CBCA (the "**Reduction of Stated Capital**"); and
3. to transact such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

The board of directors of PetroMaroc (the "**PetroMaroc Board**") has determined that the Arrangement is in the best interests of PetroMaroc and the Shareholders and unanimously recommends that Shareholders vote **IN FAVOUR OF** each of the matters set out in this Notice of Meeting. The specific details of the matters proposed to be put before the Meeting are set forth in the Circular, which accompanies this Notice of Meeting and forms part hereof. PetroMaroc will also make available a letter of transmittal for use by Shareholders.

If you are a registered shareholder ("**Registered Shareholder**") and are unable to attend the Meeting in person, please date and execute the accompanying form of proxy and return it in the envelope provided to the Corporation's transfer agent, Computershare Investor Services Inc. ("**Computershare**"), located at 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, Attention: Proxy Department or fax to (416) 981-9800 so it is received prior to 10:00 a.m. (Toronto time) on December 13, 2018 or 10:00 a.m. (Toronto time) on the date that is the second last business day immediately preceding the PetroMaroc Meeting (or any adjournment or postponement thereof) (the "**Proxy Cut-Off**").

If you are **not** a Registered Shareholder and receive these materials through your broker or through another intermediary, please complete and return the form of proxy in accordance with the instructions provided to you by your broker or by the other intermediary.

If a Shareholder does not deliver a form of proxy to Computershare by the Proxy Cut-Off, the Shareholder will not be entitled to vote at the Meeting by proxy. Only Shareholders of record at the close of business on November 16, 2018 will be entitled to vote at the Meeting or any adjournment thereof.

Registered Shareholders who validly dissent from the Arrangement will be entitled to be paid the fair value of their PetroMaroc Shares, subject to strict compliance with section 190 of the CBCA, as modified by the provisions of the Amended Interim Order, the Arrangement and any other applicable order of the Court. The right of Registered Shareholders to dissent is more particularly described in the Circular under the heading "*Particulars of the Arrangement – Dissenting Shareholders' Rights*". Failure to comply strictly with the requirements set forth in section 190 of the CBCA, as modified by the provisions of the Amended Interim Order, the Arrangement and any other applicable order of the Court, may result in the loss or unavailability of any right of dissent.

Only Registered Shareholders may exercise a right of dissent. Accordingly, a person who beneficially owns PetroMaroc Shares registered in the name of a broker or other nominee and who wishes to dissent with respect to the Arrangement must make arrangements for such securities to be registered in such holder's name prior to the time the written objection is required to be received or, alternatively, make arrangement for the Registered Shareholder to dissent on such holder's behalf.

DATED at Toronto, Ontario this 14th day of November, 2018.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ Dennis A. Sharp

Dennis A. Sharp
Chairman and Chief Executive Officer
PetroMaroc Corporation

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MANAGEMENT INFORMATION CIRCULAR OF PETROMAROC CORPORATION

GLOSSARY OF TERMS

Unless the context otherwise requires or where otherwise provided, the following words and terms will have the meanings set forth below when used in this Circular:

"**1933 Act**" means United States Securities Act of 1933, as amended.

"**2018 Reorganization**" means the reorganization transaction entered into between Wolverine and its then parent, WMS, and other of its affiliates, whereby all of the assets and liabilities of WMS and its wholly-owned subsidiary, WGI, were transferred and assumed by Wolverine with the exception of the Excluded Items and Wolverine effectively assumed the business and operations of WMS.

"**ABCA**" means the *Business Corporations Act* (Alberta).

"**Acquisition Proposal**" means other than the transactions contemplated by the Arrangement Agreement, any offer, proposal or inquiry (written or oral) from any person or group of persons "acting jointly or in concert" (within the meaning of NI 62-104) other than Wolverine relating to: (a) any direct or indirect sale or disposition (or any lease, long-term supply agreement or other arrangement having the same economic effect as a sale), in a single transaction or a series of related transactions, of assets representing 20% or more of the consolidated assets of PetroMaroc and its subsidiaries; (b) any direct or indirect take-over bid, tender offer, exchange offer, treasury issuance or other transaction that, if consummated, would result in a person or group of persons "acting jointly or in concert" (within the meaning of NI 62-104) beneficially owning 20% or more of any class of voting or equity securities (including securities convertible into or exercisable or exchangeable for such securities) of PetroMaroc; (c) any plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution or winding up involving PetroMaroc or any of its material subsidiaries; or (d) any other similar transaction or series of transactions involving PetroMaroc or any of its subsidiaries, the consummation of which would reasonably be expected to impede, interfere with, prevent or materially delay the Arrangement.

"**affiliate**" has the meaning ascribed thereto in the Securities Act.

"**Agency Agreement**" means the agency agreement to be entered into between Wolverine and the Agents upon the closing of the Concurrent Financing.

"**Agents**" has the meaning ascribed to that term under "*Particulars of the Arrangement – Description of the Concurrent Financing*".

"**Amended Interim Order**" means the amended Interim Order of the Court issued on November 5, 2018, which supersedes and replaces the Interim Order of the Court issued on October 5, 2018 in its entirety, and a copy of which is attached hereto as Schedule "C" hereto.

"**Amending Agreement**" has the meaning ascribed to that term under "*Matters to be Approved at the Meeting – Approval of the Arrangement – Background of the Arrangement*".

"**Applicable Laws**" means all laws (including common law), by-laws, statutes, rules, regulations, principles of law, orders, ordinances, protocols, codes, guidelines, policies, notices, directions and judgments or other requirements and the terms and conditions of any grant, approval, permission, authority or license of any Governmental Authority as are applicable to Wolverine or PetroMaroc or each

of their respective businesses, undertakings, properties or securities, and emanate from a person having jurisdiction over Wolverine or PetroMaroc or their respective businesses, undertakings, properties or securities, as applicable, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Authority.

"Arrangement" means an arrangement under Section 192 of the CBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations to the Plan of Arrangement made in accordance with the terms of the Arrangement Agreement or made at the direction of the Court in the Final Order with the prior written consent of Wolverine and PetroMaroc, each acting reasonably.

"Arrangement Agreement" means the Arrangement Agreement dated September 7, 2018 between PetroMaroc and Wolverine providing for the Plan of Arrangement, as amended by an amending agreement dated November 14, 2018.

"Arrangement Resolution" means the special resolution approving the Arrangement to be considered at the Meeting by PetroMaroc Shareholders substantially in the form and content set out in Schedule "A" to this Circular.

"Arm's Length Transaction" means a transaction which is not a "Related Party Transaction" as defined under MI 61-101.

"Articles of Arrangement" means the articles of arrangement in respect of the Arrangement required under Section 192(6) of the CBCA to be filed with the CBCA Director after the Final Order has been granted giving effect to the Arrangement.

"ASPE" means Accounting Standards for Private Enterprises as issued by the Accounting Standard Board and as adopted in Canada, as in effect from time to time.

"associate" when used to indicate a relationship with a Person, means:

- (a) an issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling such Person to more than 10% of the voting rights attached to outstanding securities of the issuer,
- (b) any partner of the Person,
- (c) any trust or estate in which the Person has a substantial beneficial interest or in respect of which a Person serves as trustee or in a similar capacity, or
- (d) in the case of a Person, who is an individual:
 - (i) that Person's spouse or child, or
 - (ii) any relative of the Person or of his spouse who has the same residence as that Person;

but

- (e) where the TSXV determines that two Persons shall, or shall not, be deemed to be associates with respect to a Member (as defined in the Corporate Finance Manual) firm, Member corporation or holding company of a Member corporation, then such

determination shall be determinative of their relationships in the application of Rule D of the Corporate Finance Manual with respect to that Member firm, Member corporation or holding company.

"Beneficial Shareholder" has the meaning ascribed to such term in *"Voting Information and General Proxy Matters – Advice to Beneficial Shareholders of PetroMaroc Shares"*.

"Business Day" means any day, other than Saturday, Sunday or a statutory holiday in the Province of Alberta or the Province of Ontario.

"Canadian Securities Laws" means the Securities Act and any other applicable corporate and securities laws in force in Canada, including the rules, regulations, notices, instruments, orders and policies published and/or promulgated thereunder, as such may be amended from time to time prior to the Effective Date.

"CBCA" means the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44 as amended, including the regulations promulgated thereunder.

"CBCA Director" means the director appointed under section 260 of the CBCA.

"CDS" means CDS Clearing and Depository Services Inc.

"Certificate" means the certificate to be issued by the CBCA Director pursuant to Section 192(7) of the CBCA in respect of the Articles of Arrangement giving effect to the Arrangement.

"Circular" means this management information circular and proxy statement prepared in respect of the Meeting including all schedules and appendices hereto.

"Closing Date" means December 20, 2018 or such other date as Wolverine and PetroMaroc may agree in writing.

"Concurrent Financing" means has the meaning ascribed to such term under *"Particulars of the Arrangement – Description of the Concurrent Financing"*.

"Consideration Shares" means the Wolverine Shares to be issued pursuant to the Arrangement to the PetroMaroc Shareholders (holding PetroMaroc Shares outstanding immediately prior to the Effective Time) in consideration for the acquisition by Wolverine of all of the issued and outstanding PetroMaroc Shares.

"Corporate Finance Manual" means the corporate finance manual containing the policies of the TSXV.

"Court" means the Superior Court of Justice of Ontario (Commercial List).

"Depository" means Odyssey Trust Company.

"Dissent Rights" means the rights of dissent made available to PetroMaroc Shareholders in respect of the Arrangement described in the Plan of Arrangement and the Amended Interim Order.

"Dissenting Shareholders" means registered PetroMaroc Shareholders who have duly and validly exercised their Dissent Rights in strict compliance with the terms thereof and who have not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights and who are ultimately determined to be entitled to be paid the fair value for their PetroMaroc Shares.

"**Effective Date**" means the date the Arrangement becomes effective under the CBCA, being the date shown on the Certificate.

"**Effective Time**" means 12:01 a.m. (Toronto time) on the Effective Date.

"**Engagement Letter**" has the meaning ascribed to that term under "*Particulars of the Arrangement – Description of the Concurrent Financing*".

"**Escrow Agent**" means Odyssey Trust Company.

"**Escrowed Proceeds**" has the meaning ascribed to that term under "*Particulars of the Arrangement – Description of the Concurrent Financing*".

"**Excluded Items**" means certain deferred tax assets, prepaid expenses, preferred shares, shareholder loans and debt obligations.

"**Final TSXV Bulletin**" means the bulletin to be issued by the TSXV following the completion of the Arrangement and the submission of all post-Arrangement documents which evidences final TSXV acceptance of the Arrangement.

"**Final Order**" means the final order of the Court in a form acceptable to Wolverine and PetroMaroc, each acting reasonably, approving the Arrangement pursuant to Section 192(4)(e) of the CBCA, as such order may be amended by the Court (with the consent of both Wolverine and PetroMaroc, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to both Wolverine and PetroMaroc, each acting reasonably) on appeal.

"**Former PetroMaroc Shareholder**" means a registered PetroMaroc Shareholder immediately prior to the Effective Time or any person who surrenders to the Depository certificates representing PetroMaroc Shares duly endorsed for transfer in accordance with the provisions set forth in the Letter of Transmittal, other than a Dissenting Shareholder.

"**Governmental Authority**" means: (a) any international, multinational, federal, provincial, state, regional, municipal, local or other government, governmental or public department, ministry, central bank, court, tribunal, arbitral body, commission, commissioner, board, bureau or agency, domestic or foreign; (b) any subdivision, agency, agent or authority of any of the foregoing; (f) any quasi-governmental or private body, including any tribunal, commission, regulatory agency or self-regulatory organization, exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (g) any stock exchange (including the TSXV).

"**IFRS**" means International Financial Reporting Standards as issued by the International Accounting Standards Board, as amended from time to time.

"**insider**" has the meaning ascribed thereto in the Securities Act.

"**Interested Party**" has the meaning ascribed to such term under "*Summary – Court Approval of the Arrangement and Completion of the Arrangement*".

"**Interim Order**" means the interim order of the Court pursuant to Section 192(4) of the CBCA containing declarations and directions with respect to the Arrangement and the calling and the holding of

the PetroMaroc Meeting, as such order may be affirmed, amended or modified by any court of competent jurisdiction.

"Intermediary" has the meaning ascribed to such term under *"Voting Information and General Proxy Matters – Advice to Beneficial Shareholders of PetroMaroc Shares"*.

"Lead Agent" has the meaning ascribed to that term under *"Particulars of the Arrangement – Description of the Concurrent Financing"*.

"Letter of Transmittal" means the letter of transmittal accompanying this Circular sent to the PetroMaroc Shareholders pursuant to which PetroMaroc Shareholders are required to deliver certificates representing PetroMaroc Shares and/or other documents as may be required thereunder by the Depository in order to receive Consideration Shares under the Arrangement.

"Material Adverse Change" or **"Material Adverse Effect"** means any change, event, occurrence, effect or circumstance that, individually or in the aggregate with other such changes, events, occurrences, effects or circumstances:

- (i) is or could reasonably be expected to be material and adverse to the business, operations, results of operations, assets, properties, capitalization, prospects, financial condition, or liabilities (contingent or otherwise) of Wolverine and its subsidiaries, taken as a whole, or PetroMaroc and its subsidiaries, taken as a whole, as the case may be, except any such change, event, occurrence, effect, or circumstance resulting from or arising in connection with:
 - (A) any change affecting the oilfield services industry or the oil and natural gas exploration, exploitation, development and production industry, as the case may be, in each case, as a whole;
 - (B) any matters or actions required, permitted, restricted or contemplated by the Arrangement Agreement or consented to or approved in writing by the other Parties, or, in all such cases, occurring as a direct result hereof;

provided, however, that such matter does not have a materially disproportionate effect on Wolverine and its subsidiaries, taken as a whole, or PetroMaroc and its subsidiaries, taken as a whole, as the case may be, relative to other comparable companies and entities operating in the industries in which Wolverine and/or its subsidiaries or PetroMaroc and/or its subsidiaries, as the case may be, operate. Provided further, for greater certainty, that any change, event, occurrence, effect or circumstance arising from Wolverine or PetroMaroc carrying on its business in the Ordinary Course shall not be construed to be excluded from the definition of "Material Adverse Change" or "Material Adverse Effect" by reason of Wolverine or PetroMaroc, as applicable, being obligated to carry on its business in the Ordinary Course; or

- (ii) prevents or materially impairs or could reasonably be expected to prevent or materially impair the ability of Wolverine or PetroMaroc, as the case may be, to consummate the Arrangement by the Outside Date, and unless expressly provided in any particular section of the Arrangement Agreement, references in certain sections of the Arrangement Agreement to dollar amounts are not intended to be, and shall not be deemed to be, illustrative or interpretive for purposes of determining whether a "Material Adverse Change" or a "Material Adverse Effect" has occurred.

"**Meeting**" means the special meeting of PetroMaroc Shareholders (including any adjournment or postponement thereof) to be held at the time and place and for the purposes set out in the Notice of Meeting.

"**MI 61-101**" means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

"**Mutual Releases**" means the mutual releases provided by PetroMaroc, Wolverine and each of the directors and officers of PetroMaroc who will deliver resignations effective as of the Effective Time.

"**Notice of Meeting**" means the notice of the Meeting accompanying this Circular.

"**NI 52-110**" means National Instrument 52-110 – *Audit Committees*.

"**NI 62-104**" means National Instrument 62-104 – *Take-over Bids and Issuer Bids*.

"**OPEC**" means Organization of the Petroleum Exporting Countries.

"**Ordinary Course**" means, with respect to an action taken by Wolverine or PetroMaroc or such party's subsidiaries, as the case may be, that such action is consistent with the past practices of Wolverine or PetroMaroc, as the case may be, and is taken in the ordinary course of the normal day-to-day operations of the business of Wolverine or PetroMaroc, as the case may be.

"**Outside Date**" means December 31, 2018 or such other date as Wolverine and PetroMaroc may agree upon in writing.

"**Person**" includes an individual, limited or general partnership, limited liability company, limited liability partnership, trust, joint venture, association, body corporate, unincorporated organization, trustee, executor, administrator, legal representative, government (including any Governmental Authority) or any other entity, whether or not having legal status.

"**PetroMaroc**" means PetroMaroc Corporation, a corporation existing under the CBCA.

"**PetroMaroc Board**" means the board of directors of PetroMaroc, as constituted from time to time.

"**PetroMaroc Conditional Option Termination and Replacement Agreements**" means agreements to be entered into between PetroMaroc and each of the PetroMaroc Optionholders, in form and substance acceptable to Wolverine, acting reasonably, whereby: (i) each PetroMaroc Optionholder agrees to surrender for cancellation, immediately prior to the Effective Time, all PetroMaroc OTM Options for consideration of \$0.0001; (ii) each PetroMaroc Optionholder agrees to surrender for cancellation immediately prior to the Effective Time, all PetroMaroc ITM Options in exchange for the Wolverine Option; (iii) Wolverine agrees to issue to each PetroMaroc Optionholder the Wolverine Option in exchange for all PetroMaroc ITM Options; (iv) the expiry date of the Wolverine Option shall be the 60th day following the Effective Date; and (v) each PetroMaroc Optionholder agrees to a contractual hold period in respect of any Wolverine Shares acquired pursuant to the exercise of the Wolverine Option ending on the 120th day following the Effective Date; provided such PetroMaroc Optionholder complies with the terms and conditions set forth in the agreement relating thereto, all of which shall be conditional upon the completion of the Arrangement.

"PetroMaroc Financial Statements" has the meaning ascribed to such term under *"Information Concerning PetroMaroc – Selected Consolidated Financial Information and Management's Discussion and Analysis – Selected Financial Information"*.

"PetroMaroc ITM Options" means the PetroMaroc Options held by such PetroMaroc Optionholder having an exercise price equal to \$0.05.

"PetroMaroc MD&A" has the meaning ascribed to such term under *"Information Concerning PetroMaroc – Selected Consolidated Financial Information and Management's Discussion and Analysis – Management's Discussion and Analysis"*.

"PetroMaroc Optionholder" means a holder of PetroMaroc Options.

"PetroMaroc Options" means stock options to purchase PetroMaroc Shares granted under PetroMaroc's incentive stock option plan.

"PetroMaroc OTM Options" means the PetroMaroc Options having an exercise price greater than \$0.05.

"PetroMaroc Shares" means the common shares in the capital of PetroMaroc.

"PetroMaroc Shareholders" means registered or beneficial holders of the PetroMaroc Shares, as the context requires.

"Plan of Arrangement" means the plan of arrangement, as set forth in Schedule "D" of this Circular, subject to any amendments or variations to such plan made in accordance with the terms thereof, the Arrangement Agreement, or made at the direction of the Court in the Final Order with the prior written consent of PetroMaroc and Wolverine, each acting reasonably.

"promoter" means has the meaning ascribed thereto in the Securities Act.

"Record Date" means November 16, 2018, being the date fixed by the PetroMaroc Board for determining PetroMaroc Shareholders entitled to receive notice of and vote at the Meeting.

"Reduction of Stated Capital" means the reduction of the stated capital of the PetroMaroc Shares to meet the solvency test in subsection 192(2) of the CBCA, whereby (i) PetroMaroc must not be unable to pay its liabilities as they become due, and (ii) the realizable value of the assets of PetroMaroc must not be less than the aggregate of its liabilities and stated capital of all classes.

"Reduction of Stated Capital Resolution" means the special resolution of the holders of PetroMaroc Shares to approve the reduction of the stated capital of PetroMaroc to meet the solvency test in subsection 192(2) of the CBCA and substantially in the form and content set out in Schedule "B" to this Circular.

"Regulatory Approvals" means such sanctions, rulings, consents, orders, exemptions, permits and other approvals (including the lapse, without objection, of a prescribed time under any law that states that a transaction may be implemented if a prescribed time lapses following the giving of notice without an objection being made) of Governmental Authorities required to consummate the Plan of Arrangement.

"Release Conditions" includes, among others, the the issuance of the Certificate by the CBCA Director pursuant to Section 192(7) of the CBCA in respect of the Articles of Arrangement giving effect to the Arrangement.

"Release Deadline" means 5:00 p.m. (Calgary time) on the date that is 120 days following the closing of the Concurrent Financing, provided that if such date is not a Business Day, it shall mean the next Business Day immediately following such date.

"Release Event" means, collectively: (i) the satisfaction of the Release Conditions; and (ii) the delivery of a joint notice by Wolverine and the Lead Agent to the Subscription Receipt Agent confirming that the Release Conditions have been satisfied, in each case, prior to the Release Deadline.

"Resulting Issuer" means Wolverine.

"Resulting Issuer Board" means the board of directors of Wolverine from time to time after the closing of the Arrangement.

"Resulting Issuer Directors" means the proposed directors of Wolverine after the closing of the Arrangement, as set out under "*Information Concerning the Resulting Issuer – Directors, Officers and Promoters*".

"Resulting Issuer Shares" means the Wolverine Shares.

"Securities Act" means the *Securities Act* (Alberta), as amended.

"Securities Laws" means the Canadian Securities Laws and the U.S. Securities Laws, and all other applicable Canadian and/or U.S. Securities Laws, rules and regulations and published policies thereunder.

"SEDAR" means the System for Electronic Document Analysis and Retrieval.

"Share Consideration" means 0.052942 of a Wolverine Share, being the consideration to be paid by Wolverine in exchange for each PetroMaroc Share pursuant to the Arrangement.

"Share Payment" has the meaning ascribed to such term under "*Particulars of the Arrangement – Finder's Fee Arrangement*".

"Subscription Receipt Agent" has the meaning ascribed to that term under "*Particulars of the Arrangement – Description of the Concurrent Financing*".

"Subscription Receipt Agreement" has the meaning ascribed to that term under "*Particulars of the Arrangement – Description of the Concurrent Financing*".

"Subscription Receipts" means subscription receipts of Wolverine, which assuming the occurrence of the Release Event, shall be exchangeable for Wolverine Convertible Debentures without any payment or further action on the part of the holder thereof in accordance with the terms of the Subscription Receipt Agreement.

"subsidiary" means, with respect to a specified entity, any:

- (a) body corporate of which more than 50% of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other class or classes shall or might be entitled to vote upon the happening of any event or contingency) are at the time owned directly or indirectly by such specified entity or indirectly by or for the benefit of such specified entity;

- (b) entity which is not a body corporate, of which more than 50% of the voting or equity interests of such entity (including, for a partnership other than a limited partnership, the voting or equity interests in such partnership) are owned, directly or indirectly, by such specified entity or indirectly by or for the benefit of such specified entity and, in the case of a limited partnership, of which such specified entity, or a subsidiary of such specified entity, is a general partner; and
- (c) issuer that would constitute a subsidiary as defined in the Securities Act.

"Superior Proposal" means any unsolicited bona fide written Acquisition Proposal from a person who is an arm's length third party made after the date of the Arrangement Agreement: (a) to acquire not less than all of the outstanding PetroMaroc Shares or all or substantially all of the assets of PetroMaroc on a consolidated basis; (b) that complies with Securities Laws and did not result from or involve a breach of non-solicitation covenants by PetroMaroc contained in the Arrangement Agreement or any agreement between the person making such Acquisition Proposal and PetroMaroc; (c) that the PetroMaroc Board has determined in good faith is reasonably capable of being completed without undue delay, taking into account, all financial, legal, regulatory and other aspects of such proposal and the person making such proposal; (d) that is not subject to any financing condition and in respect of which it has been demonstrated to the satisfaction of the PetroMaroc Board, acting in good faith (after receipt of advice from its financial advisors and its outside legal counsel) that adequate arrangements have been made in respect of any financing required to complete such Acquisition Proposal; (e) that is not subject to any due diligence and/or access condition; and (f) in respect of which the PetroMaroc Board and any relevant committee thereof determines, in its good faith judgment, after receiving the advice of its financial advisors and after taking into account all the terms and conditions of the Acquisition Proposal, including all legal, financial, regulatory and other aspects of such Acquisition Proposal and the party making such Acquisition Proposal, would, if consummated in accordance with its terms, but without assuming away the risk of non-completion, reasonably be expected to result in a transaction which is more favourable, from a financial point of view, to PetroMaroc Shareholders than the Arrangement (including any amendments to the terms and conditions of the Arrangement proposed by Wolverine pursuant to the matching provisions contained in the Arrangement Agreement).

"Support Agreements" means the agreements entered into between Wolverine and/or PetroMaroc and the Supporting PetroMaroc Shareholders, pursuant to which such Supporting PetroMaroc Shareholders have agreed to vote the PetroMaroc Shares beneficially owned or controlled or subsequently acquired by such Supporting PetroMaroc Shareholders in favour of the Reduction of Stated Capital Resolution, the Arrangement Resolution and to otherwise support the Arrangement.

"Supporting PetroMaroc Shareholders" means all of the officers and directors of PetroMaroc and all of those other PetroMaroc Shareholders who have entered into a Support Agreement.

"Surplus Securities Escrow Agreement" has the meaning ascribed to such term under *"Information Concerning the Resulting Issuer – Escrowed Securities"*.

"Taxes" means all taxes, duties, fees, premiums, assessments, imposts, levies and other charges of any kind whatsoever imposed by any Governmental Authority, together with all interest, penalties, fines, additions to tax or other additional amounts imposed in respect thereof, including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, large corporation, capital gain, alternative minimum, transfer, land transfer, sales, goods and services, harmonized sales, use, value-added, excise, stamp, withholding, business, franchising, property, employer health, payroll, employment, health, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, all employment insurance, health insurance and Canada and other Governmental Authority

pension plan and workers compensation premiums or contributions including any interest, fines or penalties for failure to withhold, collect or remit any tax and any liability for such taxes imposed by law with respect to any other person arising pursuant to any tax sharing, indemnification or other agreements or any liability for taxes of any predecessor or transferor entity and whether disputed or not.

"Termination Fee" means \$1,500,000, less the amount of any withholding required by Applicable Laws relating to Taxes which is concurrently remitted by PetroMaroc to the relevant Governmental Authority.

"TSXV" means the TSX Venture Exchange.

"U.S. Securities Laws" means the federal and state securities legislation of the United States and all rules, regulations and orders promulgated thereunder, as amended from time to time.

"Value Securities Escrow Agreement" has the meaning ascribed to such term under *"Information Concerning the Resulting Issuer – Escrowed Securities"*.

"Voting Share" means a security of an issuer that:

- (a) is not a debt security; and
- (b) carries a voting right either under all circumstances or under some circumstances that have occurred and are continuing.

"WGI" means Wolverine Group Inc., a corporation incorporated under the ABCA and an affiliate of Wolverine.

"WMS" means Wolverine Management Services Inc., a corporation incorporated under the ABCA and an affiliate of Wolverine.

"Wolverine" means Wolverine Energy and Infrastructure Inc., a corporation incorporated under the ABCA.

"Wolverine Board" means the board of directors of Wolverine, as constituted from time to time.

"Wolverine Convertible Debenture" means one \$1,000 principal amount convertible unsecured subordinated debenture of Wolverine as further described under *"Particulars of the Arrangement – Description of the Concurrent Financing"*.

"Wolverine Option Plan" has the meaning ascribed to such term under *"Information Concerning Wolverine – Stock Options and Other Compensation Securities"*.

"Wolverine Options" has the meaning ascribed to such term under *"Particulars of the Arrangement – Description of the Arrangement and the Arrangement Agreement"*.

"Wolverine RSU Plan" has the meaning ascribed to such term under *"Information Concerning Wolverine – Stock Options and Other Compensation Securities"*.

"Wolverine Financial Statements" means: (i) the audited consolidated financial statements of Wolverine for the years ended March 31, 2018 and 2017, together with the notes thereto and the report of the auditor thereon; and (ii) the unaudited interim consolidated financial statements of Wolverine for the three months ended June 30, 2018 and 2017, together with the notes thereto.

"**Wolverine Shares**" means the common shares in the capital of Wolverine.

"**Wolverine Shareholders**" means, collectively, the registered holders of Wolverine Shares from time to time.

INFORMATION CONTAINED IN THIS CIRCULAR

This Circular is provided in connection with the solicitation of proxies by management of PetroMaroc for use at the Meeting of PetroMaroc Shareholders to be held at the offices of Fogler, Rubinoff LLP at 77 King St. West, Suite 3000, Toronto, Ontario on December 17, 2018 at 10:00 a.m. (Toronto time).

See "*Glossary of Terms*" for capitalized terms not otherwise defined in the Circular.

The information contained in this Circular is given as at November 14, 2018, except where otherwise noted. No Person has been authorized to give any information or to make any representation in connection with the Arrangement and other matters described herein other than those contained in this Circular and, if given or made, any such information or representation should not be considered to have been authorized by PetroMaroc and Wolverine and should not be relied upon.

This Circular does not constitute the solicitation of an offer to purchase any securities or the solicitation of a proxy by any Person in any jurisdiction in which such solicitation is not authorized or in which the Person making such solicitation is not qualified to do so or to any Person to whom it is unlawful to make such offer or solicitation.

Information contained in this Circular should not be construed as legal, tax or financial advice. PetroMaroc Shareholders are urged to consult their own professional advisors in connection herewith.

Descriptions in this Circular of the terms of the Arrangement Agreement, as amended, and the Arrangement are merely summaries of the terms thereof. PetroMaroc Shareholders should refer to the full text of the Arrangement Agreement, the Amending Agreement and the Plan of Arrangement for complete details of such documents. The Plan of Agreement is attached to this Circular as Schedule "D" and the Arrangement Agreement and the Amending Agreement are available on PetroMaroc's issuer profile on SEDAR at www.sedar.com.

Neither delivery of this Circular nor any distribution of the securities referred to in this Circular shall, under any circumstances, create an implication that there has been no change in the information set forth herein since the date of this Circular.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This Circular contains "forward-looking statements" under the meaning of Canadian Securities Laws, which may include, but is not limited to, statements with respect to:

- supply and demand for oil, gas and commodity prices;
- treatment under governmental regulatory regimes and tax laws;
- financial and other projections as well as statements or information concerning future operation plans, objectives, performance, revenues, growth, profits or operating expense;

- the use of available funds as set out under "*Information Concerning the Resulting Issuer – Estimated Available Funds and Principal Purposes*";
- estimates and projections regarding the industry in which Wolverine operates;
- requirements for additional capital and future financing options;
- perceived benefits of the Arrangement;
- the timing of the Meeting and the Final Order;
- plans to expand the customer base and enter into new markets;
- expansion and acceptance of Wolverine's services in other markets;
- plans to identify, pursue, negotiate and/or complete strategic acquisitions;
- marketing plans;
- the timing and possible outcome of regulatory and legislative matters;
- the completion of the Concurrent Financing and the terms thereof;
- the receipt of Court, TSXV and shareholder approvals for the Arrangement;
- the ability of Wolverine and PetroMaroc to satisfy the other conditions to, and to complete, the Arrangement and the anticipated timing to complete the Arrangement;
- the treatment of PetroMaroc Shareholders under tax laws; and
- other expectations of either PetroMaroc and Wolverine.

Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Such statements, made as of the date hereof, reflect PetroMaroc's or Wolverine's current views with respect to future events and are based on information currently available to PetroMaroc or Wolverine and are subject to and involve certain known and unknown risks, uncertainties, assumptions and other factors which may cause the actual results, performance or achievements of PetroMaroc and Wolverine to be materially different from any future results, performance or achievements expressed in or implied by such forward-looking statements. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. These risks, uncertainties, assumptions and other factors should be considered carefully and prospective investors should not place undue reliance on the forward-looking statements.

These risks and uncertainties include, but are not limited to:

- PetroMaroc and Wolverine may fail to realize the anticipated benefits of the Arrangement;
- the Arrangement Agreement may be terminated in certain circumstances, some of which are out of PetroMaroc and Wolverine's control;
- the market reaction to the Arrangement and future performance of Wolverine Shares cannot be predicted;
- costs of the Arrangement could harm PetroMaroc and Wolverine's financial conditions and future prospects;
- unexpected and adverse tax consequences may arise;
- operational dependence on the price of oil and natural gas;
- oversupply of equipment in the oilfield services industry;
- timely delivery of quality equipment and the reliability of third party suppliers to Wolverine;
- the competitive conditions of the oilfield services industry;
- Wolverine and its customers' ability to obtain financing and access capital markets;
- Wolverine's indebtedness could adversely affect its financial flexibility and competitive position;
- United States' position on world affairs, events and international treaties;
- global financial conditions;
- fluctuation in foreign exchange or interest rates;
- Wolverine's safety performance and risks;
- interruptions and losses to Wolverine's operations;
- Wolverine's success with bidding for and renewing existing contracts;
- Wolverine's ability to realize anticipated benefits of past and future acquisitions and manage its expansion;
- Wolverine's ability to realize the anticipated benefits of the Sidi Moktar net profit interests;
- accessibility to additional funding, when required, on acceptable terms or at all;
- the impact of capital expenditures to Wolverine's operations;

- the retention and replacement of management and key personnel;
- cybersecurity risks;
- the need to obtain required approvals from regulatory authorities;
- changes in legislation;
- potential volatility in the price for the Wolverine Shares;
- liabilities resulting from legal proceedings; and
- the other risks considered under "*Risk Factors*".

For a detailed description of risk factors concerning the Arrangement and Wolverine, see the sections entitled "*Particulars of the Arrangement – Arrangement Risk Factors*" and "*Risk Factors*".

Although the forward-looking information contained in this Circular reflects the current estimates, expectations and projections of management of PetroMaroc and Wolverine, readers are cautioned against placing reliance on this information since actual results may vary from the forward-looking information. The assumptions made in preparing the forward-looking information include: (i) the anticipated benefits of the Arrangement, which are based on a number of facts, including the terms and conditions of the Arrangement Agreement and current industry, economic and market conditions; (ii) the conditions to complete the Arrangement and the Concurrent Financing will be satisfied; (iii) the Arrangement will be completed within the expected time frame; (iv) that PetroMaroc and Wolverine will not fail to complete the Arrangement or the Concurrent Financing for any other reason; and (v) that the projections relating to growth in the industry of Wolverine are accurate.

These forward-looking statements are made as of the date of this Circular, and, except as may expressly be required by law, PetroMaroc disclaims any obligation or undertaking to publicly release any updates or revisions to any forward-looking statements contained herein to reflect any change in expectations, estimates and projections with regard thereto or any changes in events, conditions or circumstances on which any statement is based. Readers should not place undue importance on forward-looking statements and should not rely upon this information as of any other date. In addition to the disclosure contained herein, for more information concerning PetroMaroc's various risks and uncertainties, please refer to PetroMaroc's periodic public filings available under its profile on SEDAR at www.sedar.com.

INFORMATION FOR UNITED STATES SHAREHOLDERS

The financial statements included in this Circular are in accordance with IFRS. They may not be comparable to financial statements of United States companies. As a result, the financial statements included herein have not been reconciled to U.S. accounting principles as may otherwise be necessary under registration statement requirements of the 1933 Act.

For United States PetroMaroc Shareholders, the enforcement by investors of civil liabilities under the United States federal securities laws may be affected adversely by the fact that Wolverine exists under the ABCA, that some or all of the officers and directors of the Wolverine (including after giving effect to the completion of the Arrangement) and its subsidiaries are residents of Canada, and that all or substantially all of the assets of Wolverine and of such persons are located outside the United States. You may not be

able to sue a Canadian issuer or its officers or directors in a Canadian court for violations of the U.S. Securities Laws. It may be difficult to compel a Canadian issuer and its affiliates to subject themselves to a U.S. court's judgment.

CURRENCY AND FINANCIAL STATEMENT PRESENTATION

Unless otherwise specified or the context otherwise requires, all references to "\$" or "CAD\$" or "C\$" are to Canadian dollars and references to "US\$" are to United States dollars. Unless otherwise noted, the financial statements of PetroMaroc and Wolverine contained in this Circular are denominated in Canadian dollars.

Unless otherwise indicated, all financial information (including the pro forma financial statements) included in this Circular has been prepared in accordance with IFRS as indicated throughout the Circular.

NOTE ON REFERENCES TO WOLVERINE AND WOLVERINE SHARES

Effective March 31, 2018, Wolverine completed the 2018 Reorganization with its parent, WMS, and other of its affiliates, whereby all of the assets and liabilities of WMS and its wholly-owned subsidiary, WGI, were transferred and assumed by Wolverine with the exception of the Excluded Items. As a result of the 2018 Reorganization, Wolverine effectively assumed the business and operations of WMS. References in the Circular to "Wolverine" for any period prior to March 31, 2018 are deemed to be references to WMS, which entity carried on the business and operations at that time, and references to "Wolverine" for any period on or after March 31, 2018 is a reference to Wolverine Energy and Infrastructure Inc. For additional details, see "*Information Concerning Wolverine – Corporate Structure*".

Effective October 31, 2018, Wolverine amended its articles to, among other things, replace its share structure and create an unlimited number of common shares. References in the Circular to "Wolverine Shares" for any period prior to October 31, 2018 are references to the Class A Common Shares, Series 1 in the capital of Wolverine and references to "Wolverine Shares" for any period on or after September 21, 2018 are references to the common shares in the capital of Wolverine. For additional details, see "*Information Concerning Wolverine – Three Year History*".

NOTE ON FINANCIAL STATEMENT PRESENTATION

The financial statements of Wolverine as at and for the years ended March 31, 2018 and 2017 included in this Circular have been prepared in accordance with IFRS. Effective March 31, 2018, Wolverine completed the 2018 Reorganization with its parent, WMS, and other of its affiliates, whereby all of the assets and liabilities of WMS and its wholly-owned subsidiary, WGI, were transferred and assumed by Wolverine with the exception of the Excluded Items. As a result of the 2018 Reorganization, Wolverine effectively assumed the business and operations of WMS. Wolverine has applied the continuity of interests method in respect of the 2018 Reorganization. Other than the Excluded Items, Wolverine has taken WMS' position for the purpose of reporting results of operations prior to the 2018 Reorganization, including all comparative information presented herein. For additional details, see "*Information Concerning Wolverine – General Development of the Business*" and "*Information Concerning Wolverine – Selected Consolidated Financial Information*".

SUMMARY

The following is a summary of the contents of this Circular including a summary of information relating to PetroMaroc and Wolverine, including after giving effect to the completion of the Arrangement, and should be read together with the more detailed information and financial data and statements contained elsewhere in this Circular. This summary is provided for convenience and reference only. PetroMaroc Shareholders are urged to review this Circular and its appendices and schedules in their entirety. Capitalized terms used herein and not otherwise defined are defined in the Glossary of Terms.

Description of PetroMaroc

The full corporate name of PetroMaroc is "PetroMaroc Corporation". PetroMaroc exists under the federal laws of Canada under the CBCA.

The head and registered office of PetroMaroc is located at 77 King Street West, Suite 3000, Toronto, Ontario M5K 1G8.

PetroMaroc holds net profit interests in respect of certain oil and gas properties in Morocco, but is otherwise inactive.

A description of the assets of PetroMaroc is presented in this Circular in the section entitled "*Information Concerning PetroMaroc*". Copies of the PetroMaroc Financial Statements are attached as Schedule "E" to this Circular.

Description of Wolverine

The full corporate name of Wolverine is "Wolverine Energy and Infrastructure Inc.". Wolverine exists under the ABCA.

Wolverine's head office is located at 1711 – 9 Street, Nisku, Alberta T9E 0R3 and its registered office is located at 300, 10335 – 172 Street N.W., Edmonton, Alberta T5S 1K9.

Wolverine is a diversified energy and infrastructure services provider headquartered in Nisku, Alberta having over 70 years of operating history. Wolverine commenced active business operations through a predecessor entity, Rig Services Equipment Ltd., in 1952 as an oilfield service provider. Over the course of its history, the Wolverine group of companies has pursued a strategy combining organic growth and strategic acquisitions. Today, Wolverine is a full service, diversified energy and infrastructure service provider operating five primary service lines: (i) Oilfield/Energy Rentals; (ii) Heavy Equipment Sales and Rentals; (iii) Transportation and Trailer Rentals; (iv) Civil/Infrastructure Construction; and (v) Water Management. Wolverine's operations are based in Western Canada and the United States.

A description of the assets, business and operations of Wolverine is presented in this Circular in the section entitled "*Information Concerning Wolverine*". Copies of the Wolverine Financial Statements are attached as Schedule "G" to this Circular.

Description of the Resulting Issuer

The name of the Resulting Issuer is "Wolverine Energy and Infrastructure Inc.". The Resulting Issuer's registered office after the completion of the Arrangement will be registered office of Wolverine. See "*Information Concerning Wolverine – Corporate Structure – Name and Incorporation*".

The Meeting

PetroMaroc has called the Meeting to be held at the offices of Fogler, Rubinoff LLP at 77 King St. West, Suite 3000, Toronto, Ontario, M5K 1G8 on December 17, 2018. The Meeting will convene at 10:00 a.m. (Toronto time) to approve the Arrangement Resolution and the Reduction of Stated Capital Resolution, all as more particularly set out in the Notice of Meeting and as described in this Circular.

See "*Matters to be Approved at the Meeting – Approval of the Arrangement*", "*Matters to be Approved at the Meeting – Reduction of Stated Capital*" and "*Matters to be Approved at the Meeting – Other Business*".

Purpose and Description of the Arrangement

The purpose of the Arrangement is for Wolverine to acquire all of the issued and outstanding PetroMaroc Shares. If both the Reduction of Stated Capital Resolution and the Arrangement Resolution are passed in each case, with or without variation, at the Meeting by an affirmative vote of at least two-thirds (66 $\frac{2}{3}$ %) of the votes cast at the Meeting in person or by proxy by the PetroMaroc Shareholders, and all of the other conditions to closing of the Arrangement are satisfied or waived (where permitted), the Arrangement will be implemented by way of a court-approved Plan of Arrangement under the CBCA. Pursuant to the Plan of Arrangement, each outstanding PetroMaroc Share (other than PetroMaroc Shares held by Dissenting Shareholders) will be transferred to Wolverine in exchange for 0.052942 of a Wolverine Share, with each Wolverine Share having a deemed value of \$1.00. Accordingly, as a result to the Arrangement, an aggregate of approximately 8,250,000 Wolverine Shares (subject to rounding) will be issued to PetroMaroc Shareholders having an aggregate value of approximately \$8,250,000.

Upon completion of the Arrangement, of the total issued and outstanding Resulting Issuer Shares, the current PetroMaroc Shareholders will hold 9.96% and the current Wolverine Shareholders will hold the remaining 90.04%, on a non-diluted basis.

The Arrangement constitutes a "change of business" under the policies of the TSXV, since Wolverine conducts a different business than was conducted by PetroMaroc.

See "*Particulars of the Arrangement – Overview of the Arrangement*" and "*Particulars of the Arrangement – Description of the Arrangement and the Arrangement Agreement*".

Concurrent Financing

In connection with, and as a condition of, the Arrangement, Wolverine intends to sell, by way of a brokered private placement, Subscription Receipts at a price of \$1,000 per Subscription Receipt, for expected aggregate gross proceeds of \$5,000,000. The Concurrent Financing is described in more detail under "*Particulars of the Arrangement – Description of the Concurrent Financing*".

See "*Particulars of the Arrangement – Description of the Concurrent Financing*".

Recommendation of PetroMaroc Board

The PetroMaroc Board has unanimously determined that the Arrangement is in the best interests of PetroMaroc and PetroMaroc Shareholders and unanimously recommends that PetroMaroc Shareholders vote IN FAVOUR of each of the Arrangement Resolution and the Reduction of Stated Capital Resolution and each of the other matters set out in the Notice of Meeting.

In reaching the foregoing conclusion, the PetroMaroc Board obtained and considered legal advice and considered a number of other factors and benefits of the Arrangement.

See "*Matters to be Approved at the Meeting – Recommendation of the PetroMaroc Board*".

Reasons for the Arrangement

In the course of its evaluation of the Arrangement, the PetroMaroc Board consulted with PetroMaroc's management team and legal counsel, reviewed a significant amount of information, and considered a number of factors including, among others:

- the PetroMaroc Board considered a number of alternatives to maximize the value of PetroMaroc Shares, and the Arrangement represents the best alternative among the opportunities available to improve the ability of PetroMaroc to increase shareholder value;
- the Arrangement is anticipated to enhance value for PetroMaroc Shareholders through ownership in a company with growth potential;
- PetroMaroc Shareholders may benefit from possible greater trading liquidity of PetroMaroc Shares after completion of the Arrangement as compared to the historical trading liquidity;
- PetroMaroc Shareholders will be entitled to receive the Consideration Shares under the Plan of Arrangement, which represents a 51% premium over the closing price of the PetroMaroc Shares on the TSXV on June 1, 2018, the last trading day prior to the announcement of the entering into of the letter of intent providing for the intention of PetroMaroc and Wolverine to enter into the Arrangement Agreement;
- Wolverine has an experienced management team with a proven track record of growing its business as a full-service, diversified energy and infrastructure service provider in Western Canada and the United States;
- Supporting PetroMaroc Shareholders who collectively hold approximately 54.66% of the outstanding PetroMaroc Shares entered into Support Agreements under which they have agreed to vote in favour of the Arrangement Resolution and the Reduction of Stated Capital Resolution and to otherwise support the Arrangement;
- the Arrangement Agreement is the result of an arm's length negotiation process and includes terms and conditions that are reasonable in the circumstances. In particular, under the Arrangement Agreement, the PetroMaroc Board maintains the ability to consider and respond, in accordance with the Arrangement Agreement and the PetroMaroc Board's fiduciary duties, to any bona fide proposal that is, or is reasonably likely to lead to a Superior Proposal, subject to Wolverine's right to match under the Arrangement Agreement, and the Termination Fee payable to Wolverine in certain circumstances is reasonable in the circumstances and not preclusive to the other offers;
- the required PetroMaroc Shareholder approvals are protective of the rights of PetroMaroc Shareholders. The Reduction of Stated Capital Resolution and the Arrangement Resolution must be passed in each case, with or without variation, at the Meeting by an affirmative vote of at least two-thirds (66⅔%) of the votes cast at the Meeting in person or by proxy by the PetroMaroc Shareholders;

- the Arrangement will be subject to a judicial determination of the Court that the Arrangement is fair and reasonable, both procedurally and substantively, to PetroMaroc Shareholders; and
- registered PetroMaroc Shareholders who do not vote in favour of the Arrangement Resolution will have the right to require a judicial appraisal of their PetroMaroc Shares and obtain "fair value" pursuant to the proper exercise of Dissent Rights.

See "*Matters to be Approved at the Meeting – Reasons for the Arrangement*".

Arrangement Mechanics

The following description is qualified in its entirety by reference to the full text of the Plan of Arrangement, a copy of which is attached hereto as Schedule "D" to this Circular. At the Effective Time, the following transactions will occur and will be deemed to occur sequentially in the following order:

- each of the PetroMaroc Shares held by a Dissenting Shareholder in respect of which Dissent Rights have been validly exercised shall be deemed to have been transferred without any further act or formality on its part, free and clear of all encumbrances to Wolverine and Wolverine shall thereupon be obliged to pay the amount thereof determined and payable in accordance with the Plan of Arrangement; and
- each issued and outstanding PetroMaroc Share held by a Former PetroMaroc Shareholder (other than PetroMaroc Shares held by a Dissenting PetroMaroc Shareholder) shall be transferred to Wolverine and in consideration therefor Wolverine shall issue the Share Consideration on the basis of 0.052942 of a fully paid and non-assessable Wolverine Share for each PetroMaroc Share. Following completion of this step, Wolverine will be the holder of all of the issued and outstanding PetroMaroc Shares and the central securities register of the Corporation will be revised accordingly.

No certificates representing fractional Wolverine Shares shall be issued under the Plan of Arrangement. In lieu of any fractional Wolverine Share, each Former PetroMaroc Shareholder otherwise entitled to a fractional interest in a Wolverine Share will receive the nearest whole number of Wolverine Shares (with fractions equal to or greater than 0.5 being rounded up).

See "*Procedures for the Surrender of Share Certificates and Payment of Consideration*".

Required Shareholder Approval for the Arrangement

Pursuant to the Amended Interim Order, the Reduction of Stated Capital Resolution and the Arrangement Resolution must be passed in each case, with or without variation, at the Meeting by an affirmative vote of at least two-thirds (66⅔%) of the votes cast at the Meeting in person or by proxy by the PetroMaroc Shareholders. The Reduction of Stated Capital Resolution and the Arrangement Resolution must each receive such shareholder approval in order for PetroMaroc to seek the Final Order and implement the Arrangement in accordance with the Final Order.

Support Agreements

To the knowledge of PetroMaroc, the Supporting PetroMaroc Shareholders beneficially own, or exercise control or direction over, directly or indirectly, 85,175,557 PetroMaroc Shares representing approximately 54.66% of the issued and outstanding PetroMaroc Shares as of the date hereof.

Prior to the date hereof, Supporting PetroMaroc Shareholders entered into the Support Agreements with Wolverine pursuant to which, among other things, they agreed to cause to be counted as present for purposes of establishing quorum at the Meeting and to vote (or cause to be voted) the securities owned legally or beneficially by each of them or over which they exercise control or direction, as applicable, in favour of the Arrangement Resolution and the Reduction of Stated Capital Resolution, and to duly complete and cause Forms of Proxy in respect of all of the applicable securities held by them to be validly delivered to cause the applicable securities to be voted in favour of the Arrangement Resolution and the Reduction of Stated Capital Resolution.

Court Approval of the Arrangement and Completion of the Arrangement

An arrangement under the CBCA requires Court approval. Prior to the mailing of this Circular, the Corporation obtained the Amended Interim Order, which provides for the calling and holding of the Meeting, the Dissent Rights and other procedural matters. A copy of the Amended Interim Order is attached as Schedule "C" to this Circular.

The hearing in respect of the Final Order is currently scheduled to take place on December 19, 2018 in Toronto, Ontario.

Under the terms of the Amended Interim Order, each PetroMaroc Shareholder has the right to appear and make submissions at the application for the Final Order. Any Person desiring to appear at the hearing of the application for the Final Order (an "**Interested Party**") may do so but must comply with certain procedural requirements described in this Circular. In particular, any Interested Party desiring to appear and make submissions at the application for the Final Order is required to file with the Court, and serve upon the lawyers for PetroMaroc, with a copy to counsel for Wolverine, a Notice of Appearance on or before 4:00 p.m. (Toronto time) on December 17, 2018 in accordance with the Amended Notice of Application, the Amended Interim Order and the applicable *Rules of Civil Procedure* under the *Courts of Justice Act* (Ontario).

If (i) the Reduction of Stated Capital and Arrangement are approved at the Meeting; (ii) the Final Order approving the Arrangement is issued by the Court; (iii) the TSXV provides its approval; and (iv) the applicable conditions to the completion of the Arrangement are satisfied or waived, the Arrangement is expected to be completed on December 20, 2018.

See "*Particulars of the Arrangement – Court Approval of the Arrangement and Completion of the Arrangement*".

The Arrangement Agreement

A description of certain provisions of the Arrangement Agreement, as amended, are included in this Circular under the heading "*Particulars of the Arrangement*". The description is not comprehensive and is qualified in its entirety by the full text of the Arrangement Agreement and the Amending Agreement, which have been filed on PetroMaroc's issuer profile on SEDAR, available at www.sedar.com.

Dissenting Shareholders' Rights

Pursuant to the Amended Interim Order, registered PetroMaroc Shareholders have been granted Dissent Rights with respect to the Arrangement. Any registered PetroMaroc Shareholder who dissents from the Arrangement Resolution in accordance with Section 190 of the CBCA, as modified or supplemented by the Plan of Arrangement, the Amended Interim Order and any other applicable order of the Court, will be entitled to be paid by PetroMaroc the fair value for the PetroMaroc Shares held by such registered

PetroMaroc Shareholder in respect of which the PetroMaroc Shareholder exercises Dissent Rights, determined as at close of business on the last Business Day before the day on which the Arrangement is approved by the PetroMaroc Shareholders. The statutory provisions covering Dissent Rights are technical and complex. The Dissent Rights must be strictly complied with in order for a registered PetroMaroc Shareholder to receive cash representing the fair value of PetroMaroc Shares held in respect of which the PetroMaroc Shareholder exercises Dissent Rights. Failure to strictly comply with such requirements set forth in Section 190 of the CBCA, as modified by the Amended Interim Order, the Plan of Arrangement and any other applicable order of the Court, may result in the loss of any Dissent Rights.

To exercise the Dissent Rights, a written notice of objection to the Arrangement Resolution must be received by PetroMaroc in accordance with the instructions set out in this Circular by **no later than 10:00 a.m. (Toronto time) on Thursday, December 13, 2018** or 10:00 a.m. (Toronto time) on the second last Business Day immediately preceding the Meeting (or any adjournment or postponement thereof).

A Beneficial Shareholder of PetroMaroc Shares registered in the name of an Intermediary who wishes to dissent should be aware that only registered PetroMaroc Shareholders are entitled to dissent. Accordingly, a Beneficial Shareholder desiring to exercise Dissent Rights must make arrangements for the PetroMaroc Shares beneficially owned by such holder to be registered in such holder's name prior to the time the written objection to the Arrangement Resolution is required to be received by PetroMaroc, or alternatively, make arrangements for the registered holder of such PetroMaroc Shares to dissent on such Beneficial Shareholder's behalf.

See "*Particulars of the Arrangement – Dissenting Shareholders' Rights*".

Risk Factors

A number of risks are expected to be associated with the completion of the Arrangement and the business of the Resulting Issuer. These risks and uncertainties include, but are not limited to: PetroMaroc and Wolverine may fail to realize the anticipated benefits of the Arrangement; the Arrangement Agreement may be terminated in certain circumstances, some of which are out of PetroMaroc and Wolverine's control; the market reaction to the Arrangement and future performance of Wolverine Shares cannot be predicted; costs of the Arrangement could harm PetroMaroc and Wolverine's financial conditions and future prospects; unexpected and adverse tax consequences may arise; operational dependence on the price of oil and natural gas; oversupply of equipment in the oilfield services industry; timely delivery of quality equipment and the reliability of third party suppliers to Wolverine; the competitive conditions of the oilfield services industry; Wolverine and its customers' ability to obtain financing; Wolverine's indebtedness could adversely affect its financial flexibility and its competitive position; United States' position on world affairs, events and international treaties; global financial conditions; fluctuation in foreign exchange or interest rates; Wolverine's safety performance and risks; interruptions and losses to Wolverine's operations; Wolverine's success with bidding for and renewing existing contracts; Wolverine's ability to realize anticipated benefits of past and future acquisitions and manage its expansion; Wolverine's ability to realize the anticipated benefit of the Sidi Moktar net profit interests; accessibility to additional funding, when required, on acceptable terms or at all; the impact of capital expenditures to Wolverine's operations; the retention and replacement of management and key personnel; cybersecurity risks; the need to obtain required approvals from regulatory authorities; changes in legislation; potential volatility in the price for the Wolverine Shares; liabilities resulting from legal proceedings; and the other factors considered under "*Risk Factors*".

For a detailed description of risk factors concerning the Arrangement and Wolverine, see the sections entitled "*Particulars of the Arrangement – Arrangement Risk Factors*" and "*Risk Factors*".

Procedures for the Surrender of Share Certificates and Payment of Consideration

If the Reduction of Stated Capital Resolution and the Arrangement Resolution are passed and the Arrangement is implemented, in order to receive the Consideration Shares, registered Shareholders must properly complete and duly execute the Letter of Transmittal enclosed with this Circular and deliver it (or an originally signed facsimile thereof), together with all other required documents referred to therein or reasonably requested by the Depository, including any certificate(s) or DRS Statement(s) representing PetroMaroc Shares, to the Depository in accordance with the instructions contained in the Letter of Transmittal. The Letter of Transmittal contains procedural information relating to the Arrangement and should be reviewed carefully. Delivery of the Letter of Transmittal, other than as set forth therein, will not constitute a valid delivery. The deposit of PetroMaroc Shares pursuant to the procedures in the Letter of Transmittal will constitute a binding agreement between the depositing registered PetroMaroc Shareholder and Wolverine upon the terms and subject to the conditions of the Arrangement.

Wolverine shall, as soon as practicable following the Effective Date and the date of deposit by a Former PetroMaroc Shareholder of a duly completed Letter of Transmittal and the certificate(s) representing PetroMaroc Shares, if any, and/or such other additional documents and instruments as the Depository may reasonably require, either: (a) forward or cause to be forwarded by first class mail (postage prepaid) to such Former PetroMaroc Shareholder at the address specified in the Letter of Transmittal; or (b) if requested by such Former PetroMaroc Shareholder in the Letter of Transmittal, make available or cause to be made available at the offices of the Depository for pickup by such Former PetroMaroc Shareholder, DRS Statement(s) representing the Consideration Shares, issued to such Former PetroMaroc Shareholder under the Arrangement.

Registered PetroMaroc Shareholders who do not deliver certificate(s) representing their PetroMaroc Shares and all other required documents to the Depository on or before the last Business Day prior to the third anniversary of the Effective Date, or such shorter or longer period required under Applicable Laws, will lose their right to receive any consideration for their PetroMaroc Shares and any claim or interest of any kind or nature, including the right of the Former PetroMaroc Shareholder to receive Consideration Shares, and shall be deemed to have surrendered and forfeited their PetroMaroc Shares to Wolverine for no consideration.

If you are a Beneficial Shareholder, you should carefully follow the instructions from the Intermediary that holds PetroMaroc Shares on your behalf in order to receive the Share Consideration for your PetroMaroc Shares.

See "*Procedures for the Surrender of Share Certificates and Payment of Consideration*".

Listing and Share Price

PetroMaroc Shares are listed on the TSXV under the trading symbol "PMA". The price of the PetroMaroc Shares on June 1, 2018, being the last day PetroMaroc Shares traded prior to the entering into of the letter of intent announcing the intention of PetroMaroc and Wolverine to enter into the Arrangement Agreement, was \$0.035. See also "*Information Concerning PetroMaroc – Price Range and Trading Volume of the PetroMaroc Shares*".

There is no public market for the Wolverine Shares. As of the date of this Circular, PetroMaroc has applied to the TSXV for approval of the Arrangement. Final approval from the TSXV will be subject to the Resulting Issuer fulfilling all the requirements of the TSXV.

Board of Directors and Management of Wolverine following completion of the Arrangement

It is anticipated that, on closing of the Arrangement, Dennis A. Sharp, Dirk LePoole and an additional director who will be independent for the purposes of applicable Canadian Securities Laws will be appointed to the Wolverine Board, and will, together with Jesse Douglas, be the Resulting Issuer Directors until the next annual meeting of the Wolverine Shareholders held for the purpose of electing directors, or until their successors are otherwise appointed.

Upon closing of the Arrangement, Wolverine's current senior management team, being Jesse Douglas (President and Chief Executive Officer), John Carvalho (Chief Financial Officer, Chief Investment Officer and Corporate Secretary) and Rick Quigley (Chief Operating Officer), will continue in their present offices.

See "*Information Concerning the Resulting Issuer – Directors, Officers and Promoters*" for biographies of the directors and management team of Wolverine following completion of the Arrangement.

Arm's Length Transaction

The Arrangement is an Arm's Length Transaction.

Interests of Insiders

Except as disclosed in this Circular, no insider or promoter of PetroMaroc or Wolverine and no affiliate or associate of same has any interest in the proposed Arrangement, other than that which arises from the holding of securities of PetroMaroc or Wolverine.

Interests of Experts

No Person, whose profession or business gives authority to a statement made by the Person and who is named as having prepared or certified a part of this Circular or as having prepared or certified a report described or included in this Circular, holds any beneficial interest, directly or indirectly, in any property of PetroMaroc or Wolverine or any of their respective associates or affiliates, and no such Person is expected to be elected, appointed or employed as a director, senior officer or employee of Wolverine following completion of the Arrangement or of an associate or affiliate of Wolverine following completion of the Arrangement and no such Person is a promoter of PetroMaroc or Wolverine or any of their respective associates or affiliates.

Conflicts of Interest

There are potential conflicts of interest to which the directors, officers, insiders and promoters of Wolverine following completion of the Arrangement will be subject in connection with the operations of Wolverine. Each of the Resulting Issuer Directors and officers of Wolverine may become or already is associated with other reporting issuers or other Persons which may give rise to conflicts of interest. Certain of the Resulting Issuer Directors have either other employment or other business or time restrictions placed on them and, accordingly, these directors will only be able to devote part of their time to the affairs of Wolverine. Some of the Resulting Issuer Directors, officers, insiders and promoters have been and will continue to be engaged in the identification and evaluation of new opportunities, with a view to potential acquisition of interests in businesses and corporations on their own behalf and on behalf of other corporations. Conflicts, if any, will be subject to the procedures and remedies prescribed by the ABCA, the TSXV and applicable Canadian Securities Laws.

See also "Information Concerning the Resulting Issuer – Conflicts of Interest".

Sponsorship

In accordance with TSXV requirements, PetroMaroc intends to solicit an exemption from the sponsorship requirements of the TSXV with regards to the Arrangement.

Selected Pro Forma Financial Information

The table below sets out certain pro forma consolidated financial data for the Resulting Issuer as at June 30, 2018, assuming the completion of the Arrangement and the Concurrent Financing, in respect of the periods for which financial information is provided elsewhere in this Circular. The summary unaudited pro forma consolidated financial information below is derived from the Pro Forma Financial Statements and should be read in conjunction with the Pro Forma Financial Statements, related notes and other financial information appearing elsewhere in this Circular.

	PetroMaroc as at June 30, 2018 (\$)	Wolverine as at June 30, 2018 (\$)	Adjustments as at June 30, 2018 (\$)	Resulting Issuer Pro Forma as at June 30, 2018 (\$)
Current Assets	3,388,946	14,982,764	4,100,000	22,471,710
Total Assets	3,388,946	53,828,794	9,850,000	67,067,740
Current Liabilities	961,108	15,323,498	(159,000)	16,125,606
Total Liabilities	961,108	43,656,388	4,841,000	49,458,496
Shareholders' Equity	2,427,838	10,172,406	5,009,000	17,609,244

See "Information Concerning the Resulting Issuer – Pro Forma Consolidated Capitalization" and Schedule "I" of this Circular.

Estimated Available Funds and Principal Purposes

The following table sets out the estimated available funds after giving effect to the Arrangement and the Concurrent Financing:

Source of Funds	Available Funds (\$)
Estimated consolidated working capital of the Resulting Issuer ⁽¹⁾	12,800,000
Net proceeds of the Concurrent Financing ⁽²⁾	4,500,000
<i>Less the estimated costs associated with the Arrangement⁽³⁾</i>	<i>(\$1,125,000)</i>
Total Funds Available	16,175,000

Notes:

- (1) As at October 31, 2018. This figure represents the aggregate total working capital of Wolverine (\$9.9 million) and of PetroMaroc (\$2.9 million) as at such date.
- (2) The figure represents gross proceeds of \$5,000,000 less a maximum cash commission of \$0.35 million and estimated expenses of \$0.15 million.
- (3) Estimate of fees and expenses includes: (i) PetroMaroc's fees and expenses payable in cash estimated at \$0.725 million, and (ii) Wolverine's fees and expenses estimated at \$0.4 million.

Wolverine intends to use the available funds of \$16.2 million over the next 18 months as set out in the table below:

Anticipated Use of Funds	Amount (\$)
Repayment of demand debt	4.5 million
General & administrative expenses ⁽²⁾	11.5 million
Unallocated funds	0.2 million
Total	16.2 million

Note:

- (1) Wolverine expects that general and administrative expenses for the next 18 months will be approximately \$25.1 million. The Resulting Issuer will be the successor to Wolverine's existing business, and the excess between the anticipated use of funds and the anticipated source of funds disclosed above is expected to be satisfied by the Resulting Issuer's cash flow from operations and short-term borrowings through Wolverine's existing lines of credit.

NEITHER THE TSXV NOR ANY SECURITIES REGULATORY AUTHORITY HAS IN ANY WAY PASSED UPON THE MERITS OF THE ARRANGEMENT. PETROMAROC HAS APPLIED TO THE TSXV TO APPROVE THE ARRANGEMENT. FINAL APPROVAL WILL BE SUBJECT TO THE RESULTING ISSUER FULFILLING ALL OF THE REQUIREMENTS OF THE TSXV.

VOTING INFORMATION AND GENERAL PROXY MATTERS

Date, Time and Place of the Meeting

This Circular is provided in connection with the solicitation of proxies by management of PetroMaroc for use at the Meeting of PetroMaroc Shareholders to be held at the offices of Fogler, Rubinoff LLP at 77 King St. West, Suite 3000, Toronto, Ontario M5K 1G8 on December 17, 2018 at 10:00 a.m. (Toronto time).

Solicitation of Proxies

Proxies will be solicited primarily by mail but may also be solicited personally, by telephone or by any form of electronic communication by directors, officers or the regular employees of PetroMaroc at nominal or no cost. The costs of solicitation by management will be borne by PetroMaroc. PetroMaroc has arranged for Intermediaries to forward meeting materials to Beneficial Shareholders held of record by those Intermediaries and PetroMaroc may reimburse the Intermediaries for their reasonable fees and disbursements in that regard.

Shareholders Entitled to Vote

Registered PetroMaroc Shareholders as at the close of business on the Record Date, or the Person or Persons they appoint as their proxyholders, are entitled to attend and vote on all matters that may properly come before the Meeting in respect of which their vote is required. Registered PetroMaroc Shareholders are entitled to vote at the Meeting either in person or by proxy. Voting by proxy means that you are giving the Person or Persons named on your Forms of Proxy (your "**proxyholder**") the authority to vote your PetroMaroc Shares for you at the Meeting or any adjournment(s) or postponement(s) thereof.

Each PetroMaroc Shareholder of record at the close of business on the Record Date will be entitled to one vote for each PetroMaroc Share held with respect to all matters proposed to come before the Meeting and requiring a vote by PetroMaroc Shareholders.

Appointment of Proxyholders and Revocation of Proxies

The Persons named in the enclosed Form of Proxy will represent management of PetroMaroc at the Meeting. A registered PetroMaroc Shareholder has the right to appoint a Person or company (who need not be a PetroMaroc Shareholder), other than the Persons designated in the accompanying Form of Proxy, to represent the registered PetroMaroc Shareholder at the Meeting. Such right may be exercised by inserting the name of such Person or company in the blank space provided in the Form of Proxy or by completing another proper Form of Proxy. A registered PetroMaroc Shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must, in all cases, deposit a completed Form of Proxy with Computershare Investor Services Inc. (100 University Ave (8th Floor), Toronto, Ontario M5J 2Y1, Attention: Proxy Department) (the "**Transfer Agent**") no later than 48 hours (other than a Saturday, Sunday or holiday) immediately preceding the time of the Meeting or, if the Meeting is adjourned or postponed, at least 48 hours, excluding Saturdays, Sundays and holidays, prior to any adjournment or postponement of the Meeting at which the Form of Proxy is to be used, or deliver it to the Chairman of the Meeting on the day of the Meeting or any adjournment thereof prior to the commencement of the Meeting, or in any other manner permitted by Applicable Law. A Form of Proxy should be executed by the registered PetroMaroc Shareholder or its attorney duly authorized in writing or, if the registered PetroMaroc Shareholder is a corporation, by an officer or attorney thereof duly authorized. Failure to properly complete or deposit a Form of Proxy may result in its invalidation.

A registered PetroMaroc Shareholder who has submitted a Form of Proxy may revoke it at any time prior to the exercise thereof. If a registered PetroMaroc Shareholder who has given a Form of Proxy attends the Meeting in person at which such Form of Proxy is to be voted, such Person may revoke the Form of Proxy and vote in person. In addition to any other manner permitted by Applicable Law, a Form of Proxy may be revoked before it is exercised by an instrument in writing executed in the same manner as a Form of Proxy and deposited to the attention of the Secretary of PetroMaroc at the registered office of PetroMaroc at any time up to and including the last Business Day preceding the day of the Meeting, or any adjournment thereof, at which the Form of Proxy is to be used or with the Chairman of the Meeting on the day of such Meeting or any adjournment thereof and thereupon the Form of Proxy is revoked.

A registered PetroMaroc Shareholder attending the Meeting has the right to vote in person and, if he or she does so, his or her Form of Proxy is nullified with respect to the matters such Person votes upon and any subsequent matters thereafter to be voted upon at the Meeting or any adjournment thereof.

If you are a Beneficial Shareholder, please contact your Intermediary for instructions on how to revoke your voting instructions.

Exercise of Discretion

PetroMaroc Shares represented by proxyholders who are in favour of management nominees will be voted in accordance with the instructions of the registered PetroMaroc Shareholder on any ballot that may be called for and, if a registered PetroMaroc Shareholder specifies a choice with respect to any matter to be acted upon at the Meeting, the PetroMaroc Shares represented by proxy shall be voted accordingly. **Where no choice is specified, the Form of Proxy will confer discretionary authority and the proxyholder will vote IN FAVOUR OF all matters proposed by management at the Meeting.** The enclosed Form of Proxy also confers discretionary authority upon the persons named therein to vote with respect to any amendments or variations to the matters identified in the Notice of Meeting and with respect to any other matters which may properly come before the Meeting in such manner as the nominee in his judgment may determine. At the date hereof, management of PetroMaroc knows of no such amendments, variations or other matters to come before the Meeting.

Advice to Beneficial Shareholders of PetroMaroc Shares

The information set forth in this section is of significant importance to many PetroMaroc Shareholders as a substantial number of PetroMaroc Shareholders do not hold their PetroMaroc Shares in their own name and thus are considered non-registered PetroMaroc Shareholders. PetroMaroc Shareholders who do not hold their PetroMaroc Shares in their own name ("**Beneficial Shareholders**") should note that only Forms of Proxy deposited by PetroMaroc Shareholders whose names appear on the records of PetroMaroc as the registered holders of PetroMaroc Shares as of the close of business on Record Date can be recognized and acted upon at the Meeting. If PetroMaroc Shares are listed in an account statement provided to a PetroMaroc Shareholder by a broker then, in almost all cases, those PetroMaroc Shares will not be registered in the PetroMaroc Shareholder's name on the records of PetroMaroc. Such PetroMaroc Shares will more likely be registered under the name of the PetroMaroc Shareholder's broker or an agent of that broker or another similar entity (an "**Intermediary**"). PetroMaroc Shares held by an Intermediary can only be voted by the Intermediary (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, Intermediaries are prohibited from voting PetroMaroc Shares.

Beneficial Shareholders should ensure that instructions respecting the voting of their PetroMaroc Shares are communicated in a timely manner and in accordance with the instructions provided by their Intermediary. Applicable regulatory rules require Intermediaries to seek voting instructions from Beneficial Shareholders in advance of the Meeting. Every Intermediary has its own mailing procedures

and provides its own return instructions to clients, which instructions should be carefully followed by Beneficial Shareholders in order to ensure that their PetroMaroc Shares are voted at the Meeting.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purpose of voting PetroMaroc Shares registered in the name of their Intermediary, a Beneficial Shareholder may attend at the Meeting as proxyholder for the Intermediary and vote the PetroMaroc Shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their PetroMaroc Shares as a proxyholder, should enter their own names in the blank space on the Form of Proxy provided to them by their Intermediary and return the same to their Intermediary in accordance with the instructions provided by their Intermediary well in advance of the Meeting.**

Record Date

The date fixed by the PetroMaroc Board for determining PetroMaroc Shareholders entitled to receive notice of and vote at the Meeting is November 16, 2018 (the "**Record Date**").

Quorum

The presence of two or more Persons entitled to cast votes at the Meeting will constitute a quorum. PetroMaroc's list of registered PetroMaroc Shareholders as at the close of business on the Record Date has been used to deliver to PetroMaroc Shareholders the Notice of Meeting and this Circular as well as to determine who is eligible to vote.

Voting Securities and Principal Holders of Voting Securities

The authorized share capital of PetroMaroc consists of an unlimited number of PetroMaroc Shares without par value. As at the Record Date and the date hereof, 155,830,864 PetroMaroc Shares are issued and outstanding, each of which carries the right to one vote on all matters that may properly come before the Meeting. Only PetroMaroc Shareholders of record as at the close of business on the Record Date who either personally attend the Meeting or who have completed and delivered a Form of Proxy in the manner and subject to the provisions described herein and therein will be entitled to vote or have PetroMaroc Shares voted at the Meeting.

To the knowledge of the directors and executive officers of PetroMaroc, no Person or company beneficially owns, or controls or directs, directly or indirectly, PetroMaroc Shares carrying in excess of 10% of the voting rights attached to all outstanding PetroMaroc Shares as at the date of this Circular, other than the following:

Name and Country of Residence	Type of Ownership	Number and Percentage of Outstanding PetroMaroc Shares
Guangxi S.A. Switzerland	Beneficial ownership	47,000,000 (30.16%)

Interest of Certain Persons in Matters to be Acted Upon

No director, executive officer, or PetroMaroc Shareholder who beneficially owns or controls or directs, directly or indirectly, 10% or more of the PetroMaroc Shares, or any associate or affiliate of the foregoing has, or has had, any material interest, direct or indirect, in any transaction in the three most recently completed financial years or during the current financial year that has materially affected or is reasonably

expected to materially affect PetroMaroc or any of its subsidiaries and/or affiliates, except as disclosed elsewhere in this Circular.

MATTERS TO BE APPROVED AT THE MEETING

Approval of the Arrangement

The principal purposes of the Meeting are for PetroMaroc Shareholders to consider and, if thought advisable, pass the Reduction of Stated Capital Resolution and the Arrangement Resolution. The full text of the Arrangement Resolution is set forth in Schedule "A" of this Circular and full text of the Reduction of Stated Capital Resolution is set forth in Schedule "B" of this Circular.

For a description of the Arrangement and the Arrangement Agreement, as amended, see "*Particulars of the Arrangement*". All summaries of, and references to, the Arrangement in this Circular are qualified in their entirety by reference to the complete text of the Arrangement Agreement, the Amending Agreement and the Plan of Arrangement. The Arrangement Agreement and the Amending Agreement are available on PetroMaroc's issuer profile on SEDAR at www.sedar.com and the full text of the Plan of Arrangement is set forth in Schedule "D" of this Circular. You are urged to carefully read the fully text of the Plan of Arrangement.

The PetroMaroc Board, having considered such factors that they have deemed necessary to consider, including those set out under the heading "*Reasons for the Arrangement*" below, unanimously determined that the Arrangement is in the best interests of PetroMaroc and PetroMaroc Shareholders, and unanimously recommends PetroMaroc Shareholders vote IN FAVOUR OF each of the Reduction of Stated Capital Resolution and the Arrangement Resolution. In the absence of instructions to the contrary, it is intended that PetroMaroc Shares represented by proxyholders who are management nominees will be voted IN FAVOUR OF each of the Reduction of Stated Capital Resolution and the Arrangement Resolution. Each of the Reduction of Stated Capital Resolution and the Arrangement Resolution must be passed, in each case, with or without variation, at the Meeting by an affirmative vote of at least two-thirds (66⅔%) of the votes cast at the Meeting in person or by proxy by the PetroMaroc Shareholders.

Background of the Arrangement

The terms of the Arrangement Agreement are the result of arm's length negotiations between representatives of PetroMaroc and Wolverine. The following is a summary of the events leading up to the negotiation of the Arrangement Agreement and the meetings, negotiations, discussions and actions that preceded the execution and public announcement of the Arrangement Agreement.

PetroMaroc was involved in the exploration for oil and gas deposits in Morocco. The oil and gas exploration industry is cyclical in nature and has experienced a downturn which commenced in 2012. Declines in the price of oil and gas forced companies in the exploration sector to adjust exploration expenses. Due to a lack of funds, PetroMaroc was forced to curtail its activities during the downturn. During the period from January 2012 to June 2018, the price per PetroMaroc Share dropped from a high of \$0.60 to a low of \$0.03. PetroMaroc also incurred significant costs associated with its status as a publicly listed reporting issuer in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick and Nova Scotia. The decline of the oil and gas industry led to difficulties for PetroMaroc in raising sufficient capital to pursue its natural gas exploration and development strategy. This resulted in PetroMaroc being required to sell its material asset, Sidi Moktar, in February 2016 in order to generate sufficient capital to pay the outstanding debt owing under certain secured debentures that PetroMaroc had issued in February 2014.

PetroMaroc's management and board regularly evaluate business and strategic opportunities with the objective of enhancing shareholder value in a manner consistent with the best interests of PetroMaroc.

Between 2014 and 2016, PetroMaroc entered into a number of confidentiality agreements with various parties in order to allow exploratory discussions to take place regarding potential transactions.

PetroMaroc's management became acquainted with Jesse Douglas, the founder, President and Chief Executive Officer of Wolverine in January 2018 and began discussions to evaluate a potential business combination. In February 2018 PetroMaroc and Wolverine entered into a confidentiality agreement to continue such discussions.

After initial meetings with management of Wolverine, it was determined that a transaction with Wolverine would benefit PetroMaroc and PetroMaroc Shareholders. Management of PetroMaroc subsequently arranged to have further meetings with Wolverine regarding a possible business combination with PetroMaroc and the preliminary terms of a transaction were negotiated with Wolverine. Subsequently, financial and technical information was shared between PetroMaroc and Wolverine, and PetroMaroc undertook preliminary due diligence of Wolverine. PetroMaroc's management realized that its financial resources were quickly diminishing and that a business combination or similar transaction would need to be entered into to preserve value for PetroMaroc Shareholders.

On June 1, 2018, a non-binding letter of intent, setting forth the basis of Wolverine's offer, was executed. Under the policies of the TSXV, trading in PetroMaroc Shares was halted before the market opened on June 4, 2018. The last price of the PetroMaroc Shares at the close of trading on June 1, 2018 was quoted at \$0.035.

On August 10, 2018, the PetroMaroc Board was presented with and reviewed the terms of a draft Arrangement Agreement which contemplated a lower value of PetroMaroc due to a decrease in working capital and anticipated transaction costs to complete a proposed transaction. In reviewing the Arrangement Agreement the PetroMaroc Board fully considered its duties and responsibilities to PetroMaroc Shareholders, including the financial aspects of the Arrangement. Further negotiations took place to settle the terms of the consideration to be received by the PetroMaroc shareholders, resulting in a value placed on PetroMaroc of approximately \$8,500,000. On September 7, 2018 the PetroMaroc Board unanimously approved the entering into of the Arrangement Agreement which was then executed and delivered by PetroMaroc and Wolverine, and PetroMaroc announced the signing of the Arrangement Agreement on September 13, 2018.

On November 14, 2018, Wolverine and PetroMaroc entered into an amending agreement (the "**Amending Agreement**") to amend the terms of the Arrangement Agreement to, among other things, adjust the exchange ratio, amend the Plan of Arrangement, extend the date by which the PetroMaroc Meeting must be held, extend the Outside Date, adjust the number of issued and outstanding shares of PetroMaroc and Wolverine permitted prior to giving effect to the Arrangement, and to provide for the terms of the Concurrent Financing. Except where the context requires otherwise, all references to the Arrangement Agreement in this Circular are to the Arrangement Agreement as amended by the Amending Agreement.

Recommendation of the PetroMaroc Board

The PetroMaroc Board has unanimously determined that the Arrangement is in the best interests of PetroMaroc and PetroMaroc Shareholders and, based upon the reasons set forth below, among others, unanimously recommends that PetroMaroc Shareholders vote IN FAVOUR OF each of the Reduction of Stated Capital Resolution and the Arrangement Resolution and each of the other matters set out in the Notice of Meeting.

Reasons for the Arrangement

In making its recommendation above, the PetroMaroc Board obtained and considered legal advice, consulted with PetroMaroc's management team, reviewed a significant amount of information and considered a number of factors and potential benefits of the Arrangement, including:

- the PetroMaroc Board considered a number of alternatives to maximize the value of PetroMaroc Shares, and the Arrangement represents the best alternative among the opportunities available to improve the ability of PetroMaroc to increase shareholder value;
- the Arrangement is anticipated to enhance value for PetroMaroc Shareholders through ownership in a company with growth potential;
- PetroMaroc Shareholders may benefit from possible greater trading liquidity of PetroMaroc Shares after completion of the Arrangement as compared to the historical trading liquidity;
- PetroMaroc Shareholders will be entitled to receive the Consideration Shares under the Plan of Arrangement, which represents a 51% premium over the closing price of the PetroMaroc Shares on the TSXV on June 1, 2018, the last trading day prior to the announcement of the entering into of the letter of intention announcing the intention of PetroMaroc and Wolverine to enter into the Arrangement Agreement;
- Wolverine has an experienced management team with a proven track record of growing its business as a full-service, diversified energy and infrastructure service provider in Western Canada and the United States;
- Supporting PetroMaroc Shareholders who collectively held approximately 54.66% of the outstanding PetroMaroc Shares entered into Support Agreements under which they have agreed to vote in favour of the Arrangement Resolution and the Reduction of Stated Capital Resolution and to otherwise support the Arrangement;
- the Arrangement Agreement is the result of an arm's length negotiation process and includes terms and conditions that are reasonable in the circumstances. In particular, under the Arrangement Agreement, the PetroMaroc Board maintains the ability to consider and respond, in accordance with the Arrangement Agreement and the PetroMaroc Board's fiduciary duties, to any bona fide proposal that is, or is reasonably likely to lead to a Superior Proposal, subject to Wolverine's right to match under the Arrangement Agreement, and the Termination Fee payable to Wolverine in certain circumstances is reasonable in the circumstances and not preclusive to the other offers;
- the required PetroMaroc Shareholder approvals are protective of the rights of PetroMaroc Shareholders. The Reduction of Stated Capital Resolution and the Arrangement Resolution must each be approved by at least two-thirds (66⅔%) of the votes cast by PetroMaroc Shareholders represented in person or by proxy at the Meeting;
- the Arrangement will be subject to a judicial determination of the Court that the Arrangement is fair and reasonable, both procedurally and substantively, to PetroMaroc Shareholders; and
- registered PetroMaroc Shareholders who do not vote in favour of the Arrangement Resolution will have the right to require a judicial appraisal of their PetroMaroc Shares and obtain "fair value" pursuant to the proper exercise of the Dissent Rights.

In arriving at its recommendation above, the PetroMaroc Board considered a number of potential risks of the Arrangement, including, among other things, the following:

- PetroMaroc may not have been able to verify the reliability of all information regarding Wolverine included in this Circular and information not known to PetroMaroc may result in unanticipated liabilities or expenses, or adversely affect the operational plans of the Resulting Issuer and its results of operations and financial condition;
- PetroMaroc and Wolverine may fail to realize the anticipated benefits of the Arrangement;
- Costs of the Arrangement could harm PetroMaroc and Wolverine's financial conditions and future prospects;
- if the Arrangement Agreement is terminated or the Arrangement is not completed, PetroMaroc Shareholders will not realize the benefits of the Arrangement and PetroMaroc's financial condition and future prospects could be harmed; and
- the risk factors discussed below under the subheading "*Particulars of the Arrangement – Arrangement Risk Factors*" and the heading "*Risk Factors*".

It should be noted that in assessing the merits of the Arrangement Agreement, the PetroMaroc Board determined that it was not necessary in the circumstances to obtain a fairness opinion from an independent financial advisor. In making this determination, the PetroMaroc Board considered several factors, including that the Arrangement was not a related party transaction pursuant to MI 61-101, no independent committee of the PetroMaroc Board was established as the Arrangement is at arm's length and there will be no change of control payments to management or any issues regarding continued employment which could give rise to conflicts with incumbent management. Further, the Arrangement is designed to treat all PetroMaroc Shareholders equally and there are no outstanding warrants or debentures. The PetroMaroc Board also considered the fact that PetroMaroc is not carrying on an active business, has no revenues and its assets consist solely of cash and net profit interests making it relatively straight-forward to assign an aggregate value of PetroMaroc. The PetroMaroc Board also took into consideration that Sound Energy plc, the operator of the oil and gas property known as Sidi Moktar in which PetroMaroc has a net profit interest, had delayed incurring additional exploration expenses and had determined not to make Sidi Moktar a priority in its business plans, which would delay participating in upside potential of Sidi Moktar. Accordingly, the PetroMaroc Board considered the Arrangement, which attributed a value of approximately \$6 million to the net profit interests, was attractive in the circumstances. Given that the financial resources of PetroMaroc were diminishing each month, the additional cost required to obtain a fairness opinion, no other viable alternatives were available and that the Arrangement will provide PetroMaroc Shareholders a premium value compared to market price, it was determined that the Arrangement is fair and reasonable and that a fairness opinion was not required.

The PetroMaroc Board also considered that in receiving Wolverine Shares pursuant to the Arrangement, PetroMaroc Shareholders will be receiving shares in an Alberta company. The PetroMaroc Board is of the view that the ABCA is substantially similar to the CBCA and will provide PetroMaroc Shareholders with substantially the same rights that are available to shareholders under the CBCA, including rights to dissent, derivative suit and oppressive action.

The foregoing discussion of the information and consideration of factors by the PetroMaroc Board is not intended to be exhaustive, but summarizes the material factors considered by the PetroMaroc Board in its consideration of the Arrangement. The factors above are not presented in any particular order, and the PetroMaroc Board did not find it practical to rank or otherwise assign any relative or specific weight to

the factors that were considered. The PetroMaroc Board's determination and recommendation was made after consideration of all the factors relating to the Arrangement and in light of its own knowledge of the business, financial condition and prospects of PetroMaroc and Wolverine and was also based, in part, upon the assistance of management of PetroMaroc and advice of the advisors to PetroMaroc. Individual directors may have assigned or given different weights to different factors. **The PetroMaroc Board was, however, unanimous in its determination that the Arrangement is in the best interests of PetroMaroc and the PetroMaroc Shareholders and in its recommendation that PetroMaroc Shareholders vote IN FAVOUR OF the Arrangement Resolution.**

Reduction of Stated Capital

In order to proceed with the Arrangement, PetroMaroc must satisfy the solvency requirements of subsection 192(2) of the CBCA, which provides that (a) PetroMaroc must not be unable to pay its liabilities as they become due, and (b) the realizable value of the assets of PetroMaroc must not be less than the aggregate of its liabilities and stated capital of all classes of shares of PetroMaroc. As of the date hereof, PetroMaroc is able to satisfy its liabilities as they become due but does not meet the test set forth in (b) above, and accordingly the approval of the PetroMaroc Shareholders is required to reduce the stated capital of the PetroMaroc Shares. The Reduction of Stated Capital Resolution is a special resolution to approve the reduction of the stated capital of the PetroMaroc Shares to meet the solvency test in subsection 192(2) of the CBCA (the "**Reduction of Stated Capital**"). PetroMaroc expects that the amount of stated capital of the PetroMaroc Shares will be reduced to \$1.00. No amount shall be paid or distributed to the PetroMaroc Shareholders in respect of such Reduction of Stated Capital. PetroMaroc Shareholders will be asked to consider and, if deemed appropriate, to pass the Reduction of Stated Capital Resolution authorizing the PetroMaroc Board, in its sole discretion, to proceed with the Reduction of Stated Capital.

At the Meeting, PetroMaroc Shareholders will be asked to consider and, if thought advisable, to pass the Reduction of Stated Capital Resolution to approve the Reduction of Stated Capital, which is required to become effective prior to the Arrangement proceeding. **To be effective, the Reduction of Stated Capital Resolution must be approved by at least two-thirds (66 $\frac{2}{3}$ %) of the votes cast on the resolution by PetroMaroc Shareholders represented in person or by proxy at the Meeting.** The Reduction of Stated Capital Resolution substantially in the form and content proposed to be approved by PetroMaroc Shareholders is set out in Schedule "B" of this Circular. Should the PetroMaroc Shareholders fail to pass the Reduction of Stated Capital Resolution by the requisite margin, the Reduction of Stated Capital will not be completed. Completion of the Reduction of Stated Capital is required for PetroMaroc to satisfy, as of the date of the Final Order, the solvency requirements set forth in subsection 192(2) of the CBCA, which is a statutory condition to completion of the Arrangement. **Accordingly, if the Reduction of Stated Capital Resolution is not passed, PetroMaroc will be unable to complete the Arrangement. The PetroMaroc Board has unanimously determined that the Reduction of Stated Capital is in the best interests of PetroMaroc and PetroMaroc Shareholders, assuming the completion of the Arrangement and recommends that PetroMaroc Shareholders vote IN FAVOUR OF the Reduction of Stated Capital Resolution.**

Other Business

Management of PetroMaroc is not aware of any other matters to come before the Meeting other than those set out in the Notice of Meeting. If other matters come before the Meeting, it is the intention of the PetroMaroc management proxyholders to vote in accordance with their best judgment in such matters.

PARTICULARS OF THE ARRANGEMENT

The following section contains a summary of the principal terms of the Arrangement Agreement, as amended. This summary does not purport to be complete and is qualified in its entirety by the actual terms of the Arrangement Agreement and the Amending Agreement, copies of which are available on SEDAR at www.sedar.com under PetroMaroc's issuer profile.

Overview of the Arrangement

On September 7, 2018 the PetroMaroc Board unanimously authorized the entering into by PetroMaroc of the Arrangement Agreement. PetroMaroc and Wolverine executed and delivered the Arrangement Agreement the same day. A press release announcing the execution of the Arrangement Agreement was issued on September 13, 2018. See also "*Matters to be Approved at the Meeting – Background of the Arrangement*". On November 14, 2018, the Arrangement Agreement was amended. See "*Matters to be Approved at the Meeting – Approval of the Arrangement – Background of the Arrangement*".

Pursuant to the Arrangement Agreement, as amended, Wolverine has agreed to acquire all of the issued and outstanding PetroMaroc Shares, of which 155,830,864 are issued and outstanding as of the date hereof, in exchange for approximately 8,250,000 Wolverine Shares (subject to rounding) at a deemed price of \$1.00 per Wolverine Share, having an aggregate value of approximately \$8,250,000.

Upon completion of the Arrangement, of the total issued and outstanding Resulting Issuer Shares, current PetroMaroc Shareholders will hold 9.96% and the current Wolverine Shareholders will hold the remaining 90.04%, on a non-diluted basis.

As a consequence of the Arrangement, Wolverine, will become a reporting issuer under Canadian Securities Laws and, subject to final approval of the Arrangement by the TSXV, the Wolverine Shares will be listed for trading on the TSXV. Under the policies of TSXV, the Arrangement is classified as a "change of business" since Wolverine conducts a different business than was conducted by PetroMaroc.

The Resulting Issuer Shares held by certain Wolverine Shareholders upon closing of the Arrangement, being an aggregate of 52,894,018 Resulting Issuer Shares, will be subject to escrow in accordance with the policies of the TSXV. See "*Information Concerning the Resulting Issuer – Escrowed Securities*".

Description of the Concurrent Financing

Pursuant to an engagement letter (the "**Engagement Letter**") dated October 31, 2018 between Acumen Capital Finance Partners Limited (the "**Lead Agent**") and Wolverine, the Lead Agent on behalf of itself and a syndicate of agents to be formed (collectively, the "**Agents**"), have agreed to sell, by way of brokered private placement, Subscription Receipts of Wolverine at a price of \$1,000 per Subscription Receipt, for expected aggregate gross proceeds of \$5,000,000 (the "**Concurrent Financing**"). Each Subscription Receipt will represent a right to receive one Wolverine Convertible Debenture without further payment or action on the part of the holder, upon the occurrence of the Release Event.

Upon the closing of the Concurrent Financing, the net proceeds from the sale of the Subscription Receipts will be deposited into escrow with an agent (the "**Subscription Receipt Agent**") appointed in respect of the Subscription Receipts pursuant to a subscription receipt agreement (the "**Subscription Receipt Agreement**") to be entered into between Wolverine, the Lead Agent and the Subscription Receipt Agent on the closing of the Concurrent Financing. Funds held in escrow pursuant to the Subscription Receipt Agreement will be invested in short term Government of Canada debt or as determined by Wolverine and the Lead Agent. The net proceeds of the Concurrent Financing and any interest earned thereon (the

"Escrowed Proceeds") will be released from escrow upon the occurrence of the Release Event on or before the Release Deadline. Upon the occurrence of the Release Event on or before the Release Deadline, the Subscription Receipt Agent will deliver: (i) the remaining cash fee payable to the Lead Agent; and (ii) an amount representing the balance of the Escrowed Proceeds to Wolverine, in each case subject to the terms of the Subscription Receipt Agreement.

In the event that: (i) the Release Event does not occur on or before the Release Deadline; (ii) the Arrangement Agreement is terminated in accordance with its terms at any earlier time; or (iii) Wolverine advises the Subscription Receipt Agent and the Agents or announces to the public that it does not intend to proceed with the Arrangement, Wolverine will provide notice thereof to the Agents, each of the holders of Subscription Receipts and the Subscription Receipt Agent, and the holders of Subscription Receipts will have the right to receive an amount equal to the aggregate subscription price for each Subscription Receipt, together with a pro rata portion of the interest earned thereon.

The Wolverine Convertible Debentures will mature on December 31, 2021 (the "**Maturity Date**") and will bear interest at a rate of 9.0% per annum from the closing of the Concurrent Financing, payable semi-annually on June 30 and December 31 of each year commencing on June 30, 2019. The Wolverine Convertible Debentures will be convertible into Wolverine Shares at a price of \$1.00 per Wolverine Share (the "**Conversion Price**") at the option of the holders thereof at any time prior to the close of business on the earliest of: (i) the Business Day immediately preceding the Maturity Date; (ii) in the event the Wolverine Convertible Debentures are called for redemption by Wolverine, the Business Day immediately preceding the date fixed for such redemption; or (iii) in the event the Wolverine Convertible Debentures are called for repurchase pursuant to a change of control of Wolverine, the Business Day immediately preceding the payment date for such repurchase. Upon such conversion, holders of Wolverine Convertible Debentures will be entitled to receive, in addition to the number of Wolverine Shares to be received on conversion, accrued and unpaid interest earned on such Wolverine Convertible Debentures, if any, for the period from the date of the last interest payment to the date of conversion.

The Wolverine Convertible Debentures will not be redeemable by Wolverine prior to December 31, 2019. Thereafter, Wolverine may redeem the Wolverine Convertible Debentures, in whole or in part, on not more than 60 days' and not less than 40 days' notice, at a redemption price per Wolverine Convertible Debenture equal to the principal amount of the Wolverine Convertible Debenture plus any accrued and unpaid interest thereon, up to but excluding the date set for redemption (the "**Redemption Price**") as follows: (i) on or after December 31, 2019 and prior to December 31, 2020, at any time and from time to time, provided that the weighted average trading price of the Wolverine Shares on the TSXV for the 20 consecutive trading days ending five trading days prior to the date on which notice of redemption is provided is at least 140% of the Conversion Price; and (ii) on or after December 31, 2020 and prior to the Maturity Date, at any time and from time to time.

The Subscription Receipts and the Wolverine Convertible Debentures issued pursuant to or in connection with the Concurrent Financing, and the underlying Wolverine Shares, will be subject to a statutory four month and one day hold period in accordance with applicable Canadian Securities Laws.

A cash commission equal to 7% of the gross proceeds of the Concurrent Financing (the "**Agents' Fee**") will be payable to the Agents upon the closing of the Concurrent Financing; provided that if the Arrangement is not completed prior to the closing of the Concurrent Financing, 50% of the Agents' Fee will be payable at the closing of the Concurrent Financing and the remaining 50% will be payable upon the closing of the Arrangement. In the event that the Arrangement is not completed, the commission to the Agents will be limited to the initial 50% of the Agents' Fee payable upon closing of the Concurrent Financing.

Pursuant to the Engagement Letter, the officers and directors of Wolverine have agreed to enter into agreements not to sell any direct or indirect holdings of Wolverine for 180 days from the closing of the Concurrent Financing.

Description of the Arrangement and the Arrangement Agreement

Closing Date and Effective Time of Arrangement

The Outside Date to complete the Arrangement is December 31, 2018 (the "**Outside Date**") unless the parties otherwise agree in writing. Either PetroMaroc or Wolverine may terminate the Arrangement Agreement if the Arrangement has not been completed by the Outside Date subject to certain conditions or earlier in certain other circumstances. See "*Description of the Arrangement and the Arrangement Agreement – Conditions*".

Subject to the satisfaction or waiver of all remaining conditions, PetroMaroc expects the Closing Date will occur on or about December 20, 2018. The Arrangement will be deemed to be effective at 12:01 a.m. (Toronto time) on the Closing Date. See "*Conditions*" below for a summary of certain conditions contained in the Arrangement Agreement.

Exchange Ratio and Securities to be Issued

The exchange ratio applied in the Arrangement Agreement, being 0.052942 of a Wolverine Share for each one (1) PetroMaroc Share, was determined as a result of arm's length negotiations between PetroMaroc and Wolverine, and is based upon the following respective valuations for PetroMaroc and Wolverine: a valuation of approximately \$8,250,000 ascribed to PetroMaroc and a valuation of approximately \$67,000,000 ascribed to Wolverine.

For details regarding the number and type of securities of Wolverine to be outstanding on completion of the Arrangement, see "*Information Concerning the Resulting Issuer – Description of Securities*" and "*Information Concerning the Resulting Issuer – Fully Diluted Share Capital of the Resulting Issuer*".

Treatment of PetroMaroc Options

As of the date of this Circular, there are 14,140,000 PetroMaroc Options to acquire PetroMaroc Shares outstanding under the PetroMaroc's stock option plan. Prior to closing of the Arrangement, all 4,060,000 of the PetroMaroc OTM Options and 610,000 of the PetroMaroc ITM Options will be cancelled for nominal consideration. Pursuant to the Arrangement Agreement, the remaining 9,470,000 PetroMaroc ITM Options will be cancelled immediately prior to the Effective Time in exchange for options to purchase Wolverine Shares to be issued by Wolverine (the "**Wolverine Options**") to each holder of such PetroMaroc ITM Options pursuant to PetroMaroc Conditional Option Termination and Replacement Agreements. Pursuant to the Wolverine Options (i) the exercise price for the Wolverine Option shall be the aggregate exercise price of the PetroMaroc ITM Options being exchanged therefor; (ii) the Wolverine Shares to be issued upon the exercise of the Wolverine Option shall be that number of Wolverine Shares to which such PetroMaroc Optionholder would have been entitled pursuant to the Arrangement had the PetroMaroc Optionholder exercised its PetroMaroc ITM Options prior to the Effective Time; and (iii) the expiry date of such Wolverine Option shall be the 60th day following the Effective Date. In addition, each PetroMaroc Optionholder will agree to a contractual hold period in respect of any Wolverine Shares acquired pursuant to the exercise of the Wolverine Option ending on the 120th day following the Effective Date; provided such PetroMaroc Optionholder complies with the terms and conditions set forth in the agreement relating thereto, all of which shall be conditional upon the completion of the Arrangement.

Representations, Warranties and Covenants

The Arrangement Agreement, as amended, contains representations, warranties and covenants from each of PetroMaroc and Wolverine that are customary in a transaction of this nature. See the Arrangement Agreement and the Amending Agreement filed online on PetroMaroc's issuer profile on SEDAR at www.sedar.com for all such representations, warranties and covenants.

Conditions

Mutual Conditions

The obligation of PetroMaroc and Wolverine to complete the Arrangement is subject to a number of conditions which must be satisfied or waived in order for the Arrangement to be completed. Unless all of the conditions are satisfied or waived by both PetroMaroc and Wolverine, the Arrangement will not proceed. The following is a summary of the significant mutual conditions contained in the Arrangement Agreement:

1. the Interim Order and Final Order shall have been granted on terms consistent with the Arrangement Agreement, and shall not have been set aside or modified in a manner unacceptable to either of the parties, each acting reasonably, on appeal or otherwise;
2. the Reduction of Stated Capital Resolution and the Arrangement Resolution shall have been passed by the PetroMaroc Shareholders in accordance with the Interim Order;
3. the Effective Date shall have occurred on or before the Outside Date;
4. all Regulatory Approvals and third party approvals and consents necessary for the completion of the Arrangement the failure of which to obtain would reasonably be expected to have a Material Adverse Effect on Wolverine (after giving effect to the Arrangement) or prevent or materially impair or materially delay or could reasonably be expected to prevent or materially impair or delay the ability of either party to consummate the transactions contemplated by the Arrangement Agreement by the Outside Date shall have been obtained on terms and conditions satisfactory to the parties, each acting reasonably;
5. the Concurrent Financing shall have been completed;
6. the TSXV shall have approved, subject only to customary conditions, the listing of all of Wolverine Shares issuable pursuant to the Arrangement; and
7. no action shall have been taken under any existing Applicable Laws or regulation, nor any statute, rule, regulation or order which is enacted, enforced, promulgated or issued by any Governmental Authority that:
 - (a) makes illegal or otherwise directly or indirectly restrains, enjoins or prohibits the Arrangement or any other transactions contemplated by the Arrangement Agreement; or
 - (b) results in a judgment or assessment of material damages against the parties or their subsidiaries, directly or indirectly, relating to the transactions contemplated by the Arrangement Agreement that would have a Material Adverse Effect upon Wolverine (after giving effect to the Arrangement) or prevent or materially

impair or materially delay or could reasonably be expected to prevent or materially impair or delay the ability of either Party to consummate the transactions contemplated by the Arrangement Agreement by the Outside Date.

Conditions in Favour of PetroMaroc

The obligation of PetroMaroc to complete the Arrangement is subject to a number of conditions which must be satisfied or waived by PetroMaroc in order for the Arrangement to be completed. Unless all of the conditions are satisfied or waived by PetroMaroc, the Arrangement will not proceed. The following is a summary of the significant conditions in favour of PetroMaroc contained in the Arrangement Agreement:

1. all covenants of Wolverine under the Arrangement Agreement to be performed on or before the Effective Date shall have been duly complied with or performed by Wolverine in all material respects; and PetroMaroc shall have received a certificate of Wolverine addressed to PetroMaroc dated the Effective Date, signed on behalf of Wolverine by two senior executive officers of Wolverine (on Wolverine's behalf and without personal liability), confirming the same as at the Effective Date;
2. the representations and warranties of Wolverine set forth in the Arrangement Agreement shall be true and correct (for representations and warranties qualified as to materiality, true and correct in all respects, and for all other representations and warranties, true and correct in all material respects) as of the Effective Date, as though made on and as of the Effective Date (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date), except where any inaccuracy in such representations and warranties, individually or in the aggregate, would not or would not reasonably be expected to have a Material Adverse Effect on PetroMaroc or Wolverine (after giving effect to the Arrangement) or prevent or materially impair or materially delay or could reasonably be expected to prevent or materially impair or delay the ability of either party to consummate the transactions contemplated by the Arrangement Agreement by the Outside Date; and PetroMaroc shall have received a certificate of Wolverine addressed to PetroMaroc and dated the Effective Date, signed on behalf of Wolverine by two senior executive officers of Wolverine (on Wolverine's behalf and without personal liability), confirming the same as at the Effective Date;
3. immediately prior to the Effective Time, PetroMaroc shall be satisfied that there are not more than 74,618,000 Wolverine Shares outstanding and, other than as contemplated or disclosed in writing to PetroMaroc, PetroMaroc shall be satisfied that upon completion of the Arrangement no person shall have any agreement, option or any right or privilege capable of becoming an agreement or option for the purchase, subscription, allotment or issuance of any Wolverine Shares;
4. other than in relation to control distributions (as defined under Canadian Securities Laws), PetroMaroc shall be satisfied, acting reasonably, that the Wolverine Shares to be issued to PetroMaroc Shareholders pursuant to the Arrangement shall not be subject to any hold period, restricted period or seasoning period under Canadian Securities Laws that shall not have been satisfied at the Effective Time;
5. Wolverine shall have furnished PetroMaroc with certified copies of the resolutions duly passed by Wolverine Board approving the Arrangement Agreement and the consummation of the transactions contemplated by the Arrangement Agreement, which resolutions must be valid and subsisting;

6. on the Effective Date Wolverine shall have provided a Mutual Release to all of the directors, officers, employees and consultants of PetroMaroc and its subsidiaries who have provided a Mutual Release to Wolverine;
7. Wolverine shall have appointed a mutually agreeable existing "independent" director of PetroMaroc to the Wolverine Board;
8. no Material Adverse Change shall have occurred in relation to Wolverine after the date of the Arrangement Agreement and prior to the Effective Date; and
9. Wolverine shall, on the Effective Date, provide the Depository an irrevocable direction authorizing and directing the Depository to deliver the Wolverine Shares issuable pursuant to the Arrangement to holders of the PetroMaroc Shares in accordance with the Plan of Arrangement.

Conditions in Favour of Wolverine

The obligation of Wolverine to complete the Arrangement is subject to a number of conditions which must be satisfied or waived by Wolverine in order for the Arrangement to be completed. Unless all of the conditions are satisfied or waived by Wolverine, the Arrangement will not proceed. The following is a summary of the significant conditions in favour of Wolverine contained in the Arrangement Agreement:

10. all covenants of PetroMaroc under the Arrangement Agreement to be performed on or before the Effective Date shall have been duly complied with or performed by PetroMaroc in all material respects; and Wolverine shall have received a certificate of PetroMaroc addressed to Wolverine dated the Effective Date, signed on behalf of PetroMaroc by two senior executive officers of PetroMaroc (on PetroMaroc's behalf and without personal liability), confirming the same as at the Effective Date;
11. the representations and warranties of PetroMaroc set forth in the Arrangement Agreement shall be true and correct (for representations and warranties qualified as to materiality, true and correct in all respects, and for all other representations and warranties, true and correct in all material respects) as of the Effective Date, as though made on and as of the Effective Date (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date), except where any inaccuracy in such representations and warranties, individually or in the aggregate, would not or would not reasonably be expected to have a Material Adverse Effect on PetroMaroc or Wolverine (after giving effect to the Arrangement) or prevent or materially impair or materially delay or could reasonably be expected to prevent or materially impair or delay the ability of PetroMaroc to consummate the transactions contemplated by the Arrangement Agreement by the Outside Date; and Wolverine shall have received a certificate of PetroMaroc addressed to Wolverine and dated the Effective Date, signed on behalf of PetroMaroc by two senior executive officers of PetroMaroc (on PetroMaroc's behalf and without personal liability), confirming the same as at the Effective Date;
12. all Regulatory Approvals and third party approvals and consents necessary for the completion of the Arrangement the failure of which to obtain would reasonably be expected to have a Material Adverse Effect on PetroMaroc (after giving effect to the Arrangement) shall have been obtained on terms and conditions satisfactory to Wolverine, acting reasonably;
13. the PetroMaroc Shareholders who have exercised Dissent Rights in relation to the Arrangement, if any, shall hold in the aggregate not more than 5% of the issued and outstanding PetroMaroc Shares;

14. PetroMaroc shall have furnished Wolverine with: (a) certified copies of the resolutions duly passed by the PetroMaroc Board approving the Arrangement Agreement and the consummation of the transactions contemplated by the Arrangement Agreement; and (b) certified copies of the Reduction of Stated Capital Resolution and the Arrangement Resolution;
15. there shall be no proceedings against or involving PetroMaroc or any of its subsidiaries, or in respect of the businesses, properties or assets of PetroMaroc or any of its subsidiaries, (whether in progress or, to the knowledge of PetroMaroc, threatened), that if adversely determined, would reasonably be expected to have a Material Adverse Effect on PetroMaroc and there shall be no judgment, writ, decree, injunction, rule, award or order of any Governmental Authority outstanding against PetroMaroc or any of its subsidiaries, in respect of their business, properties or assets that has had or would reasonably be expected to have a Material Adverse Effect on PetroMaroc or Wolverine (after giving effect to the Arrangement) or prevent or materially impair or materially delay or could reasonably be expected to prevent or materially impair or delay the ability of either Party to consummate the transactions contemplated by the Arrangement Agreement by the Outside Date;
16. immediately prior to the Effective Time, Wolverine shall be satisfied that there are not more than 155,830,864 PetroMaroc Shares outstanding (prior to the exercise of the PetroMaroc Options) and, other than as contemplated or disclosed in the Arrangement Agreement, Wolverine shall be satisfied that upon completion of the Arrangement no person shall have any agreement, option or any right or privilege capable of becoming an agreement or option for the purchase, subscription, allotment or issuance of any PetroMaroc Shares;
17. each of the PetroMaroc Optionholders shall have entered into a PetroMaroc Conditional Option Termination and Replacement Agreement pursuant to which all of the outstanding PetroMaroc Options shall have been exercised or surrendered and terminated, and PetroMaroc shall provide evidence of such exercise or termination to the satisfaction of Wolverine, acting reasonably;
18. on the Effective Date, each of the directors, officers, employees or consultants of PetroMaroc and its subsidiaries who are required to deliver resignations and/or Mutual Releases to Wolverine shall have done so and such resignations and Mutual Releases shall remain in effect;
19. the issuance of the Wolverine Shares to PetroMaroc Shareholders pursuant to the Arrangement shall not require registration under the U.S. Securities Laws;
20. no Material Adverse Change shall have occurred in relation to PetroMaroc after the date of the Arrangement Agreement and prior to the Effective Date; and
21. at the Effective Date: (a) PetroMaroc's working capital shall be not less than \$2,900,000; (b) PetroMaroc's transaction costs in respect of completing the Arrangement shall not exceed \$725,000; and (c) PetroMaroc will have nil debt; and Wolverine shall have received a certificate of PetroMaroc addressed to Wolverine and dated the Effective Date, signed on behalf of PetroMaroc by two senior officers of PetroMaroc (on PetroMaroc's behalf and without personal liability), confirming the same as at the Effective Date.

There is no assurance that the foregoing conditions set out in the Arrangement Agreement will be satisfied or waived on a timely basis, or at all. If any of the foregoing conditions shall not be fulfilled or waived in writing by PetroMaroc or Wolverine, as applicable, at or prior to the Closing Date, either party may terminate the Arrangement Agreement by written notice to the other parties and, in such event, the obligations of PetroMaroc and Wolverine as contemplated in Section 7.3 of the Arrangement Agreement

(including the termination provisions summarized below under the heading "*Termination of the Arrangement Agreement*") shall continue to be in full force and effect.

Termination of the Arrangement Agreement

Pursuant to Section 7.1 of the Arrangement Agreement, the Arrangement Agreement may be terminated on or prior to the Closing Date as follows:

- (a) by the mutual written agreement of each of the parties;
- (b) by either PetroMaroc or Wolverine if:
 - (i) either of the Reduction of Stated Capital Resolution or the Arrangement Resolution has not been passed by the PetroMaroc Shareholders at the Meeting in accordance with the Interim Order provided that a party may not terminate the Arrangement Agreement pursuant to Section 7.1(b)(i) of the Arrangement Agreement if the failure to so pass the Reduction of Stated Capital Resolution or the Arrangement Resolution has been caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under the Arrangement Agreement;
 - (ii) after the date of the Arrangement Agreement, any Applicable Laws are enacted, made, enforced or amended, as applicable, that makes the consummation of the Arrangement illegal or otherwise permanently prohibits or enjoins PetroMaroc or Wolverine from consummating the Arrangement, and such Applicable Laws has become final and non-appealable; or
 - (iii) the Effective Time does not occur on or prior to the Outside Date, provided that a party may not terminate the Arrangement Agreement pursuant to Section 7.1(b)(iii) of the Arrangement Agreement if the failure of the Effective Time to so occur has been caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under the Arrangement Agreement.
- (c) by Wolverine if:
 - (i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of PetroMaroc under the Arrangement Agreement occurs that would cause any condition precedent not to be satisfied, and such breach or failure is incapable of being cured on or prior to the Outside Date or is not so cured in accordance with the terms of the Arrangement Agreement; provided that Wolverine is not then in breach of the Arrangement Agreement so as to cause any condition not to be satisfied;
 - (ii) if any of the events described in paragraphs (A) through (E) below occurs:
 - (A) the PetroMaroc Board or any committee of the PetroMaroc Board fails to unanimously recommend or withdraws, amends, modifies or qualifies, publicly proposes or states its intention to do so, or fails to publicly reaffirm (without qualification) within three Business Days after having been requested in writing by Wolverine to do so, the PetroMaroc Board recommendation, or takes no position or a neutral position with respect to an Acquisition Proposal in respect of

PetroMaroc for more than three Business Days after first learning of an Acquisition Proposal (unless Wolverine is then in material breach of its obligation hereunder and such failure, withdrawal, amendment, modification or qualification relates to such breach);

- (B) the PetroMaroc Board or any committee of the PetroMaroc Board accepts, approves, endorses or recommends to the PetroMaroc Shareholders, an Acquisition Proposal or recommends that the PetroMaroc Shareholders deposit their PetroMaroc Shares under, vote in favour of, or otherwise accept an Acquisition Proposal;
 - (C) PetroMaroc enters into an agreement (other than a confidentiality agreement permitted by the Arrangement Agreement) with respect to an Acquisition Proposal;
 - (D) PetroMaroc wilfully or intentionally breaches the non-solicitation restrictions contained in the Arrangement Agreement in any respect; or
 - (E) PetroMaroc resolves or proposes to take any of the foregoing actions;
- (iii) any event occurs as a result of which the conditions precedent contained in the Arrangement Agreement are not capable of being satisfied by the Outside Date; or
 - (iv) after the date of the Arrangement Agreement a Material Adverse Change occurs in respect of PetroMaroc.
- (d) by PetroMaroc if:
- (i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of Wolverine under the Arrangement Agreement occurs that would cause any condition not to be satisfied, and such breach or failure is incapable of being cured or is not cured on or prior to the Outside Date in accordance with the terms of the Arrangement Agreement; provided that PetroMaroc is not then in breach of the Arrangement Agreement so as to cause any condition not to be satisfied;
 - (ii) prior to the approval by the PetroMaroc Shareholders of the Arrangement Resolution, the PetroMaroc Board authorizes PetroMaroc to enter into a written agreement (other than a confidentiality agreement permitted by the Arrangement Agreement) with respect to a Superior Proposal, provided PetroMaroc is then in compliance with its obligations regarding non-solicitation contained in the Arrangement Agreement and that prior to or concurrent with such termination PetroMaroc pays the Termination Fee in accordance with the terms of the Arrangement Agreement; or
 - (iii) after the date of the Arrangement Agreement a Material Adverse Change has occurred in respect of Wolverine.

Required Shareholder Approval for the Arrangement

Pursuant to the Amended Interim Order, the Reduction of Stated Capital Resolution and the Arrangement Resolution must be passed in each case, with or without variation, at the Meeting by the affirmative vote of at least two-thirds (66⅔%) of the votes cast at the Meeting in person or by proxy by the PetroMaroc

Shareholders. The Reduction of Stated Capital resolution and the Arrangement Resolution must each receive such shareholder approval in order for PetroMaroc to seek the Final Order and implement the Arrangement in accordance with the Final Order.

Support Agreements

To the knowledge of PetroMaroc, the Supporting PetroMaroc Shareholders beneficially own, or exercise control or direction over, directly or indirectly, 85,175,557 PetroMaroc Shares representing approximately 54.66% of the issued and outstanding PetroMaroc Shares as of the Record Date.

Prior to the date hereof, the Supporting PetroMaroc Shareholders entered into the Support Agreements with Wolverine pursuant to which, among other things, they agreed to cause to be counted as present for purposes of establishing quorum at the Meeting and to vote (or cause to be voted) the securities owned legally or beneficially by each of them or over which they exercise control or direction, as applicable, **IN FAVOUR OF** the Arrangement Resolution and the Reduction of Stated Capital Resolution, and to duly complete and cause Forms of Proxy in respect of all of the applicable securities held by them to be validly delivered to cause the applicable securities to be voted **IN FAVOR OF** the Arrangement Resolution and the Reduction of Stated Capital Resolution.

Finder's Fee Agreement

PetroMaroc entered into a finder's agreement (the "**Finder's Agreement**") dated April 4, 2018 with D. Campbell Deacon (the "**Finder**"). Pursuant to terms of the Finder's Agreement, PetroMaroc retained the Finder on a non-exclusive basis to perform certain services (the "**Finding Services**") to locate a potential buyer, investor, lender or other similar party to provide PetroMaroc with an opportunity to consider a number of potential strategic alternatives, including an equity financing, sale of all or substantially all of the assets or securities of PetroMaroc, a formation of a strategic alliance or joint venture with a third party, a recapitalization or reorganization of PetroMaroc, a direct or indirect acquisition of or business combination with a third party, and/or some other extraordinary transaction with a third party involving PetroMaroc or its securities or assets, such as a take-over bid, amalgamation, plan of arrangement, merger or other business transaction (a "**Proposed Transaction**"). The term of the Finder's Agreement was for a period of six months unless extended in writing by the parties. As consideration for the Finding Services, PetroMaroc is obligated to pay the Finder a finder's fee equal to four percent (4%) of the transaction value of a Proposed Transaction, subject to a maximum fee of \$340,000. The Arrangement constitutes a Proposed Transaction for the purposes of the Finder's Fee Agreement and a fee of \$330,000 will be paid to the Finder on the closing of the Arrangement.

PetroMaroc, Wolverine and the Finder have agreed that the Finder's Fee will be payable as follows: (i) \$200,000 will be payable in cash by PetroMaroc at the closing of the Arrangement and (ii) \$130,000 will be settled in consideration of the issuance of 130,000 Wolverine Shares at a deemed price of \$1.00 per Wolverine Share following the closing of the Arrangement (the "**Share Payment**").

Court Approval of the Arrangement and Completion of the Arrangement

An arrangement under the CBCA requires Court approval. Prior to the mailing of this Circular, the Corporation obtained the Amended Interim Order, which provides for the calling and holding of the Meeting, the Dissent Rights and other procedural matters. A copy of the Amended Interim Order is attached as Schedule "C" to this Circular.

Subject to obtaining the approval of the Arrangement Resolution and the Reduction of Stated Capital Resolution from the PetroMaroc Shareholders, the hearing in respect of the Final Order is currently scheduled to take place at 10:00 a.m. on December 19, 2018 (Toronto time) in Toronto, Ontario.

Under the terms of the Amended Interim Order, each PetroMaroc Shareholder has the right to appear and make submissions at the application for the Final Order. Any Interested Party may do so but must comply with certain procedural requirements. In particular, any Interested Party desiring to appear and make submissions at the application for the Final Order is required to file with the Court, and serve upon the lawyers for PetroMaroc, at Fogler, Rubinoff LLP, 77 King Street West, Suite 3000, PO Box 95, TD Centre North Tower, Toronto, ON, M5K 1G8, Attention: Ross W. MacDougall, with a copy to counsel for Wolverine, at Dentons Canada LLP, 850 – 2nd Street SW, 15th Floor, Bankers Court, Calgary, AB, T2P 0R8, Attention: Lucas Tomei, a Notice of Appearance on or before 4:00 p.m. (Toronto time) on December 17, 2018 or 4:00 p.m. (Toronto time) on the date that is two Business Days before the hearing of the application for the Final Order, in accordance with the Amended Notice of Application, the Amended Interim Order and the applicable *Rules of Civil Procedure* under the *Courts of Justice Act* (Ontario).

If (i) the Reduction of Stated Capital and Arrangement are approved at the Meeting, (ii) the Final Order approving the Arrangement is issued by the Court, (iii) the TSXV provides its approval, and (iv) the applicable conditions to the completion of the Arrangement are satisfied or waived, the Arrangement is expected to be completed on December 20, 2018.

Dissenting Shareholders' Rights

The following description of the rights of registered PetroMaroc Shareholders to dissent from the Arrangement Resolution is not a comprehensive statement of the procedures to be followed by a Dissenting Shareholder who seeks payment of the fair value for such holder's PetroMaroc Shares. If you are a registered PetroMaroc Shareholder and wish to dissent in respect of the Arrangement Resolution, you should obtain your own legal advice and carefully read the Plan of Arrangement (see Schedule "D" of this Circular), the provisions of Section 190 of the CBCA (see Schedule "J" of this Circular) and the Amended Interim Order (see Schedule "C" of this Circular). There can be no assurance that a Dissenting Shareholder will receive consideration for its PetroMaroc Shares of equal or greater value to the Share Consideration that such Dissenting Shareholder would have received under the Arrangement if such holder had not exercised Dissent Rights.

Anyone who is a Beneficial Shareholder of PetroMaroc Shares registered in the name of an Intermediary and who wishes to dissent should be aware that only registered PetroMaroc Shareholders are entitled to exercise Dissent Rights. **A Beneficial Shareholder of PetroMaroc Shares registered in the name of an Intermediary who wishes to dissent should be aware that only registered PetroMaroc Shareholders are entitled to dissent.** Accordingly, a Beneficial Shareholder desiring to exercise Dissent Rights must make arrangements for the PetroMaroc Shares beneficially owned by such holder to be registered in such holder's name prior to the time the written objection to the Arrangement Resolution is required to be received by PetroMaroc, or alternatively, make arrangements for the registered holder of such PetroMaroc Shares to dissent on such Beneficial Shareholder's behalf.

A registered PetroMaroc Shareholder who holds PetroMaroc Shares as an Intermediary for one or more Beneficial Shareholders, one or more of whom wish to exercise Dissent Rights, must exercise such Dissent Rights on behalf of such holder(s). In such case, the notice should specify the number of PetroMaroc Shares held by the Intermediary for such Beneficial Shareholder. A Dissenting Shareholder may dissent only with respect to all of the PetroMaroc Shares held on behalf of any one Beneficial Owner and registered in the name of the Dissenting Shareholder.

Section 190 of the CBCA, as modified by the Plan of Arrangement and the Amended Interim Order and any other applicable order of the Court, provides that registered PetroMaroc Shareholders (as determined as at the close of business on the last Business Day before the day on which the Arrangement is approved by PetroMaroc Shareholders) who dissent to the Arrangement may exercise a right of dissent and require PetroMaroc to purchase the PetroMaroc Shares held by such registered PetroMaroc Shareholders at the fair value of such PetroMaroc Shares.

The exercise of Dissent Rights does not deprive a registered PetroMaroc Shareholder of the right to vote at the Meeting. However, a PetroMaroc Shareholder is not entitled to exercise Dissent Rights in respect of the Arrangement Resolution if such holder votes any of the PetroMaroc Shares beneficially held by such holder in favour of the Arrangement Resolution. In addition to any other restrictions under Section 190 of the CBCA (as modified or supplemented by the Amended Interim Order, the Plan of Arrangement and any other order of the Court), no Person who has voted or instructed a proxyholder to vote their PetroMaroc Shares in favour of the Arrangement is entitled to exercise Dissent Rights.

A Dissenting Shareholder is required to send a written objection (a "**Written Objection**") to the Arrangement Resolution to PetroMaroc, which must be received by PetroMaroc in accordance with the instructions set out in this Circular by no later than 10:00 a.m. (Toronto time) on the date that is two Business Days immediately preceding the Meeting or any adjournment or postponement thereof. A vote against the Arrangement Resolution or not voting on the Arrangement Resolution does not constitute a Written Objection for purposes of the Dissent Rights. Within 10 days after the Arrangement Resolution is approved by the PetroMaroc Shareholders, PetroMaroc must send to each Dissenting Shareholder a notice that the Arrangement Resolution has been adopted, setting out the rights of the Dissenting Shareholder and the procedures to be followed on exercise of those rights except if a Dissenting Shareholder has withdrawn their objection. The Dissenting Shareholder is then required, within 20 days after receipt of such notice (or if such PetroMaroc Shareholder does not receive such notice, within 20 days after learning of the adoption of the Arrangement Resolution), to send to PetroMaroc a written notice (a "**Written Notice**") containing the Dissenting Shareholder's name and address, the number of PetroMaroc Shares in respect of which the Dissenting Shareholder dissents and a demand for payment of the fair value for such PetroMaroc Shares and, within 30 days after sending such Written Notice, to send to PetroMaroc or the Transfer Agent the share certificate(s) representing the PetroMaroc Shares, if applicable, in respect of which the Dissenting Shareholder has exercised Dissent Rights. A Dissenting Shareholder who fails to send to PetroMaroc, within the required periods of time, the required notices or the certificate(s) representing the PetroMaroc Shares in respect of which the Dissenting Shareholder has dissented may forfeit its Dissent Rights.

If the matters provided for in the Arrangement Resolution become effective, then PetroMaroc will be required to send, not later than the seventh day after the later of (i) the Effective Date, and (ii) the day the demand for payment by Written Notice is received by PetroMaroc, to each Dissenting Shareholder whose demand for payment has been received, (a) a written offer to pay for the PetroMaroc Shares of such Dissenting Shareholder in such amount as the directors of PetroMaroc consider to be the fair value thereof accompanied by a statement showing how the fair value was determined unless there are reasonable grounds for believing that PetroMaroc is, or (b) after the payment would be unable to pay its liabilities as they become due or the realizable value of PetroMaroc's assets, as applicable, would thereby be less than the aggregate of its liabilities, in which case PetroMaroc must provide notification that it is unable lawfully to pay Dissenting Shareholders for their PetroMaroc Shares, and a Dissenting Shareholder, by Written Notice to PetroMaroc may withdraw their Written Notice in which case PetroMaroc is deemed to consent to the withdrawal and the Dissenting Shareholder is reinstated to their full right as a PetroMaroc Shareholder or retain a status as a claimant to be paid as soon as PetroMaroc is lawfully able to do so, or, in a liquidation, to be ranked subordinate to the rights of creditors of PetroMaroc but in priority to PetroMaroc Shareholders. A Dissenting Shareholder must accept such offer within 30 days after the offer

has been made, and PetroMaroc must pay for the PetroMaroc Shares of a Dissenting Shareholder within 10 days after an offer made as described above has been accepted by a Dissenting Shareholder, but any such offer lapses if PetroMaroc does not receive an acceptance thereof within 30 days after such offer has been made.

If such offer to pay is not made or accepted within 50 days after the Effective Date, PetroMaroc or Wolverine may apply to a court of competent jurisdiction to fix the fair value of such shares. There is no obligation of PetroMaroc or Wolverine to apply to the Court. If PetroMaroc or Wolverine fails to make such an application, a Dissenting Shareholder has the right to so apply within a further 20 days or such further period as a court may allow.

PetroMaroc Shareholders who exercise Dissent Rights and who:

- (a) are ultimately entitled to be paid fair value for their PetroMaroc Shares, which fair value, notwithstanding anything to the contrary contained in the CBCA, shall be determined as at the close of business on the last Business Day before the day on which the Arrangement is approved by PetroMaroc Shareholders, and shall be deemed to have transferred their PetroMaroc Shares (free and clear of any encumbrances) to Wolverine without any further act or formality as of the Effective Time in consideration for a debt claim against Wolverine to be paid the fair value of such PetroMaroc Shares by Wolverine, and will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights; and
- (b) are ultimately not entitled, for any reason, to be paid fair value for their PetroMaroc Shares shall be deemed to be a Former PetroMaroc Shareholder and to have participated in the Arrangement, as of the Effective Time, on the same basis as non-dissenting PetroMaroc Shareholders, and shall be entitled to receive only the Consideration Shares that such Former PetroMaroc Shareholder would have received pursuant to the Arrangement if such Former PetroMaroc Shareholder had not exercised Dissent Rights,

but in no case shall PetroMaroc or Wolverine or any other person be required to recognize PetroMaroc Shareholders who exercise Dissent Rights as PetroMaroc Shareholders after the Effective Time and the names of such PetroMaroc Shareholders who exercise Dissent Rights shall be removed from the applicable register of shareholders as at the Effective Time.

Addresses for Notice

All Written Objections to the Arrangement Resolution pursuant to Section 190 of the CBCA should be addressed to the attention of the individual set out below and be received no later than 10:00 a.m. (Toronto time) on the second last Business Day immediately preceding the Meeting (or any adjournment or postponement thereof):

PetroMaroc's counsel in respect of the Arrangement:

Fogler, Rubinoff LLP
77 King St. West
Suite 3000, PO Box 95
TD Centre North Tower
Toronto, ON M5K 1G8

Attention: Michael Hobart
Fax: (416) 941-8852
Email: mhobart@foglers.com

Arrangement Risk Factors

The Arrangement is subject to certain risks including the risks discussed below. Further, there are a number of risks in respect of the business of Wolverine. See "*Risk Factors*" for more information.

PetroMaroc and Wolverine may fail to realize the anticipated benefits of the Arrangement

PetroMaroc and Wolverine are proposing to complete the Arrangement to realize certain benefits as described herein. Achieving the benefits of the Arrangement depends in part on the ability of Wolverine, after giving effect to the Arrangement, to realize the anticipated growth opportunities and execute its business plan.

The Arrangement Agreement may be terminated in certain circumstances, some of which are out of PetroMaroc and Wolverine's control

PetroMaroc and Wolverine each have the right to terminate the Arrangement Agreement in certain circumstances. Accordingly, there is no certainty, nor can PetroMaroc or Wolverine provide any assurance, that the Arrangement Agreement will not be terminated by either or both parties before the completion of the Arrangement.

In addition, the completion of the Arrangement is subject to a number of conditions precedent, certain of which are outside the control of PetroMaroc or Wolverine including the receipt of certain Regulatory Approvals. There can be no certainty, nor can PetroMaroc and Wolverine provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. A substantial delay in obtaining satisfactory approvals or the imposition of unfavourable terms or conditions in such Regulatory Approvals could result in the termination of the Arrangement Agreement.

Additionally, although neither PetroMaroc nor Wolverine currently anticipates that there will be any investigation or proceeding in any jurisdiction that would have a material impact on the completion of the Arrangement, there is no assurance that such investigation or proceeding, whether by Governmental Authority or private party, will not be initiated nor, if initiated, will not materially adversely affect the completion of the Arrangement. If for any reason the Arrangement is delayed or not completed, the market price of PetroMaroc Shares may be affected.

Market reaction to the Arrangement cannot be predicted

The market reaction to the Arrangement and the future trading prices of the Wolverine Shares following the completion of the Arrangement cannot be predicted.

Costs of the Arrangement could harm PetroMaroc and Wolverine's financial conditions and future prospects

PetroMaroc and Wolverine will collectively incur significant direct transaction costs in connection with the Arrangement. These direct transaction costs incurred in connection with the Arrangement may be higher than expected. Additional costs may be incurred to the extent that any PetroMaroc Shareholders exercise their Dissent Rights and receive unexpected payout values for their PetroMaroc Shares. All of

the aforementioned costs may impact the ability of Wolverine, after giving effect to the Arrangement, to realize the anticipated growth opportunities and execute its business plan.

Additionally, certain costs related to the Arrangement, such as accounting, advisory and legal fees incurred by PetroMaroc, must be paid by PetroMaroc even if the Arrangement is not completed.

If the Arrangement is not completed, PetroMaroc may be subject to a number of additional material risks. For example, PetroMaroc may have lost other opportunities that would have otherwise been available had the Arrangement Agreement not been executed, including, without limitation, opportunities not pursued as a result of affirmative and negative covenants made by it in the Arrangement Agreement, such as covenants relating to non-solicitation.

Tax consequences of the Arrangement are specific to the holder

The Arrangement described herein may have tax consequences in Canada, or elsewhere, depending on each particular existing or prospective PetroMaroc Shareholder's specific circumstances. Such tax consequences are not described herein and this Circular is not intended to be, nor should it be construed to be, legal or tax advice to any particular PetroMaroc Shareholder. Existing and prospective PetroMaroc Shareholders should consult their own tax advisors with respect to any such tax considerations.

Effect on PetroMaroc if the Arrangement is not completed

If the Arrangement Resolution is not approved by PetroMaroc Shareholders or if the Arrangement is not completed for any other reason, it is expected that PetroMaroc will remain a public company and that PetroMaroc Shares will continue to be traded on the TSXV. If the Reduction of Stated Capital Resolution is passed but the Arrangement is not completed, the PetroMaroc Board may determine to complete the Reduction of Stated Capital if the PetroMaroc Board determines it is in the best interests of PetroMaroc for reasons including, among others, the facilitation or pursuit of other transactions or acquisitions. In addition, if the Arrangement is not completed, it is expected that management will operate PetroMaroc in a manner similar to that in which it is being operated as of the date hereof and that PetroMaroc Shareholders will continue to be subject to the same risks to which they are currently subject. Additionally, failure to complete the Arrangement could have a material negative effect on the market price of PetroMaroc Shares. See "*Matters to be Approved at the Meeting – Approval of Arrangement*".

Business of PetroMaroc after the Arrangement

Pursuant to the Arrangement, PetroMaroc will become a wholly-owned subsidiary of Wolverine. After the completion of the Arrangement, Wolverine will continue to operate its business. See "*Information Concerning Wolverine*" and "*Information Concerning the Resulting Issuer*".

Shareholder Approval

At the Meeting, PetroMaroc Shareholders will be asked to consider and, if deemed advisable, to pass the Arrangement Resolution and the Reduction of Stated Capital Resolution. All such matters are set out in the accompanying Notice of Meeting and are described under "*Matters to be Approved at the Meeting – Approval of the Arrangement*" and "*Matters to be Approved at the Meeting – Reduction of Stated Capital*".

Regulatory Approvals and Filings

PetroMaroc is not aware of any material regulatory approval or other action by any federal, provincial, state or foreign government or administrative or regulatory agency that would be required to be obtained prior to the completion of the Arrangement, other than the TSXV and as otherwise set out in this Circular.

TSXV Approval

As of the date of this Circular, PetroMaroc has applied to the TSXV for approval of the Arrangement. Final approval will be subject to fulfillment of the requirements of the TSXV being met in conjunction with the completion of the Arrangement.

Sponsor

In accordance with TSXV requirements, PetroMaroc intends to solicit an exemption from the sponsorship requirements of the TSXV with regards to the Arrangement.

Procedures for the Surrender of Share Certificates and Payment of Consideration

From and after the Effective Time, certificates formerly representing PetroMaroc Shares shall represent only the right to receive Wolverine Shares pursuant to the Arrangement. The Letter of Transmittal, enclosed with this Circular, contains procedural information relating to the Arrangement and should be reviewed carefully. The Letter of Transmittal is also available on SEDAR at www.sedar.com under PetroMaroc's issuer profile and PetroMaroc Shareholders can also request paper copies from the Depository.

In order for PetroMaroc Shareholders to receive Consideration Shares pursuant to the Arrangement, the Letter of Transmittal, properly completed and duly executed, together with all other required documents referred to therein or reasonably requested by the Depository, including any certificate(s) or DRS Statements(s) representing PetroMaroc Shares, must be received by the Depository on or before the last Business Day prior to the third anniversary of the Effective Date, or such shorter or longer period required under Applicable Laws. On such date, certificate(s) representing PetroMaroc Shares will cease to represent a claim or interest of any kind or nature, including the right to receive Wolverine Shares, and such PetroMaroc Shares will be deemed to be surrendered and forfeited to Wolverine for no consideration.

The Letter of Transmittal is for use by registered PetroMaroc Shareholders only. In order to receive the Consideration Shares if the Arrangement is implemented, a registered PetroMaroc Shareholder must complete, sign, date and return the enclosed Letter of Transmittal in accordance with the instructions set out therein. **Beneficial Shareholders holding PetroMaroc Shares that are registered in the name of a broker or other Intermediary must contact such Intermediary to arrange for the surrender of their PetroMaroc Shares.**

Registered PetroMaroc Shareholders are encouraged to complete, sign, date and return the Letter of Transmittal as soon as possible posted in accordance with the instructions set out therein in order to facilitate delivery the Consideration Shares that will be issued to such holders upon completion of the Arrangement.

For PetroMaroc Shares properly deposited by a PetroMaroc Shareholder in accordance with PetroMaroc Shareholder's Letter of Transmittal ("**Deposited Shares**"), such PetroMaroc Shareholder (a "**Depositing Shareholder**") shall be entitled to that number of Consideration Shares equal to (a) the number of

Deposited Shares so deposited by such Depositing Shareholder, multiplied by (b) 0.052942; provided that, where the product of the foregoing calculation results in a fractional interest in a Consideration Share, the Depositing Shareholder will be entitled to receive the nearest whole number of Consideration Shares (with fractions equal to or greater than 0.5 being rounded up).

The Depository shall arrange for delivery of DRS Statement(s) to each Depositing Shareholder representing the number of Consideration Shares to which such Depositing Shareholder is entitled to by first class mail, or if requested in the Depositing Shareholder's Letter of Transmittal, arrange for pick up at the Depository's offices, as follows: (a) in the case of Deposited Shares received prior to the Effective Date, as soon as practicable following the Effective Date, and in any event, no later than five Business Days following the Effective Date; and (b) in the case of Deposited Shares received on or after the Effective Date, as soon as possible following the receipt of such Deposited Shares, and in any case, no later than five Business Days following the receipt of such Deposited Shares

The Depository will not arrange for payment and delivery of the Resulting Issuer Shares until (i) the certificate(s), if any, representing the PetroMaroc Shares (or, if applicable, any additional documents and indemnities required in respect of lost, stolen or destroyed certificate(s)); (ii) the duly completed Letter of Transmittal, and (iii) all other required documents are received by the Depository, or until the Depository is otherwise instructed in writing by Wolverine.

The method used to deliver to the Depository the Letter of Transmittal or the certificate(s) representing PetroMaroc Shares and all other required documents is at the option and risk of the Depositing Shareholder, and delivery will be deemed effective only when such documents are actually received by the Depository. It is recommended that the necessary documentation be hand delivered to the Depository at its office specified on the cover page of the Letter of Transmittal, and a receipt obtained; otherwise the use of registered mail with return receipt requested and properly insured is recommended.

Until surrendered, each certificate that immediately prior to the Effective Time represented PetroMaroc Shares shall be deemed after the Effective Time to represent only the right to receive, upon such surrender, that number of Consideration Shares that such holder is entitled under the Arrangement.

In the event of a transfer of ownership of PetroMaroc Shares prior to the Effective Time that is not registered in the transfer records of PetroMaroc, DRS Statements representing the proper number of Consideration Shares that such holder has the right to receive under the Arrangement shall be delivered to the transferee if the certificate representing such PetroMaroc Shares is presented to the Depository, accompanied by all documents required to evidence and effect such transfer prior to the Effective Time.

A Beneficial Shareholder should expect to be credited the Consideration Shares through such Beneficial Shareholder's broker, securities dealer, trust company or other intermediary account through the procedures in place for such purposes between CDS and such Intermediaries. Beneficial Shareholders should contact their Intermediary if they have any questions regarding this process.

Lost Certificates

If PetroMaroc Shares are represented by one or more certificates, and such certificate(s) have been lost, stolen or destroyed, this Letter of Transmittal should be completed as fully as possible and forwarded together with a letter describing the loss to the Depository. The Depository will respond with the replacement requirements.

No Fractional Resulting Issuer Shares

No certificates representing fractional Wolverine Shares shall be issued under the Arrangement. In lieu of any fractional Wolverine Share, each Former PetroMaroc Shareholder otherwise entitled to a fractional interest in a Wolverine Share will receive the nearest whole number of Wolverine Shares (with fractions equal to or greater than 0.5 being rounded up).

INFORMATION CONCERNING PETROMAROC

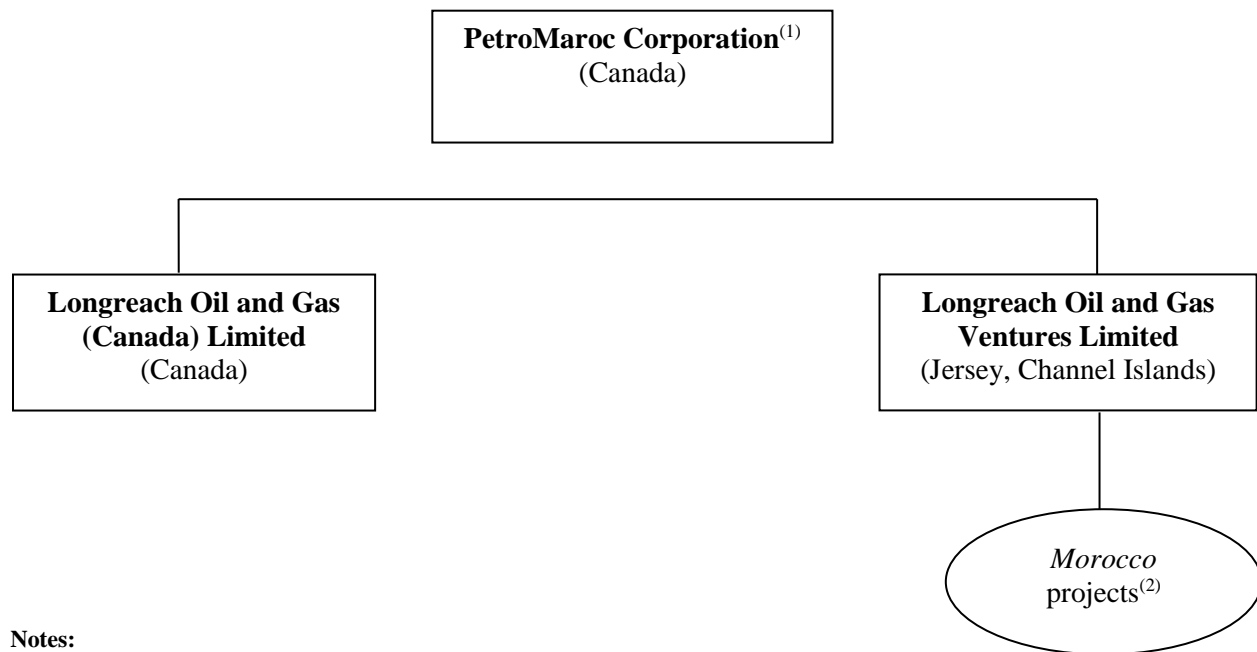
Corporate Structure

The full corporate name of PetroMaroc is "PetroMaroc Corporation". The head and registered office of PetroMaroc is located at 77 King Street West, Suite 3000, Toronto, Ontario M5K 1G8.

PetroMaroc was incorporated under the *Business Corporations Act* (Ontario) as Chairman Capital Corp on May 31, 2006. On August 13, 2010, Chairman Capital Corp continued under *Companies (Jersey) Law 1991* ("CJL") as Longreach Oil & Gas Limited. On December 20, 2012, Longreach Oil & Gas Limited amalgamated with APIC Petroleum Corporation and continued as Longreach Oil & Gas Limited. On June 18, 2014, Longreach Oil & Gas Limited changed its name to PetroMaroc Corporation plc. Finally, on August 29, 2018, PetroMaroc Corporation plc changed its name to PetroMaroc Corporation and continued from Jersey, the Channel Islands to the federal laws of Canada under the CBCA. There have been no other recent and material amendments to the constating documents of PetroMaroc. In connection with the Arrangement, PetroMaroc will be asking PetroMaroc Shareholders at the Meeting to approve the Arrangement and the Reduction in Stated Capital (see "*Matters to be Approved at the Meeting*").

Inter-corporate Relationships

PetroMaroc has two wholly-owned subsidiaries: Longreach Oil and Gas Ventures Limited ("**Ventures**") and Longreach Oil and Gas (Canada) Limited. Ventures is a Jersey limited company governed by the CJL. Longreach Oil and Gas (Canada) Limited is a Canadian corporation governed by the CBCA.



Notes:

- (1) The Sidi Moktar exploration licence that is referred to as Sidi Moktar West, Sidi Moktar South and Sidi Moktar North (collectively, the "**Sidi Moktar Licence**"), in respect of which PetroMaroc is the operator, was held directly by PetroMaroc until January 9, 2017 when PetroMaroc announced that it has completed the disposition to Sound Energy plc of its 50% working interest in the Sidi Moktar Licence located in Morocco.
- (2) Includes the Zag exploration licence in which PetroMaroc indirectly holds a 30% (gross) non-operating interest.

General Development of the Business

History

The following discloses general developments of PetroMaroc. Historically, PetroMaroc has held net profit interests in respect of certain oil and gas properties in Morocco, but is otherwise inactive.

Developments in Fiscal Year ended December 31, 2015

On January 14, 2015, PetroMaroc closed a non-brokered private placement of units at a price of \$0.15 per Unit raising C\$3,000,000. The units consisted of PetroMaroc Share and one-half of a common share purchase warrant. Each whole warrant was exercisable into one PetroMaroc Share for a period of 18 months from closing at \$0.30 per PetroMaroc Share.

On January 14, 2015, PetroMaroc also announced that it had executed a debenture amending agreement (the "**Debenture Amending Agreement**") with the holders ("**2014 Debentureholders**") of the debentures issued in 2014 ("**2014 Debentures**"). Pursuant to the terms of the Debenture Amending Agreement, PetroMaroc issued 4,074,887 PetroMaroc Shares at a price of C\$0.06 per PetroMaroc Share in satisfaction of making a cash payment in the amount of C\$244,493, which was due and payable on December 31, 2014 (the "**Q4 2014 Interest Payment**"). In addition, in consideration of entering into the Debenture Amending Agreement, PetroMaroc paid the holders of the 2014 Debentures a cash fee in the amount of C\$24,449, representing 10 % of the Q4 2014 Interest Payment.

On February 27, 2015, PetroMaroc announced the resignation of Yogeshwar Sharma from the PetroMaroc Board.

On May 11, 2015, PetroMaroc announced the resignation of Thomas Feuchtwanger as Chief Executive Officer, President and a director of PetroMaroc.

On May 11, 2015, the PetroMaroc Board appointed D. Campbell Deacon as Interim Chief Executive Officer (subsequently appointed as Chief Executive Officer in October 2015).

On June 11, 2015, PetroMaroc announced that it has entered into a waiver and amending agreement (the "**Waiver Agreement**") with all three 2014 Debentureholders, to defer payment of the quarterly interest payments under the 2014 Debentures until April 10, 2016 (the "**Original Maturity Date**"), including the March 31, 2015 interest payment (the "**Deferred Interest Payments**"). Pursuant to the terms of the Waiver Agreement, the aggregate amount of all Deferred Interest Payments would accrue interest at the amended annual interest rate of 15% and would be due and owing on the Original Maturity Date. In consideration for entering into the Waiver Agreement, PetroMaroc agreed to pay the 2014 Debentureholders a fee equal to 15% of the aggregate amount of their respective Deferred Interest Payments (the "**Consideration Fee**"), which Consideration Fee would be payable on the Original Maturity Date in cash.

On June 16, 2015, PetroMaroc announced that it had closed an unsecured loan transaction, pursuant to which PetroMaroc borrowed from an arm's length party (the "**Lender**"), the principal amount of C\$400,000, bearing interest at the rate of 10.0% per annum (the "**Loan**"). The principal amount and all accrued interest under the Loan were due and payable on the earlier of: i) April 30, 2016; and ii) provided that the 2014 Debentures are not then in default, ten (10) days after PetroMaroc receives the amount of \$2,500,000 being held in escrow pursuant to a percentage interest transfer agreement entered into between PetroMaroc and Maghreb Petroleum Exploration S.A.

On November 10, 2015, PetroMaroc issued a secured, non-convertible debenture in the principal amount of C\$1.0 million (the "**2015 Debenture**") to an arms' length investor (the "**2015 Debentureholder**"). The 2015 Debenture matured on April 10, 2016, being the Original Maturity Date, and bore interest at a rate of 15% per annum, calculated and payable in arrears, in cash, on the Original Maturity Date. The obligations of PetroMaroc under the 2015 Debenture were secured by a security interest in PetroMaroc's present and after acquired property and, in connection therewith, PetroMaroc and the 2015 Debentureholder executed a general security agreement under the CJL providing a security interest in favour of the 2015 Debentureholder. In connection with the issuance of the 2015 Debenture, PetroMaroc entered into a priorities agreement with the 2015 Debentureholder and the 2014 Debentureholders, pursuant to which, among other things, the 2015 Debenture rank as to principal and interest equally with the 2014 Debentures.

Developments in Fiscal Year ended December 31, 2016

On March 8, 2016, PetroMaroc entered into a binding sale and purchase agreement (the "**Sale & Purchase Agreement**") with Sound Energy plc ("**Sound Energy**"), pursuant to which, Sound Energy agreed to acquire PetroMaroc's 50% working interest in the Sidi Moktar Licence in consideration for (i) issuance PetroMaroc of 21,258,008 ordinary shares in the capital of Sound Energy; and (ii) granting to PetroMaroc of (a) a 10% net profit interest in any future cash flows from the Kechoula structure within the Sidi Moktar Licence; and (b) a 5% net profit interest in any future cash flows from structures within the Sidi Moktar Licence other than the Kechoula structure.

On April 10, 2016, PetroMaroc entered into a waiver and amending agreement (the "**2016 Waiver Agreement**") with the 2014 Debentureholders and 2015 Debentureholders to extend the Maturity Date to September 30, 2016 (the "**new Maturity Date**"). Pursuant to the terms of the 2016 Waiver Agreement, the aggregate amount of all Deferred Interest Payments accrued interest at the previously original amended annual interest rate of 15% and became due and owing on the new Maturity Date. In consideration for entering into the 2016 Waiver Agreement, PetroMaroc agreed to pay to the 2014 Debentureholders and 2015 Debentureholders a fee equal to 15% of the aggregate amount of their respective Deferred Interest Payments, which consideration fee was payable on the new Maturity Date, in cash.

On June 9, 2016, PetroMaroc completed a secured, non-convertible debenture financing of C\$0.39 million (the "**2016 Debentures**") to certain subscribers (the "**2016 Debentureholders**"). The 2016 Debentures matured on the new Maturity Date and bore interest at a rate of 15% per annum, calculated and payable in arrears, in cash, on the new Maturity Date. The obligations of PetroMaroc under the 2016 Debentures were secured by a security interest in PetroMaroc's present and after acquired property.

On September 23, 2016, PetroMaroc, announced renegotiated terms, further to the Sale & Purchase Agreement, for the disposal, subject to conditions precedent including receipt of regulatory approval, of its 50% operating interest in the Sidi Moktar Licence. PetroMaroc announced that since March 2016, there have been a number of developments that have impacted the terms of the Sale & Purchase Agreement, including Sound Energy's recent share price increase. In order to ensure that PetroMaroc's and Sound Energy's respective interests were protected in a reasonable and fair manner, the parties entered into an amending agreement, pursuant to which any proceeds from a sale (in whole or in part) of the 21,258,008 new Sound Energy ordinary shares (the "**Sound Shares**") to be issued to PetroMaroc as consideration on completion of the Sale & Purchase Agreement would be shared between PetroMaroc and Sound Energy as follows: PetroMaroc would receive all proceeds from sale(s) up to 50 pence per Sound Share and sale proceeds in excess of 50 pence per Sound Share would be shared equally between PetroMaroc and Sound Energy. In addition, the long stop date for completion of the Sale & Purchase

Agreement was extended to December 31, 2016, or such later date as would be necessary to satisfy the remaining conditions precedent.

On September 30, 2016, PetroMaroc executed an amending agreement with its secured debenture holders, to extend the maturity date of the C\$11.09 million principal amount of secured debentures (the "**Debentures**"), from September 30, 2016, to December 31, 2016 (the "**Second New Maturity Date**"). The total amount of the principal (C\$11.09 million) and an aggregate amount of accrued interest/waiver fees (C\$3.85 million) due and payable at September 30, 2016 (total: C\$14.94 million) accrued interest at the rate of 15% per annum for the period commencing from September 30, 2016 until the Second New Maturity Date which was calculated to be C\$0.55 million. Thus, the total amount due and payable on the Second New Maturity Date totalled C\$15.49 million. PetroMaroc also announced that the holder of the C\$0.4 million principal amount loan had agreed to extend the maturity date of the loan to December 31, 2016. The interest rate for the extension period of May 1, 2016 to December 31, 2016 was calculated at the rate of 15% per annum. The total amount due and payable on maturity at December 31, 2016 equaled the sum of C\$0.48 million.

On November 9, 2016, PetroMaroc announced it had entered into a binding letter of intent with its secured debenture holders (the "**Debentureholders**"), which contemplated, subject to (i) completion of the Sale & Purchase Agreement; (ii) receipt of necessary approvals from the TSXV; and (iii) approval of the PetroMaroc Shareholders (the "**Restructuring Transaction**"); the Debentures of PetroMaroc, which were due December 31, 2016, being the Second New Maturity Date, would be rolled into a new class of secured, redeemable, debentures, issuable in series (the "**New Debentures**"), with all principal and interest due and payable in full on January 31, 2018 (the "**Third New Maturity Date**"). PetroMaroc was given the right to redeem the amounts owing under the New Debentures at any time without penalty or bonus. The New Debentures were secured by a security interest in PetroMaroc's present and after acquired property and ranked pari passu with one other. PetroMaroc was required to repay the accrued interest and fees owing under the Debentures up to December 31, 2016 in the amount of approximately C\$4.4 million within 45 days after the Second New Maturity Date. Additionally, the Debentureholders had the right to elect to receive, in exchange for their existing Debentures, either: (i) a Series 1 New Debenture, bearing interest at the rate of 10% per annum and convertible, at the option of the holder, into PetroMaroc Shares at a conversion price equal to \$0.06 per share in the first 12 months of the term (January 1, 2017 to December 31, 2017) and \$0.10 per share in the last month of the term (January 1, 2018 to January 31, 2018). To redeem the Series 1 New Debentures, PetroMaroc was required to provide notice to the holder to allow for such debentures to be converted, at the option of the holder, before redemption; or (ii) a Series 2 New Debenture, bearing interest at the rate of 15% per annum, with no right to convert into PetroMaroc Shares. The Debentureholders had the right to receive, in exchange for the principal amount owing under the Debentures as at December 31, 2016, Series 1 New Debentures or Series 2 New Debentures or any combination thereof, in such proportion as they may determine. On December 12, 2016 PetroMaroc announced that all required ministerial approvals in Morocco to the disposal of its 50% operated interest in the Sidi Moktar Licence to Sound Energy pursuant to the terms of the Sale & Purchase Agreement, as amended, had been obtained, and completion of the Restructuring Transaction remained subject to the release of the residual US\$1.8 million of the Sidi Moktar Bank Guarantee restricted cash, which as of December 12, 2016 was held in escrow, and receipt of the final approval of the TSXV.

Developments in Fiscal Year Ended December 31, 2017

On January 9, 2017, PetroMaroc announced that it had completed the disposition to Sound Energy of its 50% working interest in the Sidi Moktar Licence located in Morocco in consideration for (i) 21,258,008 ordinary shares in the capital of Sound Energy; (ii) granting to PetroMaroc of a 10% net profit interest in

any future cash flows from the Kechoula structure within the Sidi Moktar Licence; and (iii) a 5% net profit interest in any future cash flows from structures within the Sidi Moktar Licence other than the Kechoula structure.

On January 19, 2017, PetroMaroc provided an update regarding the restructuring of the C\$11.09 million principal amount of secured debentures of PetroMaroc that all closing conditions have therefore been fulfilled with the exception of the receipt of final approval from the TSXV. In this regard, PetroMaroc submitted documentation to the TSXV in order to obtain final approval of the Restructuring Transaction. On February 15, 2017, PetroMaroc announced that it had received final approval from the TSXV in respect of the Restructuring Transaction, and accordingly, the Debentures were rolled into a new class of secured redeemable, debentures, issuable in series, with all principal and interest due and payable in full on January 31, 2018 (referred to herein as the "**New Debentures**"). The Series 1 New Debentures bore interest at the rate of 10% per annum and were convertible, at the option of the holder, into PetroMaroc Shares at a conversion price equal to \$0.06 per share in the first 12 months of the term (January 1, 2017 to December 31, 2017) and \$0.10 per share in the last month of the term (January 1, 2018 to January 31, 2018). The Series 2 New Debentures bore interest at the rate of 15% per annum, with no right to convert into PetroMaroc Shares. The Series 1 New Debentures and the Series 2 New Debentures bore an effective issue date of December 31, 2016, being the maturity date of the original Debentures. The Series 1 New Debentures and the Series 2 New Debentures ranked pari passu with each other. In accordance with the terms of the New Debentures, the outstanding accrued interest and fees owing under the Debentures as at December 31, 2016 was paid. The outstanding principal amount of the Series 1 New Debentures was C\$4,762,400 and the principal amount owing under the Series 2 New Debentures was C\$6,327,600. The Series 1 New Debentures were convertible into an aggregate of 79,373,333 PetroMaroc Shares, assuming a conversion price of \$0.06 per share.

On February 15, 2017, PetroMaroc announced that it had entered into a debt conversion agreement with certain arm's length creditors and certain non-arm's length creditors of PetroMaroc to settle an aggregate of C\$205,297 of debt in consideration for the issuance of an aggregate of 2,606,941 PetroMaroc Shares at a deemed price of C\$0.07875 cents per PetroMaroc Share.

On March 16, 2017, PetroMaroc announced it received final approval from the TSXV and issued 2,606,941 PetroMaroc Shares at a deemed per share price of \$0.07875 to fully settle an aggregate C\$205,297 of indebtedness owing to certain arm's length and non-arm's length creditors.

On April 19, 2017, PetroMaroc provided an update regarding its interests in the Sidi Moktar Licence and the Zag Exploration licence. On the Sidi Moktar Licence, further to the closing of the transaction in January 2017 pursuant to the Sale & Purchase Agreement where PetroMaroc received 16 million ordinary shares of Sound Energy, retained a 10% net profit interest in any future cash flows from the Kechoula structure within the Sidi Moktar Licence and also retained a 5% net profit interest in any future cash flows from structures within the Sidi Moktar Licence other than the Kechoula structure. As announced by Sound Energy on April 18, 2017, a rig was being mobilised to Sidi Moktar, and was expected to arrive in May 2017, upon which, Sound Energy intended to re-enter and test the two existing wells on the Kechoula discovery which, subject to initial well results, might include a side-track and an extended well test thereafter. On the Zag Exploration licence, PetroMaroc, through its wholly-owned subsidiary Longreach Oil and Gas Ventures Limited, is a party to a petroleum agreement (the "**Petroleum Agreement**") dated June 18, 2009, between Office National des Hydrocarbures et des Mines ("**ONHYM**") and San Leon Morocco Limited (the "**Operator**"). As a result of the minimum work commitment under the Petroleum Agreement not being fulfilled, ONHYM has seized funds posted as a bank guarantee, including US\$600,000 lodged by PetroMaroc. In addition, ONHYM has demanded that PetroMaroc pay a further US\$600,000, being PetroMaroc's share of the residual penalty. PetroMaroc has notified ONHYM that a "force majeure" has occurred pursuant to the Petroleum Agreement due to

financial, commercial and operational challenges on the Zag Exploration licence over a number of years. PetroMaroc is seeking to work with ONHYM and the Operator to expedite a mutually agreed resolution; however, PetroMaroc may be required to proceed to legal arbitration to preserve its rights.

On May 18, 2017, PetroMaroc announced the grant of an aggregate of 900,000 options to purchase PetroMaroc Shares to certain directors and officers of PetroMaroc. The options are exercisable at a price of \$0.09 per PetroMaroc Share for a term of five years, until May 18, 2022.

On July 6, 2017, PetroMaroc announced that it entered into a debt settlement agreement with Dundee Securities Europe LLP, an affiliate of Dundee Corporation, a creditor of PetroMaroc, to settle US\$325,000 debt owed, in consideration for the issuance of 1,000,000 PetroMaroc Shares at a deemed price of US\$0.325 per share.

On July 10, 2017, PetroMaroc announced that, following the successful test of the Koba well in the upper Argovian section where natural gas was produced and flared, Sound Energy has temporarily suspended the well to address hydrogen sulphide gas safety issues. An extended test program was set to begin in September 2017 to delineate the commercial significance of the upper zones. Additional seismic were to be undertaken to further delineate the area in question. In the meantime Sound Energy's CEO James Parsons indicated the company intends to use best efforts to initiate production from Koba by the year-end. The deeper Jurassic and Triassic formations remain significant objectives and would be evaluated after a long-term program is formulated for the Koba and Kamar wells and the remainder of the Kechoula structure.

On December 21, 2017, PetroMaroc announced that it has received notice from Guangxi S.A. ("**Guangxi**") to convert all of the C\$2,820,000 principal amount owing under the Series 1, 10% secured convertible redeemable debenture issued on December 31, 2016. The debenture bore interest at the rate of 10% per annum and was convertible, at the option of the holder, into PetroMaroc Shares at a conversion price equal to C\$0.06 per share in the first 12 months of the term (January 1, 2017 to December 31, 2017). Accordingly, PetroMaroc issued 47,000,000 PetroMaroc Shares to Guangxi at a price of C\$0.06 per share. Immediately prior to the conversion of the debenture, Guangxi owned nil PetroMaroc Shares. After conversion of the debenture, Guangxi owned or had control of 47,000,000 PetroMaroc Shares, or approximately 30.16% of the then issued and outstanding PetroMaroc Shares.

Recent Developments

On January 23, 2018, PetroMaroc announced that D. Campbell Deacon has resigned from PetroMaroc Board for personal reasons, with Mr. Michael Hobart being appointed to fill the vacancy created by such resignation.

On February 6, 2018, PetroMaroc announced that it paid in full the outstanding obligations owing under the Series 1, 10% secured convertible redeemable debentures (referred to herein as the Series 1 Debentures) and the Series 2, 15% secured redeemable debentures (referred to herein as the Series 2 Debentures, and collectively with the Series 1 Debentures) of PetroMaroc which were issued on December 31, 2016. The aggregate principal and accrued interest owing under the Series 1 and Series 2 Debentures on January 31, 2018 was C\$9,783,218, comprised of C\$2,425,866 in respect of the Series 1 Debentures and C\$7,357,352 in respect of the Series 2 Debentures. PetroMaroc satisfied the obligations owing under the Series 1 and Series 2 Debentures by transferring to the holders an aggregate of 11,284,801 ordinary shares of Sound Energy, and a cash payment of C\$272,729. PetroMaroc subsequently disposed of the remaining 4,658,705 Sound Energy ordinary shares in Q2 2018.

On March 1, 2018, PetroMaroc announced the resignation of D. Campbell Deacon as Chief Executive Officer, effective immediately, due to personal reasons, and the appointment of Dennis A. Sharp as CEO.

On August 29, 2018, PetroMaroc announced that it completed the Continuance from Jersey, the Channel Islands to the federal laws of Canada under the CBCA.

On September 13, 2018, PetroMaroc announced that it had entered into the Arrangement Agreement. See "*Particulars of the Arrangement*" for a summary of the Arrangement and the Arrangement Agreement.

Since January 2016, PetroMaroc has been engaged in evaluating potential business opportunities and has been otherwise inactive. In accordance with TSXV policies, the PetroMaroc Shares were halted from trading on the TSXV on June 1, 2018 following the announcement of the signing of a non-binding letter of intent with Wolverine in connection with the Arrangement, which halt remains in effect as of the date of this Circular.

Selected Consolidated Financial Information and Management's Discussion and Analysis

Selected Financial Information

The following table presents selected financial information for PetroMaroc for the periods indicated. This table should be read in conjunction with (collectively, the "**PetroMaroc Financial Statements**") (i) the audited financial statements of PetroMaroc which comprise the statements of financial position as at December 31, 2015, 2016 and 2017 and the statements of loss and comprehensive loss, statements of changes in equity and statements of cash flows for the years then ended together with the auditor's report thereon and the notes thereto, prepared in accordance with IFRS; and (ii) the unaudited interim condensed financial statements of PetroMaroc which comprise the statement of financial position as at June 30, 2018 and the statement of loss and comprehensive loss, statement of changes in equity and statement of cash flows for the six month period ended June 30, 2018 together with the notes thereto, prepared in accordance with IFRS. The audited financial statements of PetroMaroc as at December 31, 2016 and 2017 are attached to this Circular as Schedule "E".

Annual Information

Statement of Comprehensive Income (Loss) Data	Year Ended December 31, 2015 (C\$) (*1)	Year Ended December 31, 2016 (C\$)	Year Ended December 31, 2017 (C\$)
Total revenues	-	-	-
Total administrative expenses	(2,467,160)	(2,297,143)	(1,388,962)
Comprehensive income (loss)	(40,710,166)	(5,598,311)	11,125,714
Balance Sheet Data	As at December 31, 2015 (C\$) (*2)	As at December 31, 2016 (C\$)	As at December 31, 2017 (C\$)
Current Assets	4,745,241	12,492,872	14,428,487
Total Assets	14,248,714	12,492,872	14,428,487

Total long term liabilities	-	-	-
Total cash dividends declared	-	-	-
Shareholders' equity	(4,754,241)	(10,377,958)	3,897,064

Notes:

(1) Amounts for 2015 are converted to Canadian dollars using an average foreign exchange rate of C\$1.28=US\$1.00.

(2) Amounts for 2015 are converted to Canadian dollars using the closing foreign exchange rate of C\$1.38=US\$1.00.

Semi-annual Information

Statement of Comprehensive Income (Loss) Data	Six Months Ended June 30, 2017 (C\$)⁽¹⁾	Six Months Ended June 30, 2018 (C\$)
Total revenues	-	-
Total administrative expenses	(634,594)	(469,115)
Net income (loss) from continuing operations before taxes	12,291,836	(789,076)
Comprehensive income (loss)	13,191,612	(1,584,688)
Balance Sheet Data	As at June 30, 2017 (C\$)⁽²⁾	As at June 30, 2018 (C\$)
Current Assets	18,432,755	3,388,946
Total Assets	18,432,755	3,388,946
Total long term liabilities	-	-
Total cash dividends declared	-	-
Shareholders' equity	(133,363)	2,427,838

Notes:

(1) Amounts for the six months ended June 30, 2017 are converted to Canadian dollars using the average foreign exchange rate of C\$1.3448=US\$1.00.

(2) Amounts as at June 30, 2017 are converted to Canadian dollars using the closing foreign exchange rate of C\$1.2977=US\$1.00.

Management's Discussion and Analysis

Management's discussion and analysis of the financial condition and results of operations of PetroMaroc for the financial year ended December 31, 2017 and for the three and six month period ended June 30, 2018 (collectively, the "**PetroMaroc MD&A**") are attached as Schedule "F" to this Circular. The PetroMaroc MD&A should be read in conjunction with the selected financial information set forth above and the financial statements and the accompanying notes thereto which are attached to this Circular.

Certain information included in such management's discussion and analysis is forward-looking and based upon assumptions and anticipated results that are subject to uncertainties. Should one or more of these uncertainties materialize or should the underlying assumptions prove incorrect, actual results may vary significantly from those expected. See also "*Cautionary Note Regarding Forward-Looking Information*".

Description of the Securities

PetroMaroc Shares

PetroMaroc is authorized to issue an unlimited number of common shares (referred to in this Circular as PetroMaroc Shares). The holders of PetroMaroc Shares are entitled to one vote per PetroMaroc Share (other than those meetings where only the holders of shares of another class or of a particular series are entitled to vote). The holders of PetroMaroc Shares are entitled to receive any dividends declared by the directors out of funds legally available. In the event of the liquidation, dissolution or winding-up of PetroMaroc, whether voluntary or involuntary, the holders of PetroMaroc Shares will be entitled to receive all of the assets of PetroMaroc remaining after the payment of all of PetroMaroc's liabilities, subject to the preferential right of any other shares which may rank prior to the PetroMaroc Shares.

There are no constraints on the ownership of PetroMaroc Shares.

Options

The PetroMaroc Board has adopted the Option Plan that provides for the issuance to its directors, officers, employees and consultants options to purchase from treasury a number of PetroMaroc Shares not exceeding 10% of the PetroMaroc Shares that are outstanding from time to time. The Option Plan is subject to annual re-approval of the PetroMaroc Shareholders. Each option issued pursuant to the Option Plan entitles its holder to purchase one PetroMaroc Share at a specified exercise price at any time prior to the option's expiry date. The exercise price of the PetroMaroc Shares covered by each option shall not be less than the price permitted by any stock exchange on which the PetroMaroc Shares are then listed or other regulatory body having jurisdiction and, in the case of a listing on the TSXV, shall not be less than the Discounted Market Price (as defined in the policies of the TSXV). The options vest at various rates as determined by the PetroMaroc Board. The maximum term of the options is five years. If a participant under the Option Plan ceases to be a director, employee or consultant, as the case may be, of PetroMaroc for any reason (other than death), he or she may, but only within 60 days next succeeding his ceasing to be a director, employee or consultant, exercise his or her option to the extent that he or she was entitled to exercise it at the date of such cessation provided that, in the case of a participant who is engaged in investor relations activity on behalf of PetroMaroc, the 60 day period is shortened to 30 days. In the event of the death of a participant, the option previously granted to him or her is exercisable only within the 12 months next succeeding such death to the extent that he or she was entitled to exercise the option at the date of his death. The options are non-transferable if not exercised. For a description of the treatment of the PetroMaroc Options under the Arrangement, see "*Particulars of the Arrangement – Description of the Arrangement and the Arrangement Agreement – Treatment of PetroMaroc Options*".

Prior Sales

In the twelve month period preceding the date of this Circular, the following securities of PetroMaroc have been issued:

Date of Issuance	Number & Type of Securities	Issue Price Per Security	Nature of Consideration Received
December 20, 2017	47,000,000 PetroMaroc Shares ⁽¹⁾	\$0.06	Settlement of \$2,820,000 of series 1 debentures

Note:

(1) Holders of 2,820,000 Series 1 convertible debentures converted their debenture holdings into PetroMaroc Shares.

Price Range and Trading Volume of the PetroMaroc Shares

The PetroMaroc Shares are listed for trading on the TSXV under the symbol "PMA". Trading in PetroMaroc Shares was halted on June 1, 2018 pending customary investigations by the TSXV being conducted and filings made with the TSXV in connection with the Arrangement and remains halted as at the date hereof. The last trading price of the PetroMaroc Shares prior to the halt was \$0.035.

The following table sets out the range of high and low sales prices (which are not necessarily the closing prices) and the trading volumes of the PetroMaroc Shares traded on the TSXV for the periods indicated, as reported by the TSXV.

Period	High (\$/share)	Low (\$/share)	Volume
2018			
November	\$0.035	\$0.035	-
October	\$0.035	\$0.035	-
September	\$0.035	\$0.035	-
August	\$0.035	\$0.035	-
July	\$0.035	\$0.035	-
June	\$0.035	\$0.035	43,000
May	\$0.04	\$0.03	1,523,200
April	\$0.04	\$0.03	2,169,100
Q1 2018	\$0.08	\$0.03	3,735,300
2017			
Q4 2017	\$0.10	\$0.05	5,028,506
Q3 2017	\$0.06	\$0.17	6,036,948
Q2 2017	\$0.07	\$0.17	3,824,674
Q1 2017	\$0.12	\$0.06	9,450,078
2016			
Q4 2016	\$0.10	\$0.04	21,936,300
Q3 2016	\$0.20	\$0.01	59,263,300

Statement of Executive Compensation

Compensation Discussion and Analysis

PetroMaroc's overall policy regarding compensation of PetroMaroc's executive officers is structured to provide competitive salary levels and compensation incentives that support both the short-term and long-term goals of PetroMaroc, attract and retain qualified executive management and establish a compensation framework which is industry competitive. PetroMaroc's policy is to recognize and reward individual performance as well as to place executive compensation within the range of the compensation levels in the industry for companies of comparable size and stage of development. Upon use of consultants, services are paid for by PetroMaroc at competitive industry rates for work of a similar nature by reputable arm's length service providers.

Base Salary / Consultancy Fee

During the most recently completed financial year, PetroMaroc paid a salary to its Chairman and to its CEO. In addition, PetroMaroc pays a consultancy fee to its CFO. Salaries and fees are agreed upon and approved by the Remuneration, Nomination and Corporate Governance Committee and the PetroMaroc Board, with the intent of remaining competitive with other oil and gas exploration competitor companies that are approximately the same size as PetroMaroc.

Directors' Fee

PetroMaroc currently pays fees to its directors, which are agreed upon and approved by the Remuneration, Nomination and Corporate Governance Committee and the PetroMaroc Board, with the intent of remaining competitive with other oil and gas exploration competitor companies that are approximately the same size as PetroMaroc.

During the year ended December 31, 2017, PetroMaroc incurred non-executive directors' fees of \$64,901. Executive directors are not paid directors' fees for serving on the PetroMaroc Board.

Incentive Bonuses

Incentive bonuses were paid to NEOs (as defined below), other executive officers or employees during the most recently completed fiscal year.

Option Based Awards

PetroMaroc granted an aggregated nil option based awards during the 12 month period ended December 31, 2017 in accordance with the Option Plan.

Summary Compensation Table

The following table (presented in accordance with National Instrument Form 51-102F6 – *Statement of Executive Compensation* ("**Form 51-102F6**") sets forth all annual and long term compensation for services in all capacities to PetroMaroc for the three most recently completed financial years in respect of each of the individuals comprised of the Chief Executive Officer and the Chief Financial Officer and the other three most highly compensated executive officers of PetroMaroc regardless of compensation and any individual who would have satisfied these criteria but for the fact that individual was not serving as such an officer at the end of the most recently completed financial year (collectively the "**Named Executive Officers**" or "**NEOs**").

Name and principal position	Year	Salary (C\$)	Share-based awards (C\$)	Option-based compensation (C\$) ⁽¹⁾	Non-equity incentive plan compensation		Pension value (C\$)	All Other compensation (C\$)	Total compensation (C\$)
					Annual incentive plans (C\$)	Long-term incentive plans (C\$)			
Dennis A. Sharp ⁽⁷⁾ Chairman	2017	\$120,000	Nil	\$14,238	Nil	Nil	Nil	Nil	\$134,238
	2016	\$120,000	Nil	Nil	Nil	Nil	Nil	\$26,600	\$146,600
	2015	\$120,000	Nil	\$16,355	Nil	Nil	Nil	Nil	\$136,355
D. Campbell Deacon ⁽³⁾⁽⁶⁾ CEO	2017	\$230,000	Nil	\$28,475	Nil	Nil	Nil	\$62,681	\$321,156
	2016	\$230,000	Nil	Nil	Nil	Nil	Nil	\$100,601	\$273,274
	2015	\$190,745	Nil	\$32,710	Nil	Nil	Nil	\$12,700	\$236,155
Martin Arch CFO ⁽²⁾	2017	\$66,271 ⁽²⁾⁽⁵⁾	Nil	\$3,350	Nil	Nil	Nil	\$31,621	\$101,242
	2016		Nil	Nil	Nil	Nil	Nil	\$77,166	\$176,953
	2015	\$99,787 ⁽²⁾⁽⁴⁾ \$193,000 ⁽²⁾	Nil	\$5,220	Nil	Nil	Nil	\$46,726	\$244,946

Notes:

- (1) Stock options issued to employees and directors under the Option Plan are accounted for using the fair value method of method of accounting for stock-based compensation. The fair value of the option is recognized as a share based payment and contributed surplus over the vesting period of the option. Share based payment is determined on the date of an option grant using the Black-Scholes option pricing model. The weighted average fair market value per option was estimated using the Black-Scholes option pricing model with the following assumptions: for 2017: dividend yield – nil, expected volatility 75%, risk free rate – 1.5%, expected life - 5 years, an estimated forfeiture rate – 5% and utilising the graded option method (the volatility was determined using PetroMaroc's trading volume); for 2015: dividend yield – nil, expected volatility 100%, risk free rate – 1.5%, expected life –5 years and an estimated forfeiture rate – 5% and utilizing the graded option method (the volatility was determined based on PetroMaroc's historical share price).
- (2) Compensation conversion rates are based on an average foreign exchange rate for the month the services were earned. Amounts for 2015 are converted to Canadian dollars using an average foreign exchange rate of C\$1.93=GBP\$1.00. Amounts for 2016 are converted to Canadian dollars using an average foreign exchange rate of C\$1.82=GBP\$1.00. Amounts for 2017 are converted to Canadian dollars using an average foreign exchange rate of C\$1.68=GBP\$1.00.
- (3) Mr. Deacon was appointed CEO on May 11, 2015. Prior to that date, Mr. Deacon was a Non-Executive Director.
- (4) Mr. Arch was a full time-employee from January 1, 2016 to August 31, 2016. Mr. Arch was a part-time consultant from September 1, 2016 – December 31, 2016.
- (5) Mr. Arch was a part-time consultant during 2017.
- (6) Mr. Deacon resigned as Chief Executive Officer on March 1, 2018.
- (7) Mr. Sharp was appointed Chief Executive Officer on March 1, 2018.

Named Executive Officers - Outstanding Incentive Plan Awards and Value Vested or Earned During Period

The following table provides information concerning the incentive award plans of PetroMaroc with respect to each Named Executive Officer during the fiscal year ended December 31, 2017. The only incentive award plan of PetroMaroc during such fiscal year was its Option Plan.

Name	Option-based awards – Value vested during Fiscal 2017 (C\$)	Share-based awards – Value vested during Fiscal 2017(C\$)	Non-equity incentive plan compensation – Value earned during Fiscal 2017 (C\$)
Dennis A. Sharp CEO	Nil	Nil	Nil
D. Campbell Deacon CEO	Nil	Nil	Nil
Martin Arch CFO	Nil	Nil	Nil

Notes:

- (1) Mr. Sharp was appointed as CEO subsequent to the year-end on March 1, 2018.
- (2) Mr. Deacon resigned as CEO subsequent to the year-end on March 1, 2018.

Termination and Change of Control Benefits

In 2016, D. Campbell Deacon, the CEO of PetroMaroc, (the "**Executive**") entered into an executive employment agreement (the "**Executive Employment Agreement**") with PetroMaroc. The Executive Employment Agreement entitles an Executive to compensation in certain circumstances. Certain relevant provisions of the Executive Employment Agreement are summarized below. Subsequent to the financial year ended December 31, 2017, D. Campbell Deacon resigned as Chief Executive Officer and director. No compensation was paid by PetroMaroc to Mr. Deacon as a result of such resignation.

Termination for General Resignation

The Executive may terminate his employment with PetroMaroc in certain circumstances upon ninety (90) days' prior written notice (the "**Resignation Notice**") to that effect to PetroMaroc. In such resignation event, PetroMaroc shall pay to the Executive, if not previously paid, his full annual base salary, benefits and any other amounts earned under any performance, bonus or other incentive plan and any other amounts due including, without limitation, vacation pay, up to and including the Date of Termination (as defined in the Executive Employment Agreement).

Payment in Lieu of Notice (PILON)

PetroMaroc reserves the right in its absolute discretion to terminate the Executive's employment with immediate effect at any time by, among other things, paying the Executive within 28 days of the date on which such written notice is given a payment in lieu of the whole or the remaining (if part of the Notice Period has already expired) Notice Period (as defined in the Executive Employment Agreement), less any deductions PetroMaroc is required to make in accordance with the terms of the Executive Employment Agreement ("**PILON Payment**"). For this purpose, the PILON Payment will consist of the relevant proportion of the basic salary (after deducting income tax and National Insurance contributions) and any other remuneration, incentive bonus, awards, or other emolument referable to the Executive's employment whatsoever.

Pursuant to the terms of the Executive Employment Agreement, the Executive is entitled to receive upon receiving written notice of termination from PetroMaroc:

- (i) a lump sum payment equal to his monthly base salary as at the termination date, multiplied by the Notice Period; and
- (ii) a further lump sum payment equal to the value of his benefits (which value shall be deemed to be the monthly cost to PetroMaroc excluding VAT or similar taxes), multiplied by the Notice Period or, alternatively, PetroMaroc may, at its sole discretion, continue to provide the benefits instead of making a lump sum payment of their value.

Termination by the Executive Upon a Change of Control or a Triggering Event

In the event that the Executive terminates his employment PetroMaroc in compliance with the terms and conditions set out in the Executive Employment Agreement, the Executive will become entitled to receive:

- (i) a lump sum payment equal to the monthly base salary of an Executive as at the termination date, multiplied by the Notice Period; and
- (ii) a further lump sum payment equal to the value of an Executive's benefits (which value shall be deemed to be the monthly cost to PetroMaroc excluding VAT or similar taxes), multiplied by the Notice Period. Such compensation shall represent full and final settlement of any claims by an Executive against PetroMaroc or any related corporation, arising out of an Executive's employment, or the termination of such employment. All stock options in issue will vest in full upon a change of control or a triggering event.

The following table summarises the estimated incremental value of termination payments for each Executive, assuming each of the following termination events had occurred as of December 31, 2017.

Summary Table

Executive	Payable upon Termination without Cause (C\$)	Payable on Change of Control or Triggering Event (C\$)
D. Campbell Deacon ⁽¹⁾ ⁽²⁾	\$230,000	\$230,000

Notes:

- (1) Mr. Deacon resigned as a Director on January 23, 2018.
- (2) Mr. Deacon resigned as Chief Executive Officer on March 1, 2018. No compensation was payable to Mr. Deacon on his resignation as Chief Executive Officer.

Pension Plan Benefits

PetroMaroc does not currently have a defined benefit plan or any pension plans that provide for payments or benefits at, following, or in connection with retirement. No funds were set aside or accrued by PetroMaroc during the fiscal year ended December 31, 2017 to provide pension, retirement or similar benefits for its directors or officers pursuant to any existing plan provided or contributed to by PetroMaroc.

Director Compensation

Director Compensation Table

The following table sets forth all compensation provided to the directors, other than NEOs, for the fiscal year ended December 31, 2017.

Name⁽¹⁾	Fees earned (C\$)	Share-based awards (C\$)	Option based awards (C\$)⁽³⁾	Non-equity incentive plan compensation (C\$)	Pension value (C\$)	All other compensation (C\$)	Total (C\$)
Nicholas Brigstocke	\$64,901	Nil	\$14,238	Nil	Nil	Nil	\$79,139

Note:

- (1) This director compensation table does not include information for Mr. Sharp, the Chairman of PetroMaroc. The compensation paid to Mr. Sharp for his services as Chairman of PetroMaroc for the financial year ended December 31, 2017 have been reflected in the Summary Compensation Table for Named Executive Officers.

Other than as described above, PetroMaroc did not provide any compensation for services rendered as directors, or for committee participation or assignments, during PetroMaroc's financial year ended December 31, 2017.

Director Outstanding Option-Based Awards and Share-Based Awards

During the fiscal year ended December 31, 2017, the non-executive directors of PetroMaroc were granted an aggregate of nil stock options.

The table below reflects all option-based awards and share-based awards for each director of PetroMaroc outstanding as at December 31, 2017 (including option-based awards and share-based awards granted to a director before each such fiscal year). PetroMaroc does not have any equity incentive plan other than the Option Plan.

Name ⁽¹⁾	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (C\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of Shares or units of Shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Nicholas Brigstocke	300,000 ⁽¹⁾	\$0.30	April 30, 2019	Nil	Nil	Nil	Nil
	350,000 ⁽²⁾⁽³⁾	\$0.05	July 22, 2020	Nil	Nil	Nil	Nil
	212,500 ⁽⁴⁾	\$0.09	May 18, 2022	Nil	Nil	Nil	Nil

Notes:

- (1) Options were granted on April 30, 2014.
- (2) Options vest immediately.
- (3) Options were granted on July 22, 2015.
- (4) Options were granted on May 15, 2017. Options vesting immediately.

Incentive Plan Awards - Value Vested or Earned During the Year

The following table provides information concerning the incentive award plans of PetroMaroc with respect to each director during the fiscal year ended December 31, 2017. The only incentive award plan of PetroMaroc during such fiscal year was its Option Plan.

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Nicholas Brigstocke	Nil	Nil	Nil

Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets out equity compensation plan information as at the end of the fiscal year ended December 31, 2017. The only equity compensation plan of PetroMaroc during such fiscal year was its Option Plan.

	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights (C\$)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by security holders	10,710,000 ⁽¹⁾⁽²⁾	\$0.30	10,710,000
Equity compensation plans not approved by security holders	Nil	Nil	Nil
Total	10,710,000		10,710,000

Notes:

- (1) Subsequent to December 31, 2017, 1,570,000 options expired under the Option Plan.
- (2) Subsequent to December 31, 2017, on March 30, 2018, 5,000,000 options were granted under the Option Plan.

Indebtedness of Directors and Executive Officers

No individual who is or, at any time during the most recently completed financial year was, a director or executive officer of PetroMaroc, and no person who is a proposed nominee for election as a director of PetroMaroc, and no associate of any of the foregoing is, or at any time since the beginning of the most recently completed financial year has been (i) indebted to PetroMaroc, or (ii) indebted to another entity where such indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by PetroMaroc.

Interest of Certain Persons in Matters to be Acted Upon

No director, executive officer, or shareholder who beneficially owns or controls or directs, directly or indirectly, 10% or more of the PetroMaroc Shares, or any associate or affiliate of the foregoing has, or has had, any material interest, direct or indirect, in any transaction in the three most recently completed financial years or during the current financial year that has materially affected or is reasonably expected to materially affect PetroMaroc or any of its subsidiaries and/or affiliates, except as follows or as disclosed elsewhere in this Circular.

Disclosure of Corporate Governance Practices

Corporate governance relates to the activities of the PetroMaroc Board, the members of which are elected by and are accountable to the PetroMaroc Shareholders, and takes into account the role of the individual members of management who are appointed by the PetroMaroc Board and who are charged with the day-to-day management of PetroMaroc. National Policy 58-201 – *Corporate Governance Guidelines* ("NP 58-201") establishes corporate governance guidelines, which apply to all public companies. These guidelines are not intended to be prescriptive but to be used by issuers in developing their own corporate governance practices. The PetroMaroc Board is committed to sound corporate governance practices, which are both in the interest of its PetroMaroc Shareholders and contribute to effective and efficient decision making.

Pursuant to National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**"), PetroMaroc is required to disclose its corporate governance practices, as summarized below. The PetroMaroc Board will continue to monitor such practices on an ongoing basis and, when necessary, implement such additional practices as it deems appropriate.

Board of Directors

The PetroMaroc Board is currently comprised of three directors: Messrs. Dennis A. Sharp, Michael Hobart and Nicholas Brigstocke.

NI 58-101 defines an "independent director" as a director who has no direct or indirect material relationship with PetroMaroc. A "material relationship" is in turn defined as a relationship which could, in the view of the PetroMaroc Board, be reasonably expected to interfere with such member's independent judgment. The Board has determined that two of the current three directors are "independent" directors within the meaning of NI 58-101.

Dennis A. Sharp is not considered "independent" as a result of his position as the CEO of PetroMaroc. The remaining directors are considered to be independent directors for the purposes of NI 58-101 since they are all independent of management and free from any material relationship with PetroMaroc. The basis for this determination is that, within the last three years, none of the independent directors has worked for PetroMaroc, received remuneration from PetroMaroc (other than in their capacity as directors) or had material contracts with or material interests in PetroMaroc which could interfere with their ability to act with a view to the best interests of PetroMaroc.

The PetroMaroc Board believes that it functions independently of management. To enhance its ability to act independent of management, the members of the PetroMaroc Board may meet in the absence of members of management and the non-independent directors or may excuse such persons from all or a portion of any meeting where a potential conflict of interest arises or where otherwise appropriate.

Directorships

The following directors of PetroMaroc are presently directors of the following other issuers that are reporting issuers, or the equivalent, in a Canadian or foreign jurisdiction:

Name	Name of Reporting Issuer	Exchange
Nicholas Brigstocke	DDD Group plc	Asset Match

Orientation and Continuing Education

Orientation and education of new members of the PetroMaroc Board is conducted informally by management and members of the PetroMaroc Board. The orientation provides background information on PetroMaroc's history, performance and strategic plans. New directors are briefed on strategic plans, short, medium and long term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing PetroMaroc policies. However, there is no formal orientation for new members of the PetroMaroc Board. Given PetroMaroc's size and current operations, PetroMaroc believes this approach is appropriate.

No formal continuing education process is currently deemed required. PetroMaroc Board members are encouraged to keep themselves current with industry trends and developments and changes in legislation,

with management's assistance. With PetroMaroc's approval, directors may attend specific continuing education programs.

Ethical Business Conduct

The PetroMaroc Board expects management to operate the business of PetroMaroc in a manner that enhances PetroMaroc Shareholder value and is consistent with the highest level of integrity. Management is expected to execute PetroMaroc's business plan and to meet performance goals and objectives.

Remuneration, Nominations and Corporate Governance Committee

Currently, PetroMaroc's Remuneration, Nominations and Corporate Governance Committee (the "**Committee**") is composed of Nicholas Brigstocke and Michael Hobart who are not officers, employees or control persons of PetroMaroc or any of its Associates or Affiliates, and therefore are "independent" within the meaning of section 1.4 of National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"). Each of the Committee members has held director and/or senior executive management positions for a number of public and private companies and has been involved in compensation issues for such companies. The skills and experience possessed by the members of this Committee acquired as a result of their experience, as described above, will assist and enable them to make decisions as to the suitability of PetroMaroc's compensation policies and practice.

The duties of the Committee include:

- reviewing the structure, size and composition (including the skills, knowledge, experience and diversity) of the PetroMaroc Board and make recommendations to the PetroMaroc Board with regard to any changes;
- identifying and nominating for the approval of the PetroMaroc Board, candidates to fill PetroMaroc Board vacancies as and when they arise;
- before any appointment is made by the PetroMaroc Board, evaluating the balance of skills, knowledge, experience and diversity on the PetroMaroc Board, and, in the light of the evaluation prepare a description of the role and capabilities required for a particular appointment;
- reviewing the results of the PetroMaroc Board performance evaluation process that relate to the composition of the PetroMaroc Board;
- making recommendations to the PetroMaroc Board concerning plans of succession, suitable candidates for the role of senior independent director, membership of the audit and remuneration committees, and any other PetroMaroc Board committees as appropriate, in consultation with the chairmen of those committees, the re-appointment of any non-executive director at the conclusion of their specific term of office having given due regard to their performance and ability to continue to contribute to the PetroMaroc Board in the light of knowledge, skills and experience required, the re-election by PetroMaroc Shareholders of directors, any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an executive director as an employee of PetroMaroc subject to the provisions of the law and their service contract and the appointment of any director to executive or other office;
- reviewing the compensation philosophy and remuneration policy for employees of PetroMaroc and recommending to the PetroMaroc Board changes to improve PetroMaroc's ability to recruit, retain and motivate employees;
- reviewing and recommending to the PetroMaroc Board the compensation paid to members of the PetroMaroc Board and its chairman;

- establishing the overall compensation strategy affecting the executive officers of PetroMaroc; assessing the performance and determining the compensation of the executive officers of PetroMaroc; administering the Option Plan and other incentive plans, if any, approved by the PetroMaroc Board in accordance with the terms of such plans, including recommending the grant of stock options or other incentives under such plans in accordance with the terms thereof; and
- evaluating whether the work of compensation consultants, if any, raised any conflict of interest.

Other Committees

PetroMaroc also has a Reserves Committee, which is currently composed of Dennis A. Sharp (Chairman) and Nicholas Brigstocke. The primary function of the Reserves Committee is to assist the PetroMaroc Board in fulfilling its oversight responsibilities under National Instrument 51-101 - *Standards of Disclosure for Oil and Gas Activities* and to exercise certain responsibilities and duties which include: (i) recommending to the PetroMaroc Board the appointment and scope of review of independent reserves/resources evaluators, and (ii) overseeing the work of the independent reserves/resources evaluators, including their work in preparing the evaluation of PetroMaroc's reserves/resources data. The Reserves Committee also resolves any disagreements between management and the independent reserves/resources evaluators as to reserves/reporting matters brought to its attention.

In addition, PetroMaroc has an Audit Committee, which is discussed under the heading "Audit Committee Information", below.

Assessment of Board Performance

The PetroMaroc Board monitors the adequacy of information given to directors, communication between the PetroMaroc Board and management and the strategic direction and processes of the PetroMaroc Board and committees.

Audit Committee Disclosure

The following information regarding the Audit Committee of the PetroMaroc Board is required to be disclosed pursuant to NI 52-110.

Audit Committee Charter

The Audit Committee's primary purpose is to assist the PetroMaroc Board in fulfilling its oversight responsibilities for PetroMaroc's financial reporting process, including: (a) the integrity of annual and quarterly financial statements any other financial information relating to PetroMaroc to be provided to PetroMaroc Shareholders and regulatory bodies; (b) compliance with accounting and finance based legal and regulatory requirements; (c) the independent auditor's qualifications and independence; (d) the system of internal accounting and financial reporting controls that management has established; and (e) performance of the audit process and of the independent auditor. In addition to its other duties, the Audit Committee reviews all financial statements, annual and interim, intended for circulation among PetroMaroc Shareholders and reports upon these to the PetroMaroc Board. In addition, the PetroMaroc Board may refer to the Audit Committee other matters and questions relating to the financial position of PetroMaroc. In performing its duties, the Audit Committee maintains effective working relationships with the PetroMaroc Board, management and the external auditors and monitors independence of those auditors. The Audit Committee has formally adopted an Audit Committee charter, which sets forth purposes of the Audit Committee and guidelines for its practices.

The text of the Audit Committee's charter is set out as Schedule "K" to this Circular.

Composition of the Audit Committee

The Audit Committee is composed of Nicholas Brigstocke (Chairman), Dennis A. Sharp and Michael Hobart. In compliance with Section 21 of Policy 3.1 of the TSXV, the majority of the directors appointed to the Audit Committee are not officers, employees or control persons of PetroMaroc or any of its Associates or Affiliates. Each of Mr. Brigstocke, Mr. Sharp and Mr. Hobart is "financially literate", and Mr. Brigstocke is "independent", as those terms are defined NI 52-110. Mr. Hobart is not considered "independent" for the purposes of section 1.5 of NI 52-110 because he is a partner in a law firm that provides legal services to PetroMaroc. Mr. Sharp is not considered "independent" because of his management position at PetroMaroc.

Relevant Education and Experience

The education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an audit committee member is as follows:

Nicholas Brigstocke

Nicholas Brigstocke is a corporate director with a distinguished international career in the investment sector. He was a partner of de Zoete and Bevan, a leading brokerage firm, which was later acquired by Barclays Bank PLC. He was appointed Chairman of Barclays de Zoete Wedd's (BZW), corporate broking business, and subsequently became Chairman of Credit Suisse First Boston's (CSFB), UK equity capital markets, when CSFB acquired the equity businesses of BZW in 1998. Since then he has served as a non-executive director to many companies both in the UK and other countries including until recently Inter Pipeline Ltd. in Canada.

Michael Hobart

Mr. Hobart is a partner at the Toronto, Ontario office of Fogler, Rubinoff LLP, a law firm, where he has practiced corporate and securities law since September 2002. Prior thereto he was a partner of Aylesworth Thompson Phelan O'Brien LLP, a law firm, from 1998 to 2002. He has held directorships and senior officer positions with several publicly listed junior mineral exploration companies in Canada. Mr. Hobart was called to the Ontario Bar in 1987 and is a member of the Canadian Bar Association. He earned a B.A. at McGill University and a LL.B. at the University of New Brunswick.

Dennis A. Sharp

Mr. Sharp is a Professional Engineer having received a degree in Geological Engineering from Queen's University in Kingston. During the past 50 years, Mr. Sharp has served in a variety of executive capacities in the private and public energy sectors including Chairman and CEO of UTS Energy Corporation, CS Resources, Command Drilling and a director of EnCana Corporation, PanCanadian Petroleum, Azure Dynamics and non-profit organizations, including The Calgary Philharmonic Orchestra, McGill Chamber Orchestra and Centaur Theatre Productions. In addition to serving on national and international technical committees, Mr. Sharp has published extensively. Mr. Sharp has served the industry as Chairman of the Canadian Association of Petroleum Producers and in 1997 was honoured as one of Canada's Master Entrepreneurs.

Audit Committee Oversight

At no time since the commencement of PetroMaroc's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the PetroMaroc Board.

Reliance on Certain Exemptions

PetroMaroc is relying on the exemption in Section 6.1 of NI 52-110. Since the commencement of PetroMaroc's most recently completed financial year, PetroMaroc has not relied on the exemptions contained in section 2.4 (De Minimis Non-audit Services) or Part 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Part 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

Pre-Approval Policies and Procedures

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the PetroMaroc Board, and where applicable by the Audit Committee, on a case by case basis.

External Auditor Service Fees (By Category)

The aggregate fees charged to PetroMaroc by the external auditor Deloitte LLP for the financial years ended December 31, 2017 and December 31, 2016 are as follows:

Services	December 31, 2017 (C\$)	December 31, 2016 (C\$)
Audit Fees ⁽¹⁾	\$56,710	\$56,710
Audit Related Fees ⁽²⁾	\$6,743	\$13,157
Tax Fees	\$-	\$-
Total Fees	\$63,453	\$69,857

Notes:

- (1) The term "Audit Fees" means the aggregate fees billed by PetroMaroc's external auditor for services provided in auditing the PetroMaroc's annual financial statements for the subject year.
- (2) The term "Audit-Related Fees" means the aggregate fees billed for assurance and related services by PetroMaroc's external auditor that are reasonably related to the performance of the audit or review of PetroMaroc's financial statements for the subject year and are not reported under "Audit Fees".

Arm's Length Transaction

The Arrangement is an Arm's Length Transaction.

Interests of Informed Persons in Material Transactions

Other than as disclosed elsewhere in this Circular, no director, executive officer, person or company that beneficially owns, controls or directs, directly or indirectly, more than 10% of the PetroMaroc Shares, or associate or affiliate of the foregoing, has a material interest, directly or indirectly, in any transaction within the three most recently completed financials years or during the current financial year that has materially affected or is reasonably expected to materially affect PetroMaroc.

Non-Arm's Length Party Transactions

Except as disclosed below, the directors and senior officers of PetroMaroc and Associates and Affiliates thereof have not had any direct or indirect material interest in any transaction completed within 24 months before the date of this Circular, or in any proposed transaction.

On February 15, 2017, PetroMaroc announced that it had entered into a debt conversion agreement with certain arm's length creditors and certain non-arm's length creditors of PetroMaroc to settle an aggregate of C\$205,297 of debt in consideration for the issuance of an aggregate of 2,606,941 PetroMaroc Shares at a deemed price of C\$0.07875 per PetroMaroc Share.

On March 16, 2017, PetroMaroc announced it received final approval from the TSXV and issued 2,606,941 PetroMaroc Shares at a deemed per share price of \$0.07875 to fully settle an aggregate C\$205,297 of indebtedness owing to certain arm's length and non-arm's length creditors.

Legal Proceedings

Management of PetroMaroc knows of no legal proceedings, contemplated or actual, material to PetroMaroc to which PetroMaroc is a party or of which any of its property is the subject matter.

Auditors, Registrar and Transfer Agent

The current auditor of PetroMaroc is Deloitte LLP, located at 700 – 850 2nd Street SW, Calgary, Alberta, T2P 0R8, which was first appointed as auditors of PetroMaroc on September 24, 2010.

The registrar and transfer agent for the PetroMaroc Shares is Computershare Investor Services Inc., located at 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1.

Material Contracts

PetroMaroc has not entered into any material contracts other than in the ordinary course of business within the previous two years prior to the date hereof, with the exception of the Arrangement Agreement (see "*Particulars of the Arrangement*").

Copies of these agreements will be available for inspection at the office of PetroMaroc's Canadian counsel, Fogler, Rubinoff LLP, at 77 King Street West, TD Centre North Tower, Suite 3000, Toronto, Ontario M5G 0B2, during ordinary business hours on any business day up to the closing of the Arrangement and for a period of 30 days thereafter.

Additional Information

Additional information relating to PetroMaroc may be found on the SEDAR website located at www.sedar.com. Additional financial information is provided in PetroMaroc's comparative financial statements and management's discussion and analysis for its year ended December 31, 2017.

PetroMaroc Shareholders may request copies of PetroMaroc's financial statements and MD&A by contacting Martin Arch at march@PetroMaroc.co.

INFORMATION CONCERNING WOLVERINE

The following information is presented on a pre-Arrangement basis and is reflective of the current business, financial and share capital position of the Wolverine.

Corporate Structure

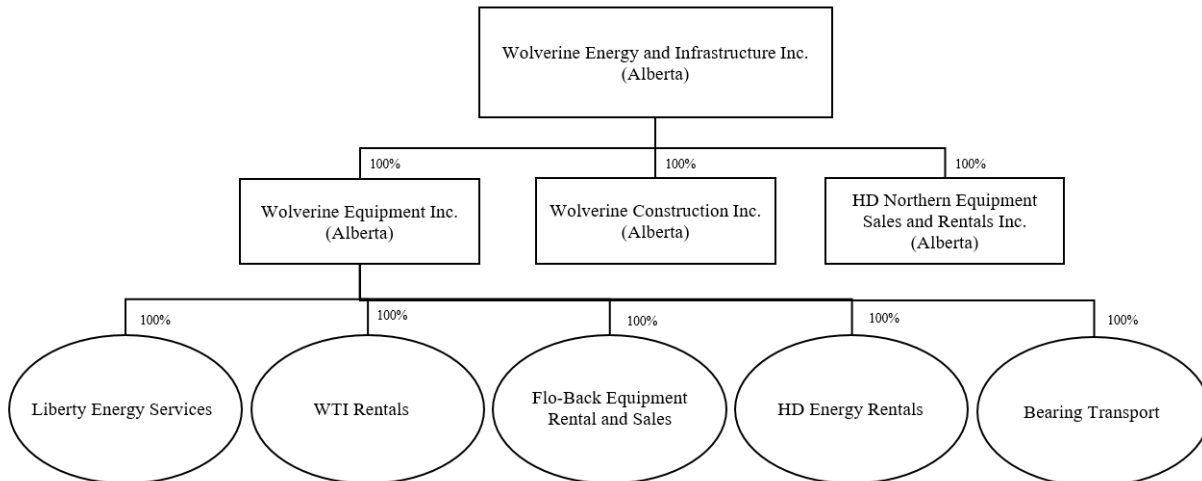
Name and Incorporation

Wolverine Energy and Infrastructure Inc. is a corporation incorporated under the ABCA on December 29, 2017. On March 23, 2018, Wolverine amended its articles to replace its share structure to create an unlimited number of: (i) Class "A" voting common shares, issuable in series, (ii) Class "F" non-voting preferred shares, (iii) Class "G" non-voting preferred shares, (iv) Class "H" non-voting preferred shares, (v) Class "I" non-voting preferred shares, and (vi) Class "J" non-voting preferred shares. On October 31, 2018, Wolverine amended its articles to, among other things: (i) replace its share structure and create an unlimited number of common shares (Wolverine Shares) and an unlimited number of preferred shares, issuable in series; (ii) remove the restrictions on transfers of its securities; and (iii) replace the other provisions to allow the appointment of additional directors between meetings of shareholders and to allow meetings of shareholders to be held anywhere in Canada or in any place selected by the directors of Wolverine in accordance with the ABCA. In connection with the closing of the Arrangement, Wolverine intends to file further Articles of Amendment to adjust the minimum number of directors to three and the maximum number to 15.

Wolverine's head office is located at 1711 – 9 St in Nisku, Alberta T9E 0R3 and its registered office is located at 300-10335 172 St. N.W., Edmonton, Alberta T5S 1K9.

Inter-corporate Relationships

The following diagram sets out information concerning the organizational structure of Wolverine as at the date hereof, excluding non-material and inactive subsidiaries. The jurisdiction of incorporation, continuation, formation or organization, as applicable, for each subsidiary is provided in parentheses.



The ovals shown above represent and illustrate the assets acquired as a part of Wolverine's strategy of combining organic growth and strategic acquisitions. For additional details, see "*Information Concerning Wolverine – General Development of the Business – Recent Developments*".

General Development of the Business

Wolverine is a diversified energy and infrastructure services provider headquartered in Nisku, Alberta having over 70 years of operating history. Wolverine commenced active business operations through a predecessor entity, Rig Service Equipment Ltd., in 1952 as an oilfield service provider. Over the course of its history, the Wolverine group of companies has pursued a strategy combining organic growth and strategic acquisitions. Today, Wolverine is a full-service, diversified energy and infrastructure service provider operating five primary service lines: (i) Oilfield/Energy Rentals, (ii) Heavy Equipment Sales and Rentals, (iii) Transportation and Trailer Rentals, (iv) Civil/Infrastructure Construction, and (v) Water Management. Wolverine's operations are based in Western Canada servicing customers primarily in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, the Northwest Territories and the Yukon in Canada, and Colorado and North Dakota in the United States. A description of each of Wolverine's services can be found below under the heading "*Description of the Business*".

Three Year History

Fiscal 2016

On April 1, 2015, Wolverine completed the acquisition of 136746 Alberta Ltd., and its subsidiary Golf Western Ltd. ("**Golf**") for total consideration of approximately \$4.8 million. Golf provided construction and oilfield services in the area surrounding Cold Lake, Alberta. Golf's operations were integrated into Wolverine and Golf was ultimately amalgamated with Wolverine as part of subsequent corporate reorganizations.

Fiscal 2017

On June 22, 2016, Wolverine entered into an agreement with Integrated Asset Management Corp. providing for a \$19 million secured loan due 2026 (the "**IAM Loan**"). The IAM Loan bears interest at 6.85% and is secured by a general security agreement, a pledge of equity interests in Wolverine's subsidiaries, postponement of shareholder loans and personal guarantees from certain Wolverine Shareholders.

On June 29, 2016, Wolverine completed the acquisition of HD Energy Rentals Group for total consideration of approximately \$13.4 million. The acquisition expanded Wolverine's existing service lines to add oilfield and heavy equipment rentals. The acquisition also extended Wolverine's geographic presence to locations in Grande Prairie, Fort St. John and Hinton. Within the Wolverine group of companies, the HD Energy Rentals business continues to operate under its distinct brand and management team.

On June 30, 2016, Wolverine completed the acquisition of Bearing Oilfield Services Ltd. ("**Bearing**") for total consideration of approximately \$1.4 million. The operations of Bearing were subsequently conducted through Bearing Transport Ltd. The acquisition expanded Wolverine's existing service lines to add oilfield transportation. The acquisition also extended Wolverine's geographic presence to Elk Point, Alberta. Within the Wolverine group of companies, the Bearing Transport business continues to operate under its distinct brand.

Fiscal 2018

On August 15, 2017, Wolverine entered into an agreement with Canadian Western Bank providing for a \$9.5 million revolving operating line of credit, bearing interest at 1.75% and payable monthly (the "**CWB**").

LOC"). The CWB LOC is secured by a general security agreement, postponement of shareholder loans and a guarantee of a principal shareholder.

On January 19, 2018, the IAM Loan was increased by \$7.6 million. The IAM Loan bears interest at 6.85% and is secured by a general security agreement, a pledge of equity interests in Wolverine's subsidiaries, postponement of shareholder loans and personal guarantees from certain of Wolverine's shareholders.

Effective March 31, 2018, Wolverine completed a reorganization (the "**2018 Reorganization**") with its parent, Wolverine Management Services Inc. ("**WMS**") and other of its affiliates, whereby all of the assets and liabilities of WMS and its wholly-owned subsidiary, Wolverine Group Inc. ("**WGI**"), were transferred and assumed by Wolverine with the exception of the Excluded Items. The 2018 Reorganization was completed to consolidate ownership of the Wolverine group of companies under Wolverine. Among other things, as a result of the 2018 Reorganization, former minority shareholders of subsidiaries within the Wolverine group received common shares of Wolverine in exchange for their holdings in such subsidiaries. For additional details, see the notes accompanying Wolverine's audited annual financial statements as at and for the year ended March 31, 2018, which are attached to this Circular as Schedule "G".

Recent Developments

On August 31, 2018, Wolverine completed the following acquisitions:

- (i) a private oilfield equipment rental business based in Edmonton, Alberta for total aggregate consideration of \$8,600,000, subject to customary post-closing adjustments, comprised of \$7,740,000 payable in cash, and \$860,000 payable in Wolverine Shares issued at a deemed value of \$1.00 per share. The business provides long-term and short-term rentals of trailers and small equipment, suited for all long-haul transport needs, and adds 173 pieces of specialized transportation and trailer equipment to Wolverine's existing fleet. Wolverine intends to integrate operations of this business into its existing transportation and trailer rental service line, with one additional employee being added to the current management team; and
- (ii) a private oilfield equipment rental business based in Edson, Alberta for total aggregate consideration of \$18,500,000, subject to customary post-closing adjustments, comprised of \$11,500,000 payable in cash and \$7,000,000 payable in Wolverine Shares issued at a deemed value of \$1.00 per share. Subject to the post-closing working capital adjustments, Wolverine may have to adjust the number of Wolverine Shares issued as consideration. The business provides fluid and heating management and equipment rentals including light towers, fuel skids and office trailers in Edson and the surrounding areas. Wolverine intends to refocus the business in coordination with Wolverine's oilfield rentals service line to allow management to expand on its Water Management offerings. The business currently employs 65 people;

and on September 10, 2018, Wolverine completed the following acquisition:

- (iii) a private oilfield equipment rental business based in Edmonton, Alberta for total aggregate consideration of \$10,635,000, subject to customary post-closing adjustments, comprised of \$4,100,000 payable in cash, \$1,250,000 as an assumption of debt, and \$5,285,000 payable in Wolverine Shares issued at a deemed value of \$1.00 per share. The business provides 160 pieces of pressure testing equipment and pipe inventory to oil and gas production, testing, and pipeline customers. Wolverine intends to integrate operations of this business into its existing oilfield rentals service line, with four additional employees being added to the current team,

(collectively referred to herein as, the "**Acquisitions**").

On September 27, 2018, the IAM Loan was increased by \$23.0 million. The IAM Loan bears interest at 6.85% and is secured by a general security agreement, a pledge of equity interests in Wolverine's subsidiaries, postponement of shareholder loans and personal guarantees from certain of Wolverine's shareholders.

Wolverine is currently pursuing the acquisition of a leading Western Canadian environmental services business which provides waste, water and recycling solutions to oil and gas producers across Western Canada. The potential acquisition is for environment services facilities, including multiple waste management, waste disposal, and crude oil handling facilities. These environmental services assets will provide an opportunity for Wolverine to enter the midstream market as the target's business has well established operations, customer relationships, contracts and customer demand. Completion of the potential acquisition will be subject to the parties arriving at acceptable terms, and Wolverine obtaining adequate financing on terms that are acceptable to Wolverine. There is no assurance that the parties will arrive at acceptable terms or that Wolverine will be able to obtain adequate financing on acceptable terms. Accordingly, there can be no assurance that the potential acquisition will be completed at all.

Concurrent Financing

In connection with, and as a condition of, the Arrangement, Wolverine intends to sell, by way of a brokered private placement, Subscription Receipts at a price of \$1,000 per Subscription Receipt, for expected aggregate gross proceeds of \$5,000,000. Each Subscription Receipt will represent a right to receive one Wolverine Convertible Debenture, without further payment or action on the part of the holder, upon the occurrence of the Release Event. As compensation for their efforts, the Agents shall receive a cash commission equal to 7% of the gross proceeds of the Concurrent Financing payable upon the closing of the Arrangement; provided that if the Arrangement is not completed prior to the closing of the Concurrent Financing, 50% of the Agents' Fee will be payable at the closing of the Concurrent Financing and the remaining 50% will be payable upon the closing of the Arrangement. In the event that the Arrangement is not completed, the commission to the Agents will be limited to the initial 50% of the Agents' Fee payable upon closing of the Concurrent Financing. The Concurrent Financing is described in more detail under "*Particulars of the Arrangement – Description of the Concurrent Financing*".

Description of the Business

Wolverine's centralized operations are internally managed by service line and region. Rentals are managed by location, while services are coordinated by service line and type of work.

In addition to Wolverine's Corporate Division, Wolverine operates five service lines: (i) Oilfield/Energy Rentals, (ii) Heavy Equipment Sales and Rentals, (iii) Transportation and Trailer Rentals, (iv) Civil/Infrastructure Construction, and (v) Water Management.

Division/ Business Line	Location	Employees (as at March 31, 2018)	Service Area
Oilfield/Energy Rentals	Edmonton, Alberta	42	Alberta
	Edson, Alberta		British Columbia
	Fort St. John, British Columbia		Colorado
	Grande Prairie, Alberta Hinton, Alberta		Saskatchewan North Dakota
Heavy Equipment Sales and Rentals	Edmonton, Alberta	5	Alberta
	Fort St. John, British Columbia		British Columbia
	Grande Prairie, Alberta		
Transportation and Trailer Rentals	Calgary, Alberta	11	Alberta
	Edmonton, Alberta		British Columbia
	Elk Point, Alberta		Manitoba
			Ontario Northwest Territories Saskatchewan Yukon
Civil/Infrastructure Construction	Bonnyville, Alberta	137	Alberta
	Edmonton, Alberta		British Columbia
	Fort St. John, British Columbia		Saskatchewan
Water Management	Edmonton, Alberta	-	Alberta
	Edson, Alberta		Colorado
	Grande Prairie, Alberta		North Dakota
Corporate	Calgary, Alberta	7	N/A
	Edmonton, Alberta		

Oilfield/Energy Rentals

General

Wolverine provides oilfield and energy rental services to customers throughout Western Canada and the United States through HD Energy Rentals. Rental operations are regionally headquartered in Grande Prairie, Alberta, allowing for access to key energy producing hubs throughout British Columbia and Alberta. In addition, rental assets are strategically allocated among regional offices in British Columbia, Alberta, Colorado and North Dakota.

Principal Products/Services

The equipment rented by HD Energy Rentals (which numbered approximately 250 pieces as at March 31, 2018) includes 400 barrel insulated tanks, well site accommodations, light towers, combination units,

boilers and heat exchangers, recycle and sewage containment, safe work platforms, hydraulic catwalk rentals and computer torque monitors.

Operations

Wolverine has established strong relationships with customers in its core business areas. A combination of long-term service agreements and short-term rentals provides a diversified customer base, leading to strong utilization rates on assets. Office locations have developed loyalty by establishing a strong presence and reputation in the communities they serve, allowing for a competitive advantage over out-of-town service providers. By continually providing excellent service, prioritizing safety and efficiency and meeting deliverables, Wolverine has a significant share of the rentals market in these areas.

Key personnel for the oilfield rentals service line consist of operational managers in charge of dispatching equipment, coordinating logistics and repairs, and account managers engaging clients through business development and managing financials. In addition, Wolverine offers personnel capable of operating the equipment, which services are available on request.

Heavy Equipment Sales and Rentals

General

Wolverine also provides heavy equipment sales and rentals through HD Northern to customers in the mining and construction industries mainly in Alberta and British Columbia. Key offices in Edmonton, Grande Prairie and Fort St. John are strategically located to provide efficient rentals to customers. Assets are deployed from and repaired at each of the regional offices to ensure quick availability for customers.

Principal Products/Services

The heavy equipment fleet rented by HD Energy Rentals (which numbered approximately 50 pieces as at March 31, 2018) includes articulated rock trucks, graders, dozers, scrapers, excavators, wheel loaders, fire guards, earth compactors and skid steers.

Operations

Key personnel for the heavy equipment rentals service line consist of operational managers in charge of dispatching equipment, coordinating logistics and repairs, engaging clients through business development, and managing financials.

Transportation and Trailer Rentals

General

Wolverine has a strong presence in the highly competitive transportation sector through Bearing Transport. Bearing Transport's principal service lines consist of trailer rentals and transportation services. The current business plan for the Bearing Transport includes a shift towards prioritizing rentals over services. As a result, the transportation fleet has recently been downsized, while the rental fleet has been significantly expanded. Rental trailers are now deployed throughout Western Canada, including in British Columbia, Alberta, Saskatchewan, Manitoba, the Yukon and the Northwest Territories.

Principal Products/Services

The transportation and trailer rentals fleet (which numbered approximately 100 pieces as at March 31, 2018) maintains a mix between operational assets and rentals. Transportation services are usually conducted as short-term engagements (single trips) while trailer rentals are usually executed for an extended period, typically over the winter months. Across both transportation and trailer rentals, there is a significant diversification of customers; however, most are part of the energy services industry.

Operations

Key personnel for the transportation and trailer rentals service line consist of operational managers in charge of dispatching equipment, coordinating logistics and repairs, engaging clients through business development, and managing financials. Transportation services require highly certified drivers/operators, while trailer rentals do not.

Civil/Infrastructure Construction

General

Wolverine is a leading full services earthworks contractor and excavating business. Wolverine specializes in major industrial, and major residential underground services. Strategic locations in Bonnyville, Fort St. John and Edmonton allow for optimized access to customers throughout Northern Alberta and Western Canada.

Principal Products/Services

Wolverine Construction manages a fleet of over 200 pieces of equipment as of March 31, 2018. With the expansion of its equipment fleet in both 2017 and 2018, Wolverine provides the following services: water and sewer servicing, upgrading, installation and design; site excavation; utilities service and maintenance; horizontal directional drilling; underground gas line installation; polyethylene fusion; mulching and slashing; and snow removal.

Operations

Construction projects are typically conducted in crews led by a foreman. Crews are supported by regional superintendents, safety officers, mechanics, operational accountants, estimators, and project coordinators.

Water Management

General

Wolverine is expanding expertise in water management. Services offered include water transfer, water reclamation and water heating. Services utilize thousands of pieces of irrigation equipment, including over 40 kilometres of varying hoses, multiple pumps and a diversified range of boilers and heat exchangers.

Corporate

General

Wolverine's Corporate Division centralize the accounting, information technology, human resources and other business functions, allowing the individual business lines to focus on operational services.

Management believes this approach is an effective division of corporate functions that allows its business units to focus on their core services.

Wolverine's strategic plan is primarily focused on continuous growth of its business units. The operational strategy is to ensure that the Company is efficiently and proactively going after segments of business that have the best short-term and long-term prospects. With consistent corporate feedback and information about their businesses, the senior management can focus on doing jobs safely, on-time and within budget. Meanwhile, the client continues to benefit from an engaged, boots-on-the-ground owner of a small business that is backed by more resources than the typical owner-managed business.

Market

Wolverine's management is optimistic about the state of the economy in its primary operating markets, including Western Canada and parts of the United States. Coming out of the recent recession in oil and gas, activity has started to pick up in key energy producing areas, with internal managerial anecdotes referring to rates slowly rising back to pre-2014 levels.

Management also feels strongly about the two primary focuses of Wolverine; energy and infrastructure. Wolverine executives wish to continue pursuing growth initiatives and acquisitions in these two key industry segments, especially related to equipment rentals. As other businesses are wary to deploy capital in re-stocking downsized fleets of equipment, the supply of rentals available is expected to be constrained relative to the demand. Wolverine expects to maintain high utilization rates for all rental assets over the short to medium term.

Wolverine's diversity in service offerings has reduced the seasonality faced by the business. The seasonality of different service lines contradicts and mitigate each other for the most part. Overall peak activity occurs in the winter months from January to March, with slowest times occurring during the spring thaw or breakup, typically taking place in mid-April.

Wolverine does not forecast any significant changes in the labour or materials markets that would noticeably impact gross or net margins. Skilled labourers remain generally available for hire with the economy not yet fully recovered from the most recent economic downturn. The market for office personnel in business development, accounting, and administration in Wolverine's operating regions remains strong as it has throughout the past multiple years.

Employee health and safety and the protection of the general public and the environment in which it operates are integral components of Wolverine's approach to doing business. Wolverine is committed to the protection of its stakeholders and to minimizing the impact of its activities on the environment. There were no material environmental incidents in the 2018 fiscal year. Management is not aware of any environmental protection requirements that are likely to have a material impact on the business.

Strategy and Marketing

Wolverine engages with customers, contractors, employees, shareholders, managers and any other current or potential stakeholder using multiple forms of advertising and marketing. Past and current campaigns include print advertising, outdoor, television, direct mail, digital, social media and at local events such as trade shows, industry association meetings and community gatherings. Wolverine's management believes in maintaining a key presence in the community and does so by establishing their brand as synonymous with local business leaders.

Most of Wolverine's business development team operate and reside out of Calgary, Alberta. Marketing and advertising are coordinated out of the Corporate office in Edmonton. As the company engages in further capital markets transactions, investor relations will be managed out of the Calgary office.

Competitive Environment

Competition in the oilfield markets that Wolverine operates in is very fragmented, with various specialty vendors and contractors competing to provide rentals and services. In western Canada, the main competitors include Precision, Ensign, Vertex, and a number of smaller public and private integrated oilfield companies. There are many private and public company competitors in the transportation space; Wolverine has an insignificant market share of transportation operations in Western Canada. On the trailer rental side, primary competitors include: Ocean Trailer, Edmonton Trailer Sales and Rentals and other privately held and public companies offering trailer rentals. Construction services competitors include Enterprise Group and major publicly traded, large market cap construction businesses. Competition in the oilfield rentals businesses are regionally dependent; primary competitors include Total Oilfield Rentals, and manufacturer franchises such as Finning. Finning is also a strong competitor for heavy equipment rentals.

Management of Wolverine believes that the strong competitive environment has led to a fragmented industry with few established market leaders, allowing for an opportunity to consolidate future share through acquisitions and organic growth. Wolverine's strategy in this current market environment is to establish key local and regional relationships with customer and contractors to secure long term, predictable service and rentals contracts.

The principal barriers to entry in the rentals, transportation and/or infrastructure business are the high capital costs associated with the acquisition of a quality and diversified equipment base, the substantial infrastructure and logistical support required, the recruitment of qualified personnel and the establishment of personal business contacts. Personal contacts with drilling managers and consultants retained by the oil and gas exploration and production companies are important to success in this industry. Such contacts take time to establish and must be supported by excellent service, a commitment to operating in a safe and efficient manner and quality equipment at competitive prices.

Selected Consolidated Financial Information

The following table sets out certain selected financial information of Wolverine in summary form for the financial years ended March 31, 2018 and 2017 and for the three months ended June 30, 2018. This selected financial information has been derived from the audited annual financial statements of Wolverine for the years ended March 31, 2018 and 2017, as well as the interim financial statements of Wolverine for the three months ended June 30, 2018, which are attached to this Circular as Schedule "G" and should be read in conjunction with those financial statements.

	Three months ended June 30, 2018 (unaudited)	Year ended March 31, 2018 (audited)	Year ended March 31, 2017 (audited)
Statement of Operations Data			
Revenue	\$8,593,626	\$39,951,389	\$22,155,202
Net loss from continuing operations	(\$1,783,769)	(\$677,846)	(\$842,822)
Net loss for the period	(\$1,303,769)	(\$146,049)	(\$800,860)
Statement of Financial Position Data			
	As at	As at	As at

	June 30, 2018 (unaudited)	March 31, 2018 (audited)	March 31, 2017 (audited)
Total assets	\$53,828,794	\$59,798,802	\$40,673,942
Total long term debt	\$27,460,890	\$28,761,099	\$21,219,669

Notes:

- (1) Prior to March 31, 2018, the Wolverine's business was operated through its parent, WMS. Effective March 31, 2018, Wolverine, WMS and other of Wolverine's affiliates completed the 2018 Reorganization whereby all of the assets and liabilities of WMS and WGI were transferred and assumed by Wolverine with the exception of the Excluded Items. For additional details, see "Note on Financial Statement Presentation" and "Three Year History".

Management's Discussion and Analysis

Wolverine's management's discussion and analysis ("**MD&A**") for the periods ended March 31, 2018 and 2017 and for the interim period ended June 30, 2018 are incorporated and attached to this Circular as Schedule "H". These MD&A should be read in conjunction with Wolverine's annual financial statements as at and for the years ended March 31, 2018 and 2017 and the interim financial statements as at and for the three months ended June 30, 2018, together with the notes thereto, which are incorporated and attached to this Circular as Schedule "G".

Trends

Management of Wolverine maintains an optimistic outlook on the state of the economy in its primary operating markets, including Western Canada and parts of the United States. Coming out of the recent recession in oil and gas, activity has started to pick up in key energy producing areas, with internal managerial anecdotes referring to rates slowly rising back to pre-2014 levels.

Wolverine's strategy involves growth initiatives and acquisitions in its two key industry segments, energy and infrastructure, and in particular, focusing on its equipment rentals business lines. As other businesses are wary to deploy capital in re-stocking downsized fleets of equipment, the supply of rentals available is expected to be constrained relative to the demand. Wolverine expects to maintain high utilization rates for all rental assets over the short to medium term.

Wolverine does not forecast any significant changes in the labour or materials markets that would noticeably impact gross or net margins.

Description of Share Capital

The authorized capital of Wolverine consists of an unlimited number of common shares (Wolverine Shares) and an unlimited number of preferred shares, issuable in series. As at the date of this Circular, 74,618,000 Wolverine Shares are issued and outstanding and no preferred shares are issued or outstanding.

Each Wolverine Share carries the right to one vote at all meetings of shareholders of Wolverine. There are no special rights or restrictions of any nature attaching to the Wolverine Shares. All Wolverine Shares rank equally as to dividends, voting powers and participation in assets upon liquidation of Wolverine.

Consolidated Capitalization

The following table sets forth the capitalization of Wolverine as at June 30, 2018 and as at October 31, 2018 prior to giving effect to the Arrangement and the Concurrent Financing. See "Information Concerning the Resulting Issuer – Selected Pro Forma Financial Information of the Resulting Issuer" for the consolidated capitalization of Wolverine as at June 30, 2018 before and after giving effect to the Arrangement. This table should be read in conjunction with the financial statements of Wolverine, together with the notes thereto, which are incorporated and attached to this Circular as Schedule "G".

Designation	Authorized	Outstanding as at June 30, 2018	Outstanding as at October 31, 2018 prior to giving effect to the Arrangement and the Concurrent Financing ⁽²⁾
Common shares ⁽¹⁾	Unlimited	\$11,977,260 (61,473,000 shares)	\$26,122,260 (74,618,000 shares)
Total long term debt	Unlimited	\$27,460,890	\$49,050,168 ⁽³⁾

Notes:

- (1) On October 31, 2018, Wolverine amended its articles to, among other things, redesignate its previously issued Class A Common Shares, Series 1 as common shares. For additional details, see "Note on References to Wolverine and Wolverine Shares".
- (2) On August 31, 2018 and September 10, 2018, Wolverine completed the Acquisitions resulting in the issuance of an additional 13,145,000 Class A Common Shares, Series 1.
- (3) On September 27, 2018, Wolverine increased the IAM Loan by \$23 million in connection with the Acquisitions. For additional details, see "Recent Developments". This figure is net of monthly amortizing payments against the principal amount of the IAM Loan totaling approximately \$1.4 million made during the period from July 1 to October 1.

Prior Sales

Date of Issuance	Number of Securities	Security	Price Per Security
December 29, 2017	1,000 ⁽¹⁾	Class A Common Shares	\$1.00
March 23, 2018	1,000 ⁽²⁾	Class A Common Shares, Series 1	\$1.00
March 31, 2018	61,473,000 ⁽³⁾	Class A Common Shares, Series 1	\$1.00
August 31, 2018	7,860,000 ⁽⁴⁾	Class A Common Shares, Series 1	\$1.00
September 10, 2018	5,285,000 ⁽⁴⁾	Class A Common Shares, Series 1	\$1.00

Notes:

- (1) These Class A Common Shares were redesignated as Class A Common Shares, Series 1 on March 23, 2018. For additional details, see "Note on References to Wolverine and Wolverine Shares".
- (2) These Class A Common Shares, Series 1 were exchanged for Class A Common Shares, Series 1 in connection with the 2018 Reorganization.

- (3) On March 31, 2018, Wolverine completed the 2018 Reorganization, at the conclusion of which there were 61,473,000 Class A Common Shares, Series 1 issued and outstanding. For additional details, see "*Information Concerning Wolverine – Three Year History – Fiscal 2018*".
- (4) On August 31, 2018 and September 10, 2018, Wolverine completed the Acquisitions resulting in the issuance of an additional 13,145,000 Class A Common Shares, Series 1. For additional details, see "*Information Concerning Wolverine – Three Year History Recent Developments*".

Stock Exchange

None of the securities of Wolverine are listed on any stock exchange.

Executive Compensation

The information contained below is provided as required under Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers* ("**51-102F6V**").

In this section entitled "Executive Compensation":

"**compensation securities**" includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by Wolverine for services provided or to be provided, directly or indirectly, to Wolverine;

"**external management company**" includes a subsidiary, affiliate or associate of an external management company;

"**Named Executive Officer**" or "**NEO**" means each of the following individuals: (a) each individual, who in respect of Wolverine, during any part of the most recently completed financial year, served as chief executive officer of the Wolverine, including an individual performing functions similar to a chief executive officer; (b) each individual, who in respect of Wolverine, during any part of the most recently completed financial year, served as chief financial officer of the Wolverine, including an individual performing functions similar to a chief financial officer; (c) in respect of Wolverine, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with 51-102F6V, for that financial year; and (d) each individual who would be named an executive officer under paragraph (c) but for the fact that the individual was not an executive officer of Wolverine, and was not acting in a similar capacity, at the end of that financial year;

"**plan**" includes any plan, contract, authorization or arrangement, whether or not set out in a formal document, where cash, compensation, securities or any other property may be received, whether for one or more persons; and

"**underlying securities**" means any securities issuable on conversion, exchange or exercise of compensation securities.

Director and Executive Compensation

During the fiscal year ended March 31, 2018, the following individuals were Named Executive Officers of WGI, the predecessor to the business of Wolverine: Jesse Douglas (Chief Executive Officer) and John Carvalho (Chief Financial Officer). On April 1, 2018, Wolverine retained the services of Rick Quigley as Chief Operating Officer. At or prior to the completion of the Arrangement, Wolverine will appoint

Dennis Sharp, Dirk LePoole and an additional director who will be independent for the purposes of applicable Canadian Securities Laws, as Resulting Issuer Directors.

Summary Compensation Table (excluding compensation securities)

The following table contains information about the compensation paid to, earned by and payable to, Wolverine's NEOs and directors, for the fiscal years ending March 31, 2018 and 2017.

Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other Comp. (\$)	Total Comp. (\$)
Jesse Douglas	2018	\$310,000	nil	nil	nil	nil	\$310,000
<i>(Director and CEO)</i>	2017	\$88,000	nil	nil	nil	nil	\$88,000
John Carvalho	2018	\$170,000	nil	nil	nil	nil	\$170,000
<i>(CFO)</i>	2017	\$80,000	nil	nil	nil	nil	\$80,000

Stock Options and Other Compensation Securities

Wolverine currently does not have any outstanding stock options or other compensation securities under any stock plan or otherwise.

As a condition to listing the Wolverine Shares on the TSXV, Wolverine will be required to adopt a stock option plan that complies with Policy 4.4 – *Incentive Stock Options* of the TSXV Corporate Finance Manual. In order to comply with this condition, the Wolverine Board intends to approve a fixed stock option plan (the "**Wolverine Option Plan**") that incorporates the TSXV's requirements. Other than the Wolverine Options to be issued in connection with the Arrangement, Wolverine does not intend to issue any options under the Wolverine Option Plan.

In addition, following completion of the Arrangement, Wolverine intends to adopt a restricted share unit plan (the "**Wolverine RSU Plan**") as a way to provide equity-based incentives to directors and officers of Wolverine that recognize and reward significant contributions to the long-term success of Wolverine. The Wolverine Board intends to use the restricted share units issued under the Wolverine RSU Plan as part of Wolverine's overall executive compensation plan.

It is currently contemplated that the maximum number of Wolverine Shares that will be reserved for issuance under the Wolverine Option Plan and the Wolverine RSU Plan will not exceed 8,286,800, or 10% of the issued and outstanding Wolverine Shares as at the Effective Date. The Wolverine Option Plan and the Wolverine RSU Plan both remain subject to TSXV approval.

Management Contracts

No management functions of Wolverine are to any substantial degree performed by a Person or company other than the director and executive officers of Wolverine.

Jesse Douglas, John Carvalho and Rick Quigley are currently compensated through management contracts, which do not have change of control or severance provisions.

Pension Disclosure

Wolverine does not have a pension plan that provides for payments or benefits to the Named Executive Officers at, following, or in connection with retirement. Wolverine does not have any form of deferred compensation plan.

Non-Arm's Length Transactions

The 2018 Reorganization was a Non-Arm's Length Transaction. For additional details, see "*Three Year History*".

The Arrangement is an Arm's Length Transaction.

Legal Proceedings

To the knowledge of Wolverine, there are no legal proceedings material to Wolverine to which Wolverine is a party or of which any of its property is the subject matter, nor are any such proceedings known to Wolverine to be contemplated.

Auditor, Transfer Agent and Registrar

Wolverine's independent auditors are Pennock Acheson Nielsen Devaney Chartered Accountants, located in Edmonton, Alberta.

Wolverine's transfer agent and registrar is Odyssey Trust Company, located in Calgary, Alberta.

Material Contracts

Other than the Arrangement Agreement, the Engagement Letter, and the IAM Loan, there are no contracts of Wolverine, other than contracts entered into in the ordinary course of business, that are material to Wolverine and that were entered into by Wolverine within the most recently completed financial year or were entered into before the last financial year and are still in effect.

INFORMATION CONCERNING THE RESULTING ISSUER

The following information is presented on a post-Arrangement basis and is reflective of the projected business, financial and share capital position of Wolverine after giving effect to the Arrangement. Wolverine on a post-Arrangement basis is referred to herein as the "**Resulting Issuer**" or as "**Wolverine**".

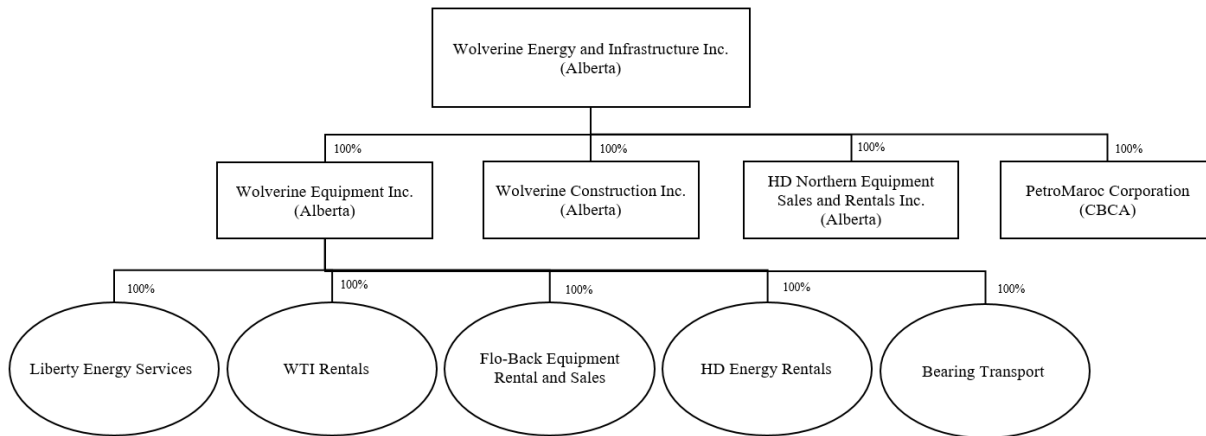
Corporate Structure

Name and Incorporation

The proposed name of the Resulting Issuer is "Wolverine Energy and Infrastructure Inc.". The Resulting Issuer's registered office after the completion of the Arrangement will be registered office of Wolverine. See "*Information Concerning Wolverine – Corporate Structure – Name and Incorporation*".

Intercorporate Relationships

Following the completion of the Arrangement, Wolverine will own all of the issued and outstanding shares of PetroMaroc and, as such, PetroMaroc will be a wholly-owned subsidiary of the Wolverine. The corporate structure, including the percentage of voting shares owned and the jurisdiction of incorporation is set out in the diagram below:



The ovals shown above represent and illustrate the assets acquired as a part of Wolverine's strategy of combining organic growth and strategic acquisitions. For additional details, see "*Information Concerning Wolverine – General Development of the Business – Recent Developments*".

Narrative Description of the Business

Business of the Resulting Issuer

The business of the Resulting Issuer after completion of the Arrangement will be the business of Wolverine. See "*Information Concerning Wolverine –Description of the Business*".

Stated Business Objectives

Wolverine's long-term business objectives include the continued pursuit of its growth strategy, which it hopes to accomplish with a combination of organic growth and strategic acquisitions. In addition, Wolverine intends to continue active financial management practices to ensure that it maintains the cash

flow necessary to operate as efficiently as possible. In the near-term, Wolverine intends to pay down existing demand debt. The available funds set out under the heading "*Estimated Available Funds and Principal Purposes*" have been allocated by management towards the achievement of this near-term objective.

Milestones

In order to accomplish the above noted business objective, the following milestone will need to be achieved:

Milestone	Estimated Time Period	Estimated Cost (\$)
Repay demand debt of Wolverine	As soon as possible following completion of the Arrangement	4.5 million

Wolverine intends to use the funds from the Arrangement and the Concurrent Financing to eliminate short-term loans from its balance sheet. This milestone is expected to be achieved as soon as possible following completion of the Arrangement.

Description of Securities

The share structure of the Resulting Issuer after completion of the Arrangement will be the share structure of Wolverine. See "*Information Concerning Wolverine – Description of Share Capital*".

Selected Pro Forma Financial Information of the Resulting Issuer

The following is a summary of certain selected pro-forma financial information of Wolverine after giving effect to the Arrangement and should be read in conjunction with the unaudited interim financial statements of PetroMaroc as at June 30, 2018, which is attached to this Circular as Schedule "E", the unaudited interim financial statements of Wolverine as at June 30, 2018, which is attached to this Circular as Schedule "G". Such information is derived from and should be read in conjunction with the unaudited pro forma financial statements and the notes thereto attached hereto as Schedule "I".

	PetroMaroc as at June 30, 2018 (\$)	Wolverine as at June 30, 2018 (\$)	Adjustments as at June 30, 2018 (\$)	Resulting Issuer Pro Forma as at June 30, 2018 (\$)
Current Assets	3,388,946	14,982,764	4,100,000	22,471,710
Total Assets	3,388,946	53,828,794	9,850,000	67,067,740
Current Liabilities	961,108	15,323,498	(159,000)	16,125,606
Total Liabilities	961,108	43,656,388	4,841,000	49,458,496
Shareholders' Equity	2,427,838	10,172,406	5,009,000	17,609,244

Pro Forma Consolidated Capitalization of the Resulting Issuer

The following table sets forth the capitalization of Wolverine after giving effect to the Arrangement and related matters (including the Concurrent Financing). The below should be read in conjunction with the unaudited pro forma financial statements attached hereto as Schedule "I".

Designation of Security	Amount Authorized	Amount outstanding as at June 30, 2018 after giving effect to the Arrangement and the Concurrent Financing	Amount outstanding as at October 31, 2018 after giving effect to the Arrangement and the Concurrent Financing
Wolverine Shares ^{(1),(2)}	Unlimited	69,722,998 ⁽³⁾	82,867,998 ⁽³⁾
Wolverine Options ⁽⁴⁾	8,286,800 ⁽⁴⁾	501,361	501,361
Wolverine Convertible Debentures	Unlimited	5,000 ⁽⁵⁾	5,000 ⁽⁵⁾
Total long term debt	Unlimited	\$27,460,890	\$49,050,168 ⁽⁶⁾

Notes:

- (1) On October 31, 2018, Wolverine amended its articles to, among other things, redesignate its previously issued Class A Common Shares, Series 1 as common shares. For additional details, see "Note on References to Wolverine and Wolverine Shares".
- (2) 52,894,018 of the Wolverine Shares will be subject to escrow pursuant to the requirements of the TSXV. For additional details, see "Escrowed Securities".
- (3) Assumes: (i) an aggregate of 8,249,998 Wolverine Shares will be issued to former PetroMaroc Shareholders as at the Effective Time; and (ii) no PetroMaroc ITM Options will be exercised prior to the Effective Time.
- (4) As a condition to listing the Wolverine Shares on the TSXV, Wolverine will be required to adopt a stock option plan that complies with Policy 4.4 – *Incentive Stock Options* of the TSXV Corporate Finance Manual. In order to comply with this condition, the Wolverine Board intends to approve the Wolverine Option Plan incorporating the TSXV's requirements. Other than the Wolverine Options to be issued in connection with the Arrangement pursuant to the Option Termination and Replacement Agreements as described below, Wolverine does not intend to issue any options under the Wolverine Option Plan. See "Information Concerning Wolverine – Stock Options and Other Compensation Securities". Pursuant to the Wolverine Options (i) the exercise price for the Wolverine Option shall be the aggregate exercise price of the PetroMaroc ITM Options being exchanged therefor; (ii) the Wolverine Shares to be issued upon the exercise of the Wolverine Option shall be that number of Wolverine Shares to which such PetroMaroc Optionholder would have been entitled pursuant to the Arrangement had the PetroMaroc Optionholder exercised its PetroMaroc ITM Options prior to the Effective Time; and (iii) the expiry date of such Wolverine Option shall be the 60th day following the Effective Date. In addition, Wolverine Shares acquired pursuant to the exercise of the Wolverine Option will be subject to a contractual hold period ending on the 120th day following the Effective Date. For additional details, see "Particulars of the Arrangement – Description of the Arrangement and the Arrangement Agreement – Treatment of the PetroMaroc Options".
- (5) These estimates assume that an aggregate of 5,000 Wolverine Convertible Debentures will be issued in connection with the Concurrent Financing upon exchange of the Subscription Receipts.
- (6) On September 27, 2018, Wolverine increased the IAM Loan by \$23 million in connection with the Acquisitions. For additional details, see "Recent Developments". This figure is net of monthly amortizing payments against the principal amount of the IAM Loan totaling approximately \$1.4 million made during the period from July 1 to October 1.
- (7) The Resulting Issuer will have a deficit of \$2,689,711.
- (8) Excludes: (i) the effect of the Share Payment; (ii) the effect of future issuances of restricted share units by Wolverine following the Arrangement pursuant to the Wolverine RSU Plan; see "Information Concerning Wolverine – Stock Options and Other Compensation Securities"; and (iii) the effect of possible future issuances Wolverine Shares in connection with the adjustment provisions of the agreements providing for the Acquisitions. In particular, if, after 180 days from August 31, 2018, the Wolverine Shares have not traded at a minimum of \$0.95 per share for at least three (3) days in the previous 30 calendar days, Wolverine will issue the vendors of one of the Acquisitions additional Wolverine Shares so that the total value of the Wolverine Shares comprising the share portion of the purchase price for such Acquisition will be equal to \$860,000.

Fully Diluted Share Capital of the Resulting Issuer

In addition to the information set out in the capitalization table above, the following table sets out the anticipated fully diluted share capital of the Resulting Issuer after giving effect to the Arrangement and related matters (including the Concurrent Financing).

	Number of Wolverine Shares	Percentage of total Wolverine Shares after giving effect to the Arrangement and the Concurrent Financing
Wolverine Shares held by current Wolverine Shareholders	74,618,000	77.5%
Wolverine Shares to be issued in connection with Arrangement to PetroMaroc Shareholders in exchange for their PetroMaroc Shares	8,249,998 ⁽¹⁾	8.6%
Wolverine Shares to be issued in connection with the Share Payment	130,000	0.1%
Reserved for issuance pursuant to Wolverine Options	501,361	0.5%
Reserved for issuance under the Wolverine Option Plan and Wolverine RSU Plan	7,785,439 ⁽²⁾	8.1%
Reserved for issuance pursuant to the Wolverine Convertible Debentures	5,000,000 ⁽³⁾	5.2%
Total Number of Wolverine Shares on a fully diluted basis	96,284,798⁽⁴⁾	100.0%

Notes:

- (1) Assumes that no PetroMaroc ITM Options will be exercised prior to the Effective Time.
- (2) Calculated as 10% of total Wolverine Shares issued and outstanding as at the Effective Time, less the Wolverine Options.
- (3) Assumes that an aggregate of 5,000 Wolverine Convertible Debentures will be issued in connection with the Concurrent Financing upon exchange of the Subscription Receipts.
- (4) Excludes the effect of possible future issuances Wolverine Shares in connection with the adjustment provisions of the agreements providing for the Acquisitions. In particular, if, after 180 days from August 31, 2018, the Wolverine Shares have not traded at a minimum of \$0.95 per share for at least three (3) days in the previous 30 calendar days, Wolverine will issue the vendors of one of the Acquisitions additional Wolverine Shares so that the total value of the Wolverine Shares comprising the share portion of the purchase price for such Acquisition will be equal to \$860,000.

Estimated Available Funds and Principal Purposes

Available Funds

The available funds to the Wolverine after giving effect to the Arrangement and upon completion of the Concurrent Financing, after taking into account costs and expenses associated with the completion thereof, are anticipated to be approximately \$16.2 million, based on the calculations set out in the table below. The amounts shown in the table are estimates only and are based on funds expected to be available at the completion of the Arrangement and the Concurrent Financing.

Source of Funds	Available Funds (\$)
Estimated consolidated working capital of the Resulting Issuer ⁽¹⁾	12.8 million
Net proceeds of the Concurrent Financing ⁽²⁾	4.5 million
<i>Less the estimated costs associated with the Arrangement⁽³⁾</i>	<i>(\$1.1 million)</i>
Total Funds Available	16.2 million

Notes:

- (1) As at October 31, 2018. This figure represents the aggregate total working capital of Wolverine (\$9.9 million) and of PetroMaroc (\$2.9 million) as at such date.
- (2) The figure represents gross proceeds of \$5.0 million less a maximum cash commission of \$0.35 million and estimated expenses of \$0.15 million.
- (3) Estimate of fees and expenses includes: (i) PetroMaroc's fees and expenses payable in cash estimated at \$0.725 million, and (ii) Wolverine's fees and expenses estimated at \$0.4 million.

Uses of Available Funds

Wolverine intends to use the available funds of \$16.2 million over the next 18 months as set out in the table below:

Anticipated Use of Funds	Amount (\$)
Repayment of demand debt	4.5 million
General & administrative expenses ⁽²⁾	11.5 million
Unallocated funds	0.2 million
Total	16.2 million

Note:

- (1) Wolverine expects that general and administrative expenses for the next 18 months will be approximately \$25.1 million. The Resulting Issuer will be the successor to Wolverine's existing business, and the excess between the anticipated use of funds and the anticipated source of funds disclosed above is expected to be satisfied by the Resulting Issuer's cash flow from operations and short-term borrowings through Wolverine's existing lines of credit.

Wolverine intends to spend the available funds for the principal purposes as indicated above. Revenues and accounts receivable received in the months following completion of the Arrangement may also provide Wolverine with additional cash. Notwithstanding the foregoing, there may also be circumstances where, for sound business reasons, a reallocation of funds may be necessary for Wolverine to achieve these objectives. Wolverine may require additional funds in order to fulfill all of Wolverine's expenditure requirements to meet its objectives, in which case Wolverine expects to either issue additional shares or incur indebtedness. However, there is no assurance that additional funding required by Wolverine would be available if required. See "*Risk Factors*".

Notwithstanding the foregoing, it is anticipated that the available funds indicated above will be sufficient to satisfy Wolverine's objectives stated herein over the next 12 months and that during this period of time, adequate cash flow will be generated to assist Wolverine in pursuing these and other business objectives.

Dividends

Wolverine does not intend to adopt any policy with respect to the declaration of dividends and does not anticipate the declaration of any dividends in the foreseeable future.

Principal Securityholders

As of the date hereof, no person beneficially owns, directly or indirectly, or controls or directs ten percent (10%) or more of the outstanding voting securities of Wolverine, other than as set out below:

Holder	Number of Wolverine Shares Owned, Controlled or Directed	Number of Wolverine Shares to be issued to the Holder as a result of the Arrangement	Percentage of class prior to giving effect to the Arrangement and the Concurrent Financing	Percentage of class after giving effect to the Arrangement and the Concurrent Financing
Jesse Douglas Edmonton, AB	50,099,000	Nil	67.14% ⁽¹⁾	60.46% ⁽¹⁾

Note:

- (1) On a fully diluted basis, Mr. Douglas controls (i) 67.14% of the Wolverine Shares prior to giving effect to the Share Payment, the Arrangement and the Concurrent Financing and (ii) 52.03% of the Wolverine Shares after giving effect to the Share Payment, the Arrangement and the Concurrent Financing.

Directors, Officers and Promoters

It is anticipated that, on closing of the Arrangement, Dennis A. Sharp, Dirk LePoole and an additional director who will be independent for the purpose of applicable Securities Laws will be appointed to the Wolverine Board. It is anticipated that the additional director will be identified and appointed to the board of directors of Wolverine at or prior to the Closing Date. PetroMaroc and Wolverine intend to press release the identity of the additional independent director once he or she has been identified and has agreed to serve.

Jesse Douglas, Dirk LePoole, Dennis A. Sharp and the additional independent director will be the Resulting Issuer Directors until the next annual meeting of the shareholders of Wolverine held for the purpose of electing directors, or until their successors are otherwise appointed.

Upon closing of the Arrangement, Wolverine's current senior management team, being Jesse Douglas (President and Chief Executive Officer), John Carvalho (Chief Financial Officer, Chief Investment Office and Corporate Secretary) and Rick Quigley (Chief Operating Officer), will continue in their present offices.

Proposed Directors and Executive Officers' Table

The name, residence, age, positions held with Wolverine and principal occupation during the preceding five years, and certain other information concerning each of the directors and officers of the Resulting Issuer are as set forth below:

Name, Age and Residence	Proposed Position with the Resulting Issuer	Principal Occupation for the preceding Five Years	Director of Wolverine Since	Number of Wolverine Shares Held or Controlled⁽¹⁾
Jesse Douglas Edmonton, AB (39)	Director, President, Chief Executive Officer and Promoter	Director, President and Chief Executive Officer of Wolverine ⁽²⁾	December, 2017	50,099,000 ⁽³⁾ (52.03%)
Dennis A. Sharp Calgary, AB (81)	Non-Executive Chairman	Chairman and Chief Executive Officer of PetroMaroc Corporation	N/A ⁽⁴⁾	149,018 (0.15%)
Dirk LePoole Edmonton, AB (48)	Director	President and Director of Diversity Technologies Corporation	N/A ⁽⁴⁾	Nil (0%)
John Carvalho Edmonton, AB (42)	Chief Financial Officer, Chief Investment Officer and Corporate Secretary	Chief Financial Officer, Chief Investment Officer and Corporate Secretary of Wolverine ⁽²⁾ ; President of Stone Oak Capital Inc.	N/A	Nil ⁽³⁾ (0%)
Rick Quigley Fort St. John, BC (52)	Chief Operating Officer	Chief Executive Officer of Petrowest	N/A	2,646,000 (2.75%)

Notes:

- (1) Calculated on a fully diluted basis.
- (2) Prior to the 2018 Reorganization, Messrs. Douglas and Carvalho held similar positions at WMS, the predecessor in business to Wolverine.
- (3) 38,129,000 Wolverine Shares are held by WMS and 11,970,000 Wolverine Shares are held by WGI. WGI is controlled by WMS. Mr. Douglas is the controlling shareholder of WMS and Mr. Carvalho is a minority shareholder of WMS.
- (4) In connection with, and prior to, the closing of the Arrangement, Messrs. Sharp, LePoole and another independent director will be appointed to the Wolverine Board.

If the Arrangement and the Concurrent Financing are completed as contemplated herein, the directors, officers, promoters and insiders of Wolverine, as a group, will control, directly or indirectly, 52,894,018 Wolverine Shares, representing 63.83% of the total issued and outstanding Wolverine Shares on a non-fully diluted basis (and 54.93% on a fully-diluted basis).

Biographies of the Directors and Executive Officers

The following is a brief description of each of the proposed directors and executive officers of Wolverine, assuming completion of the Arrangement.

Jesse Douglas, Age 39 – Director, President, Chief Executive Officer and Promoter

Mr. Douglas is the founder, controlling shareholder, director, President and Chief Executive Officer of Wolverine. Since 2013, he has grown Wolverine in every year of its operations, despite significant economic headwinds in Western Canada. Mr. Douglas has a wealth of expertise in acquiring and integrating accretive businesses and is passionate about entrepreneurship. Prior to founding Wolverine, Mr. Douglas studied business at the University of Alberta and served in executive positions in Alberta-based construction firms.

Mr. Douglas will enter into a new employment or consulting agreement with Wolverine after completion of the Arrangement with respect to his position as President and Chief Executive Officer. In his capacity as President, Chief Executive Officer and Director, Mr. Douglas will devote approximately 100% of his working time to the business and affairs of Wolverine or such other time as is necessary to fulfill his responsibilities. Mr. Douglas is currently not subject to a written non-disclosure or non-competition agreement with Wolverine, and it has not been determined at this time whether Mr. Douglas will enter into a written non-disclosure or non-competition agreement with Wolverine after completion of the Arrangement.

Dennis A. Sharp, Age 81 – Non-Executive Chairman

Mr. Sharp is a Professional Engineer who earned a degree in Geological Engineering from Queen's University. During the past 50 years, Mr. Sharp has served in a variety of executive capacities in the private and public energy sectors including: Chairman and Chief Executive Officer of UTS Energy Corporation, CS Resources, Command Drilling; as a director of EnCana Corporation, PanCanadian Petroleum, Azure Dynamics; and as a director of many non-profit organizations, including The Calgary Philharmonic Orchestra, McGill Chamber Orchestra and Centaur Theatre Productions. In addition to serving on national and international technical committees, Mr. Sharp has published extensively. Mr. Sharp has served the industry as Chairman of the Canadian Association of Petroleum Producers and in 1997 was honoured as one of Canada's "Master Entrepreneurs".

In his capacity as Non-Executive Chairman, Mr. Sharp will devote approximately 5% of his working time to the business and affairs of Wolverine or such other time as is necessary to fulfill his responsibilities. Mr. Sharp is currently not subject to a written non-disclosure or non-competition agreement with PetroMaroc, and it has not been determined at this time whether Mr. Sharp will enter into a written non-disclosure or non-competition agreement with Wolverine after completion of the Arrangement.

Dirk LePoole, Age 48 – Director

Mr. LePoole is the President of Diversity Technologies Corporation ("**Di-Corp**"), a role he has held since 2011 and is a current director of the Petroleum Services Association of Canada. Prior to his current role, Mr. LePoole held the roles of both Vice President of Marketing and Vice President of Operations of Di-Corp. Mr. LePoole has a Bachelor of Arts (Economics) from the University of Alberta and an MBA from the University of Southern California.

In his capacity as a director, Mr. LePoole will devote approximately 5% of his working time to the business and affairs of Wolverine or such other time as is necessary to fulfill his responsibilities. It is not

proposed that Mr. LePoole will be subject to non-disclosure and non-competition obligations with Wolverine after completion of the Arrangement.

John Carvalho, Age 43 – Chief Financial Officer, Chief Investment Officer and Corporate Secretary

Mr. Carvalho is Chief Financial Officer, Chief Investment Officer and Corporate Secretary of Wolverine. Mr. Carvalho is also the President of Stone Oak Capital Inc., a boutique merger and acquisition advisory firm in Western Canada. Prior to Stone Oak Capital Inc., Mr. Carvalho was Director and Vice President, Financial Advisory (Valuations and Corporate Finance) at Deloitte LLP. Mr. Carvalho holds the Corporate Finance designation from the Canadian Institute of Chartered Accountants, is a Chartered Business Valuator under the Canadian Institute of Chartered Business Valuators, and is a Chartered Professional Accountant (CPA Alberta).

In his capacity as Chief Financial Officer, Chief Investment Officer and Corporate Secretary, Mr. Carvalho will devote approximately 95% of his working time to the business and affairs of Wolverine or such other time as is necessary to fulfill his responsibilities. Mr. Carvalho is currently not subject to a written non-disclosure or non-competition agreement with Wolverine, and it has not been determined at this time whether Mr. Carvalho will enter into a written non-disclosure or non-competition agreement with Wolverine after completion of the Arrangement.

Rick Quigley, Age 52 – Chief Operating Officer

Mr. Quigley is the Chief Operating Officer of Wolverine. Mr. Quigley served as Chief Executive Officer of PetroWest Corporation from October 2010 to May 2017. Prior to this role, Mr. Quigley served as the Co-Chief Operating Officer of PetroWest Energy Services General Partner Ltd. Mr. Quigley started in the construction industry in 1987, owning and operating Quigley Contracting, based in Fort St. John, British Columbia.

In his capacity as Chief Operating Officer, Mr. Quigley will devote approximately 100% of his working time to the business and affairs of Wolverine or such other time as is necessary to fulfill his responsibilities. Mr. Quigley is currently not subject to a written non-disclosure or non-competition agreement with Wolverine, and it has not been determined at this time whether Mr. Quigley will enter into a written non-disclosure or non-competition agreement with Wolverine after completion of the Arrangement.

Additional Director

An additional director who will be independent for the purposes of applicable Canadian Securities Laws and will be appointed to the Wolverine Board on or prior to the Closing Date. PetroMaroc and Wolverine intend to press release the identity of the additional director once he or she has been identified and has agreed to serve.

Promoter

Jesse Douglas is considered a promoter of Wolverine in connection with his role as a founder. See "*Principal Securityholders*", "*Directors, Officers and Promoters*" and "*Escrowed Securities*" for further information concerning Mr. Douglas, including the number and percentage of securities that will be held by him after completion of the Arrangement.

Conflicts, if any, will be subject to the procedures and remedies prescribed by the ABCA, the TSXV and applicable securities law, regulations and policies.

Corporate Cease Trade Orders or Bankruptcies

Except as disclosed below, none of the proposed directors, officers, promoter of the Resulting Issuer or securityholder anticipated to hold a sufficient number of securities of Resulting Issuer to affect materially the control of the of the Resulting Issuer, or in the case of (b) below, a personal holding company of any such person:

- (a) is, at the date of this Circular, or has been, within 10 years before the date of this Circular, a director or executive officer of any company (including PetroMaroc and Wolverine) 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 relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days;
 - (B) was the subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or
 - (C) and within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director, officer or promoter.

On March 26, 2012, Azure Dynamics Corporation ("**Azure**") filed a voluntary petition in the Supreme Court of British Columbia for an Initial Order under the Companies' Creditors Arrangement Act (the "**CCAA**") seeking a stay of proceedings while Azure and its subsidiaries pursue restructuring alternatives under CCAA protection. On that date Azure also filed a voluntary petition under Chapter 15 title 11 of the United States Bankruptcy Code to seek recognition and enforcement in the United States of the Initial Order requested in the CCAA proceedings. Dennis A. Sharp was a director of Azure from April 2001 until late 2011.

Penalties and Sanctions

To the knowledge of PetroMaroc and Wolverine, as of the date of this Circular, none of the proposed directors, officers or promoters of the Resulting Issuer has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in making a decision about the Arrangement.

The foregoing information pertaining to cease trade orders, bankruptcies, and penalties and sanctions has been furnished by the respective proposed directors, officers and promoter.

Conflicts of Interest

There may be potential conflicts of interest to which the proposed directors, officers, insiders and promoters of Wolverine will be subject in connection with the operations of Wolverine. Each of the directors, officers and promoter of Wolverine may become or already is associated with other reporting issuers or other entities, which may give rise to conflicts of interest. Certain of the directors and officers have either other employment or other business or time restrictions placed on them and accordingly, these directors and officers will only be able to devote part of their time to the affairs of Wolverine. Some of the directors, officers, insiders and promoters have been and will continue to be engaged in the identification and evaluation of new opportunities, with a view to potential acquisition of interests in businesses and corporations on their own behalf and on behalf of other corporations.

Other Reporting Issuer Experience

The following table sets out the proposed directors, officers and promoters of Wolverine that are, or have been within the last five years, directors, officers or promoters of other reporting issuers. See also "*Directors, Officer and Promoters*".

Name and Proposed Position with Resulting Issuer	Other Reporting Issuer(s) (Jurisdiction)	Name of Exchange or Market	Position	From	To
Dennis A. Sharp Non-Executive Chairman, Director	PetroMaroc Corporation	TSXV	Chairman and Chief Executive Officer	December 20, 2012	Present

Note:

- (1) Prior to closing of the Arrangement, Wolverine intends to appoint an additional independent director to the Wolverine Board who has other director-level experience with reporting issuers.

Corporate Governance

It is expected that at least one additional director, who will be independent for the purposes of National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"), will be appointed to the Resulting Issuer Board effective as of the Effective Time. Wolverine intends to press release the identity of this individual once they have been identified and have agreed to serve on the Resulting Issuer Board.

The information under this subheading is presented on a post-Arrangement basis. While certain information below relates to pre-existing corporate governance practices of the Wolverine Board, other information, such as the appointment of Mr. Sharp to the Wolverine Board and the formation of Wolverine's Audit Committee, is forward-looking in nature and is expected to take effect at or prior to the Effective Date of the Arrangement. See "*Cautionary Note Regarding Forward-Looking Information*".

National Instrument 58-101 – *Disclosure of Corporate Governance Practices*, when taken with section 1.4 of NI 52-110, provides that a board member is "independent" if the member has no direct or indirect

material relationship with Wolverine, a "material relationship" being one which could, in the view of the board of directors, reasonably interfere with the exercise of a member's independent judgment.

	<u>Director Independence Status</u>	<u>Basis for Determination of Non-Independence</u>
Dennis A. Sharp	Not Independent	Chairman and Chief Executive Officer of a subsidiary to the Resulting Issuer
Dirk LePoole	Independent	N/A
Jesse Douglas	Not Independent	President and Chief Executive Officer

Note:

(1) Prior to closing of the Arrangement, Wolverine intends to appoint an additional independent director to the Wolverine Board.

Directorships

See "*Other Reporting Issuer Experience*" for details.

Orientation and Continuing Education

Orientation and education of new members of the Wolverine Board is conducted informally by management and members of the Wolverine Board. The orientation provides background information on Wolverine's history, performance and strategic plans. New directors are briefed on strategic plans, short-, medium- and long-term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing Wolverine policies. However, there is no formal orientation for new members of the Wolverine Board.

No formal continuing education process is currently deemed required. Wolverine Board members are encouraged to keep themselves current with industry trends and developments and changes in legislation, with management's assistance. With Wolverine's approval, directors may attend specific continuing education programs.

Ethical Business Conduct

Wolverine expects management to operate the business of Wolverine in a manner that enhances shareholder value and is consistent with the highest level of integrity. To date, the Wolverine Board has not adopted a formal written Code of Business Conduct and Ethics. The Wolverine Board anticipates that a formal Code of Business Conduct and Ethics will be implemented following the Arrangement.

Nomination of Directors

The Wolverine Board has not appointed a nominating committee. As a result of its stage of development and the limited number of individuals on the Wolverine Board, the Wolverine Board considers a nominating committee to be unnecessary at this time.

Compensation

The Resulting Issuer Directors will be paid fees equal to \$20,000 per annum, which may be settled in restricted share units of Wolverine pursuant to the Wolverine RSU Plan. See "*Information Concerning Wolverine – Stock Options and Other Compensation Securities*". In addition, Resulting Issuer Directors will be reimbursed for travel and other out-of-pocket expenses (such as those incurred in attending meetings of the Wolverine Board). Directors may be entitled to receive other compensation to the extent

that they provide services to the Wolverine at rates that would be charged by such directors for such services to arm's length parties. Only independent directors of Wolverine will consider and approve employment, consulting or other compensation arrangements between Wolverine and its directors or senior officers. The Wolverine Board anticipates that a formal Wolverine Board policy concerning compensation arrangements will be implemented following the Arrangement.

Assessments

The Wolverine Board monitors the adequacy of information given to directors, communication between the Wolverine Board and management and the strategic direction and process of the Wolverine Board.

Committees of the Wolverine Board

Wolverine Board intends to establish an Audit Committee, comprised of Messrs. Douglas, LePoole and the additional independent director that is to be appointed at or prior to closing of the Arrangement. The Wolverine Board may establish such other committees in the future as it determines to be appropriate.

Audit Committee

NI 52-110 requires Wolverine to disclose annually certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor, as set forth below.

(i) Charter

The full text of Wolverine's Audit Committee Charter is attached as Schedule "L" to this Circular.

(ii) Composition

The Audit Committee of Wolverine will be comprised of Jesse Douglas, Dirk LePoole and the additional independent director. Each of Mr. LePoole is considered independent, and the additional director will be independent, for the purposes of NI 52-110. Mr. Douglas is not considered independent because of his management position at Wolverine. Each of Messrs. Messrs. Douglas and LePoole are considered financially literate, and the additional director will be considered financially literate, for the purposes of NI 52-110.

(iii) Relevant Education and Experience

Jesse Douglas Mr. Douglas is a Director, President, Chief Executive Officer and promoter of Wolverine. Mr. Douglas graduated from the University of Alberta in 2001 with a Bachelor of Commerce with a major in Finance. From 1997 to 2001, Mr. Douglas was an executive at another private company in the construction industry.

Dirk LePoole Mr. LePoole is currently the President and a Director of Di-Corp. Mr. LePoole graduated from University of Alberta in 1994 with a Bachelor of Economics and from the University of Southern California in 1999 with a Masters of Business Administration.

(iv) Pre-Approval Policies and Procedures

Any proposed permitted non-audit services to be provided by the external auditor to Wolverine must receive prior approval from the Audit Committee. The Chief Financial Officer will act as the primary

contact to receive and assess any proposed engagements from the external auditor. Following receipt and initial review for eligibility by the Chief Financial Officer, a proposal would then be forwarded to the Audit Committee for review and confirmation.

(v) *External Auditor Service Fees*

Fees billed to Wolverine for professional services rendered by Pennock Acheson Nielsen and Devaney Chartered Accountants, Wolverine's external auditor in each of the last two fiscal years for audit and related services, were:

	March 31, 2018 (\$)	March 31, 2017 (\$)
Audit Fees	125,000	85,000
Audit Related Fees	35,000	2,000
Tax Fees	30,000	29,000
All Other Fees	61,500	30,000
Total:	251,000	146,500

(vi) *Exemption*

Wolverine is relying upon the exemption in section 6.1 of NI 52-110. Section 6.1 exempts a "venture issuer" from the requirement to comply with Part 3 "Composition of the Audit Committee" and Part 5 "Reporting Obligations" of NI 52-110.

Executive Compensation

The Resulting Issuer's approach to executive compensation after completion of the Arrangement will be the same approach as Wolverine. For additional details, and for the information required to be provided by Form 51-102F6V, see "*Information Concerning Wolverine – Executive Compensation*".

The anticipated compensation for Wolverine's three (3) most highly compensated executive officers, in addition to the Chief Executive Officer and Chief Financial Officer of Wolverine, for the 12 months following the completion of the Arrangement are:

<u>Name and position</u>	<u>Salary, consulting fee, retainer or commission (\$)</u>	<u>Bonus (\$)</u>	<u>Committee or meeting fees (\$)</u>	<u>Value of perquisites (\$)</u>	<u>Value of all other Comp. (\$)</u>	<u>Total Comp. (\$)</u>
Jesse Douglas (CEO)	\$360,000	nil	\$20,000	nil	nil	\$380,000
Rick Quigley (COO)	\$220,000	nil	nil	nil	nil	\$220,000
John Carvalho (CFO)	\$120,000	nil	nil	nil	nil	\$120,000
Nikolaus Kiefer (Business Development and VP, Capital Markets)	\$180,000	nil	nil	nil	nil	\$180,000

<u>Name and position</u>	<u>Salary, consulting fee, retainer or commission (\$)</u>	<u>Bonus (\$)</u>	<u>Committee or meeting fees (\$)</u>	<u>Value of perquisites (\$)</u>	<u>Value of all other Comp. (\$)</u>	<u>Total Comp. (\$)</u>
Gable Gross (VP, Midstream)	\$150,000	nil	nil	nil	nil	\$150,000

Indebtedness of Directors and Officers

Upon completion of the Arrangement, no individual who:

- (a) is currently a director or officer of PetroMaroc or Wolverine or is proposed to be a director or officer of the Resulting Issuer;
- (b) at any time during the most recently completed financial year of PetroMaroc or Wolverine was a director or officer of PetroMaroc or Wolverine; or
- (c) is an associate of any of the foregoing;

is either: (A) indebted to PetroMaroc or Wolverine or any of their subsidiaries; or (B) indebted to another entity with such indebtedness being the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by PetroMaroc or Wolverine.

Investor Relations Arrangements

No written or oral agreement or understanding has been negotiated or entered into with any individuals or entity with respect to the provision of promotional or investor relations services for Wolverine.

Options to Purchase Securities

As at October 31, 2018, Wolverine did not have any outstanding options to purchase securities of Wolverine.

As a condition to listing the Wolverine Shares on the TSXV, Wolverine will be required to adopt a stock option plan that complies with Policy 4.4 – *Incentive Stock Options* of the TSXV Corporate Finance Manual. In order to comply with this condition, the Wolverine Board intends to approve the Wolverine Option Plan incorporating the TSXV's requirements. Other than the Wolverine Options to be issued in connection with the Arrangement pursuant to the Option Termination and Replacement Agreements as described below, Wolverine does not intend to issue any options under the Wolverine Option Plan. See "*Information Concerning Wolverine – Stock Options and Other Compensation Securities*".

Pursuant to the Wolverine Options: (i) the exercise price for the Wolverine Option shall be the aggregate exercise price of the PetroMaroc ITM Options being exchanged therefor; (ii) the Wolverine Shares to be issued upon the exercise of the Wolverine Option shall be that number of Wolverine Shares to which such PetroMaroc Optionholder would have been entitled pursuant to the Arrangement had the PetroMaroc Optionholder exercised its PetroMaroc ITM Options prior to the Effective Time; and (iii) the expiry date of such Wolverine Option shall be the 60th day following the Effective Date. For additional details, see "*Particulars of the Arrangement – Description of the Arrangement and the Arrangement Agreement – Treatment of PetroMaroc Options*". Accordingly, Wolverine anticipates that certain former directors,

officers, employees, consultants of PetroMaroc and such other persons as set out below will hold Wolverine Options to purchase Wolverine Shares following completion of the Arrangement:

Optionee	Optionee Group	Number of Wolverine Shares subject to Wolverine Option	Exercise Price	Grant Date	Expiry Date
Dennis A. Sharp	Director and officer of PetroMaroc and proposed director of the Resulting Issuer	92,649	\$0.94	Effective Date	60 th day following the Effective Date
Nicolas Brigstocke	Director of PetroMaroc who will not be a director of the Resulting Issuer	71,472	\$0.94	Effective Date	60 th day following the Effective Date
Michael Hobart	Director of PetroMaroc who will not be a director of the Resulting Issuer	105,884	\$0.94	Effective Date	60 th day following the Effective Date
Martin Arch	Officer of PetroMaroc who will not be an officer of the Resulting Issuer	76,766	\$0.94	Effective Date	60 th day following the Effective Date
	All other Persons	154,591	\$0.94	Effective Date	60 th day following the Effective Date

Escrowed Securities

Upon completion of the Arrangement, it is expected that there will be an aggregate of 52,894,018 Wolverine Shares held pursuant to a surplus security escrow agreement (the "**Surplus Security Escrow Agreement**") for Tier 1 issuers to be entered into by Wolverine, the Escrow Agent and the holders of Wolverine Shares subject to such escrow requirements.

Any Wolverine Shares held by persons who will be considered principals (i.e. directors, senior officers, promoters or 10% shareholders) of Wolverine ("**Principals**") upon completion of the Arrangement will be subject to the Exchange's escrow requirements.

Generally, if at least 75% of the Wolverine Shares issued pursuant to the Arrangement are "Value Securities", then all Wolverine Shares issued to Principals of Wolverine pursuant to the Arrangement will be deposited into escrow pursuant to a value security escrow agreement ("**Value Security Escrow Agreement**").

"**Value Securities**" are securities issued pursuant to a transaction, for which the deemed value of the securities at least equals the value ascribed to the asset, using a valuation method acceptable to the Exchange, or securities that are otherwise determined by the Exchange to be Value Securities and required to be placed in escrow under a Value Security Escrow Agreement.

However, if at least 75% of Wolverine Shares issued pursuant to the Arrangement are not Value Securities, all securities issued to Principals of Wolverine pursuant to the Arrangement will be deposited into a Surplus Security Escrow Agreement.

The principal distinction between a Value Security Escrow Agreement and a Surplus Security Escrow Agreement is the time period for release of securities from escrow and the requirement for cancellation of any surplus escrow shares upon the loss or abandonment of the property or discontinuance of the operations for which such surplus escrow shares were issued.

In the case of a Resulting Issuer that is a Tier 1 issuer when the Final Exchange Bulletin is issued:

- (a) the Value Security Escrow Agreement provides for an 18 month escrow release mechanism where (i) 25% of the escrowed securities are releasable at the time of the issuance of the Final Exchange Bulletin and (ii) 25% of the escrowed securities are releasable every 6 months thereafter; and
- (b) the Surplus Security Escrow Agreement provides for an 18 month escrow release mechanism where (i) 10% of the escrowed securities are releasable upon the issuance of the Final Exchange Bulletin, (ii) an additional 20% of the escrowed securities are releasable 6 months thereafter, (iii) an additional 30% of the escrowed securities are releasable 12 months thereafter; and, (iv) an additional 40% of the escrowed securities are releasable 18 months thereafter.

Summary of Escrowed Securities

The following table sets out, as of the date hereof and to the knowledge of PetroMaroc and Wolverine, the name and municipality of residence of each of the holders of Wolverine Shares having Wolverine Shares that will be subject to escrow restrictions, assuming completion of the Arrangement:

Name and Residence	Number of Wolverine Shares Held	Escrowed Shares ⁽¹⁾		
		Number of Wolverine Shares Escrowed	Percentage of Wolverine Shares prior to giving effect to the Arrangement and the Concurrent Financing	Percentage of Wolverine Shares after giving effect to the Arrangement and the Concurrent Financing ⁽²⁾
Jesse Douglas Edmonton, AB	50,099,000 ⁽³⁾	50,099,000	67.14%	60.46%
Dennis A. Sharp Calgary, Alberta	149,018	149,018	0.00% ⁽⁴⁾	0.18%
Rick Quigley Fort St. John, BC	2,646,000 ⁽⁵⁾	2,646,000	3.55%	3.19%
Total:	52,894,018	52,894,018	70.69%	63.83%

Notes:

- (1) The escrowed shares will be placed into escrow with Odyssey Trust Company and, subject to TSXV approval, it is anticipated that the escrowed shares will be released in accordance with the TSXV's Form 5D Surplus Security Escrow Agreement for Tier 1 issuers.

- (2) These figures are calculated on a fully diluted basis and assume that an aggregate of 5,000 Wolverine Convertible Debentures are issued pursuant to the Concurrent Financing upon exchange of the Subscription Receipts.
- (3) 38,129,000 Wolverine Shares are held by WMS and 11,970,000 Wolverine Shares are held by WGI. WGI is controlled by WMS. Mr. Douglas is the controlling shareholder of WMS and Mr. Carvalho is a minority shareholder of WMS.
- (4) Mr. Sharp does not hold any Wolverine Shares on a pre-Arrangement basis.
- (5) Mr. Quigley's Wolverine Shares are held indirectly through 1311563 Alberta Ltd. and Quigley Contracting Ltd.

Auditor, Transfer Agent and Registrar

The auditor, transfer agent and registrar of the Resulting Issuer following the completion of the Arrangement will be auditor, transfer agent and register of Wolverine. See "*Information Concerning Wolverine – Auditor, Transfer Agent and Registrar*".

RISK FACTORS

Upon completion of the Arrangement, there will be a number of risk factors that will be associated with the Resulting Issuer and its business. An investment in the securities of the Resulting Issuer will be speculative and involve a high degree of risk. Investors should carefully consider each of the risks described below and all of the information in this Circular before investing in securities of the Resulting Issuer. An investment in the securities of the Resulting Issuer is suitable only to those investors who are willing to risk the loss of their entire investment. For risk factors associated with the Arrangement, see "*Particulars of the Arrangement – Risk Factors*".

The risks and uncertainties anticipated below are not the only ones that the Resulting Issuer will face upon completion of the Arrangement. Additional risks and uncertainties not presently known to PetroMaroc or Wolverine or that they currently consider immaterial may also impair the Resulting Issuer's business operations and cause the price of the Resulting Issuer Shares to decline. If any of the following risks actually occur, the Resulting Issuer's business may be harmed and its financial condition may suffer significantly. In such event, the trading price of the Resulting Issuer Shares could decline and purchasers of the Resulting Issuer Shares may lose all or part of their investment.

Wolverine may not be able to realize the anticipated benefits of PetroMaroc's net profit interests in the Sidi Moktar licence

Wolverine has ascribed a value of \$6 million to PetroMaroc's net profit interests in the Sidi Moktar licence in the determination of the purchase price for PetroMaroc and intends to divest this asset at a similar value. Wolverine cannot provide assurance that it will be able to sell the net profit interest at a \$6 million valuation, or at all.

Wolverine's operations depend on the price of oil and natural gas

Wolverine sells its services to oil and natural gas exploration and production companies. Commodity price levels affect the capital programs of oil and natural gas exploration and production companies, as the price they receive for the oil and natural gas they produce has a direct impact on the cash flow available to them and the subsequent demand for oilfield services provided by Wolverine. Consequently, macroeconomic and geopolitical factors associated with oil and natural gas supply and demand are the primary factors driving pricing and profitability in the oilfield services industry. Generally, Wolverine experiences high demand for its services when commodity prices are relatively high and the opposite is true when commodity prices are low.

Lower oil and natural gas prices could also cause Wolverine's customers to renegotiate, terminate or fail to honour their drilling contracts with Wolverine, which could affect the anticipated revenues that support its capital expenditure program and future. There is no assurance that demands for Wolverine's services or conditions in the oil and natural gas and oilfield services sector will not decline in the future, and a significant decline in demand could have a material adverse effect on its financial condition.

Many of the factors that impact supply and demand for oil and natural gas are out of the Wolverine's control, such as worldwide military, political and economic events, such as conflict in the Middle East, expectations for global economic growth, or initiatives by the Organization of Petroleum Exporting Countries ("OPEC") and other major petroleum exporting countries. Additionally, weather conditions, governmental regulation (in Canada and elsewhere), levels of consumer demand, the availability and pricing of alternate sources of energy (including renewal energy initiatives), the availability of pipeline capacity, U.S. and Canadian natural gas storage levels, and other factors beyond our control can also affect the supply of and demand for oil and natural gas and lead to future price volatility.

Oversupply of equipment in the oilfield services industry

Due to the long-life nature of oilfield service equipment and the long period of time from when a decision is made to build to when the equipment is delivered, the amount of equipment in the industry does not always correlate to the level of demand for that equipment. Periods of high demand often result in increases in capital expenditures, with potential cost overruns, which in turn may result in an oversupply of equipment. This potential capital overbuild may result in downward pricing pressures and reduced utilization across the industry which could materially impact our business, results of operations, cash flows and financial condition. Additionally, industry conditions may change resulting in a change in demand from a certain type of equipment to another. Recently built equipment that was purposely built for a certain industry condition or trend may be unable to work if that trend is interrupted due to changes in market conditions.

Timely delivery of quality equipment and reliance on third party suppliers

Wolverine's ability to expand operations is dependent upon timely delivery of new equipment from third party suppliers that it sources key rig components, raw materials and equipment from in Canada, the U.S. and overseas. Wolverine implements hiring plans and makes customer commitments for equipment based on the planned delivery schedules from these third party suppliers. To avoid interruptions in its operations, Wolverine maintains relationships with several key suppliers and contractors and places advance order for components that have long lead times. However, as Wolverine is reliant on these third party suppliers, Wolverine's operations may still be impacted inadvertently if these suppliers are unable to meet their planned delivery schedules due to skilled labour shortages, source component parts in a timely manner or implement complex new technology. A supplier's inadequate operational or financial management may also impact their ability to provide the equipment or services Wolverine requires. Failure of a supplier to meet their delivery schedules and to provide high quality working equipment may have a negative impact on Wolverine's business, results of operations, cash flows and financial condition.

Wolverine operates in competitive conditions

Wolverine competes with a number of integrated oilfield services companies whereby most drilling and workover contracts are awarded on the basis of competitive bids. There can be no assurance that competitors will not substantially increase the resources devoted to the development and marketing of services that compete with Wolverine's, or that new or existing competitors will not enter the markets in which Wolverine is active and outbid Wolverine. In addition, reduced levels of activity in the oil and natural gas industry could intensify competition and the pressure on competitive pricing and may result in lower revenues or margins for Wolverine. As pricing is a critical factor for decision makers, Wolverine's customers may elect not to purchase Wolverine's services if they view Wolverine's financial viability as unacceptable, which would cause Wolverine to lose customers.

Wolverine may have limited access to credit facilities and capital markets

Wolverine requires reasonable access to credit facilities and capital markets as an important source of liquidity. As Wolverine relies on access to credit facilities, along with its reserves of cash and cash flow from operating activities, to meet its obligations and finance operating activities, global economic events outside the control of Wolverine may restrict or reduce the access to credit facilities and capital markets and as a result may affect Wolverine's ability to meet its obligations and finance its operating activities. Wolverine believes it has adequate bank credit facilities to provide liquidity.

Wolverine's customers participate in a capital intensive industry and any reduction or inability in their ability to obtain credit or financing would have lower demand for Wolverine's services

In order to finance many of its operations, including drilling programs, Wolverine's customers require reasonable access to credit facilities and capital markets. If Wolverine's customers were to experience a restriction in their ability to access these facilities or markets, it is likely that its customers would reduce expenditures including those related to drilling and production. As a result, the requirement from Wolverine's services may experience a corresponding decrease. In addition to the foregoing, Wolverine's customers' ability to pay their debts and accounts in a timely manner may be impaired.

Wolverine's indebtedness could adversely affect its financial flexibility and its competitive position

The degree to which Wolverine is leveraged could have important consequences on its business, including: (i) Wolverine's ability to obtain additional financing for working capital, capital expenditures or acquisitions in the future may be limited; (ii) all or part of Wolverine's cash flow from operations may be dedicated to the payment of the principal of and interest on Wolverine's indebtedness, thereby reducing funds available for future operations or for dividends to shareholders; (iii) Wolverine's borrowings are at variable rates of interest, which exposes Wolverine to the risk of increased interest rates; (iv) Wolverine may be more vulnerable to economic downturns and be limited in its ability to withstand competitive pressures; (v) Wolverine's flexibility in planning for, or reacting to, changes in its business and the industries in which it operates may be limited; and (vi) Wolverine may be placed at a disadvantage compared to its competitors that have less debt. These factors could have a material adverse effect of Wolverine's business, financial condition, and results of operations and cash flows.

Uncertainty as to the position of the United States in respect of world affairs and events

As a result of the 2016 U.S. presidential election and the related change in political agenda, there is continued uncertainty as to the position the United States will take with respect to world affairs and events. This uncertainty may include issues such as U.S. support for existing treaty and trade relationships with other countries, including Canada. The executive branch of the U.S. government has also completed the renegotiation of the terms of North American Free Trade Agreement (NAFTA) and the entering into of a new United States-Mexico-Canada (USMCA) trilateral trade agreement. Implementation by the U.S. of new legislative regime of USMCA could impose additional costs on Wolverine, decrease U.S. demand for Wolverine's services or otherwise negatively impact Wolverine or its customers, which may have a material adverse effect on Wolverine's business, financial condition and operations.

Fluctuations in foreign exchange or interest rates

Wolverine's consolidated financial statements are presented in Canadian dollars. Operations in countries outside of Canada result in foreign exchange risk to the Company. The principal foreign exchange risk relates to the conversion of United States dollar-denominated activity to Canadian dollars. The United States/Canadian dollar exchange rate at June 30, 2018 was approximately 1.32 compared with 1.26 at December 31, 2017 and 1.30 at June 30, 2017.

Poor safety performance could lead to lower demand for Wolverine's services

Standards for accident prevention in the oil and natural gas industry are governed by service company safety policies and procedures, accepted industry safety practices, customer-specific safety requirements, and health and safety legislation. Safety is a key factor that customers consider when selecting an oilfield services company. A decline in Wolverine's safety performance could result in lower demand for its services, potentially resulting in a material adverse effect on its revenue, cash flow and earnings. Additionally, Wolverine is subject to various health and safety laws, rules, legislation and guidelines which can impose material liability, increase its costs or lead to lower demand for its services and could adversely affect Wolverine's operating results and financial condition.

Wolverine's operations face risks of interruption and casualty losses for which Wolverine may not be adequately insured

Wolverine's operations are exposed to potential natural disasters, including blizzards, tornadoes, storms, floods, other adverse weather conditions, fires and earthquakes. If any of these events were to occur, Wolverine could incur substantial losses because of personal injury or loss of life, severe damage to and destruction of property and equipment, and pollution or other environmental damage resulting in curtailment or suspension of Wolverine's operations.

Generally, drilling and service rig contracts separate the responsibilities of a drilling or service rig company and the customer, and Wolverine tries to obtain indemnification from its customers by contract for some of these risks even though it also has insurance coverage to protect it. Wolverine cannot assure, however, that any insurance or indemnification agreements will adequately protect it against liability from all the consequences. If there is an event that is not fully insured or indemnified against, or a customer or insurer does not meet its indemnification or insurance obligations, it could result in substantial losses. In addition, Wolverine may not be able to get insurance to cover any or all these risks, or the coverage may not be adequate. Insurance premiums or other costs may rise significantly in the future, making the insurance prohibitively expensive or uneconomic. Significant events, including terrorist attacks in the U.S., severe hurricane damage and well blowout damage in the U.S. Gulf Coast region, have resulted in significantly higher insurance costs, deductibles and coverage restrictions. When Wolverine renews its insurance, it may decide to self-insure at higher levels and assume increased risk in order to reduce costs associated with higher insurance premiums.

Contract bidding success and renewal of existing contracts

Wolverine's business depends on the ability to successfully bid on new contracts and renew existing contracts with private and public sector clients. Contract proposals and negotiations are complex and could involve a highly lengthy bidding and selection process, which are affected by a number of factors, such as market conditions, financing arrangements and required government approvals. If negative market conditions arise, or if there is a failure to secure adequate financial arrangements or the required governmental approval, Wolverine may not be able to pursue particular projects which could adversely reduce or eliminate profitability.

Wolverine may fail to realize anticipated benefits of past and future acquisitions

As part of Wolverine's business strategy, it will continue to consider and evaluate acquisitions of, or significant investments in, complementary businesses and assets. Acquisitions involve numerous risks, including unanticipated costs and liabilities; the difficulty of integrating the operations, assets and personnel of the acquired business; the ability to properly access and maintain an effective internal control environment over an acquired company; the potential loss of key employees and customers of the acquired company; and an increase in expenses and working capital requirements.

Wolverine may incur substantial indebtedness to finance acquisitions and also may issue equity securities in connection with any such acquisitions. Acquisitions could also divert the attention of management and other employees from Wolverine's day-to-day operations and the development of new business opportunities. In addition, Wolverine may not be able to continue to identify attractive acquisition opportunities or successfully acquire identified targets. Even if Wolverine is successful in integrating its recent or future acquisitions into its existing operations, it may not derive the benefits, such as operational or administrative synergies, that management expected from such acquisitions.

Any acquisition that Wolverine completes could have unforeseen and potentially material adverse effects on its financial and operating results.

Wolverine may not be able to adequately manage its expansion

Wolverine's growth strategy will continue to place significant demands on its financial, operational and management resources. In order to continue its growth, Wolverine may need to add administrative, management and other personnel, and make additional investments in operations. Wolverine cannot provide assurance that it will be able to integrate newly acquired businesses, or do so on a timely basis, or otherwise expand its operations.

Wolverine may require additional capital to support its operations or the growth of its business, and it cannot be certain that this capital will be available on reasonable terms when required or at all.

From time to time, Wolverine may need additional financing to operate or grow its business. The ability to continue as a going concern may be dependent upon raising additional capital from time-to-time to fund operations. Wolverine's ability to obtain additional financing, if and when required, will depend on investor and lender willingness, its operating performance, the condition of the capital markets and other facts, and Wolverine cannot assure anyone that additional financing will be available to it on favorable terms when required, if at all. If Wolverine raises additional funds through the issuance of equity, equity-linked or debt securities, those securities may have rights, preferences or privileges senior to the rights of its current stock, and its existing shareholders may experience dilution. If Wolverine is unable to obtain adequate financing or financing on terms satisfactory when it requires it, its ability to continue to support the operation or growth of its business could be significantly impaired and its operating results may be harmed.

There are risks associated with increased capital expenditures

The timing and amount of capital expenditures Wolverine incurs will directly affect the amount of cash available to it. The cost of equipment generally escalates as a result of high input costs during periods of high demand for Wolverine's oilfield services equipment and other factors. There is no assurance that Wolverine will be able to recover higher capital costs through rate increases to its customers.

Any difficulty in retaining, replacing or adding management or key personnel could adversely affect Wolverine's business

Wolverine's ability to provide reliable services depends on the availability of well-trained, experienced crews to operate its field equipment. Wolverine must also balance its need to maintain a skilled workforce with the volatility of the need for Wolverine's services by its customers. Wolverine retains the most experienced employees during periods of low utilization by having them fill lower level positions on field crews. Many of Wolverine's businesses experience manpower shortages in peak operating periods, and it may experience more severe shortages if the industry adds more rigs, oilfield services companies expand and new companies enter the business. Wolverine may not be able to find enough skilled labour to meet its needs, and this could limit its growth. Wolverine may also have difficulty finding enough skilled and unskilled labour in the future if demand for its services increases. Shortages of qualified personnel have occurred in the past during periods of high demand. Increased demand typically leads to higher wages that may or may not be reflected in any increases in service rates. Other factors can also affect Wolverine's ability to find enough workers to meet its needs, such as the volatility in the oil and natural gas activity and the demanding nature of the work prompting workers to pursue other kinds of jobs that offer a more desirable work environment and wages competitive to Wolverine's. Wolverine's success

depends on its ability to continue to employ and retain skilled technical personnel. If it is unable to, it could have a material adverse effect on Wolverine's operations.

Wolverine's business is subject to cybersecurity risks

Wolverine's operations rely on an extensive network of communications and computer hardware and software systems. As such, its information technology systems are a critical aspect of its business. Wolverine's information technology systems may be vulnerable to interruption due to a variety of events beyond Wolverine's control, including, but not limited to, natural disasters, terrorist attacks, telecommunications failures, computer viruses, hackers and other security issues. Technology security initiatives and disaster recovery plans that are put into place to mitigate Wolverine's risk to these vulnerabilities may not be sufficient to ensure that Wolverine's operations are not disrupted. Potential consequences of a material cyber-attack or similar incident include damage to Wolverine's reputation, disruption of operations, litigation and increased cyber security protection and remediation costs. Any such attack could have a material adverse effect on Wolverine's business, financial condition and results of operations.

The market for Wolverine's products and services is subject to extensive government and regulatory approvals

Wolverine's products, service activities and manufacturing processes are subject to extensive regulation by numerous Governmental Authorities. To varying degrees, these Governmental Authorities monitor and enforce Wolverine's compliance with laws and regulations. Wolverine also has ongoing responsibilities under local and international regulations. Any adverse regulatory action, depending on its magnitude, may restrict Wolverine from effectively manufacturing, marketing and selling its products or services. In addition, negative publicity and product liability claims resulting from any adverse regulatory action could have a material adverse effect on Wolverine's business, operating results and financial condition.

Changes in laws and regulations

Wolverine and its customers are subject to numerous laws and regulations governing its operations and the exploration and development of oil and natural gas, including environmental regulations. Existing and expected environmental legislation and regulations may increase the costs associated with providing oilfield services, as Wolverine may be required to incur additional operating costs or capital expenditures in order to comply with any new regulations. The costs of complying with increased environmental and other regulatory changes in the future, such as royalty regime changes may also have an adverse effect on the cash flows of the Wolverine's customers and may dampen demand for oilfield services provided by Wolverine.

The price of the Wolverine Shares could be volatile

Factors such as announcements of quarterly variations in operating results or new initiatives, innovations or contracts by competitors or clients of Wolverine, changes in financial estimates by securities analysts, market conditions in general as well as other events or factors, many of which will be beyond Wolverine's control, may have a significant impact on the market price of the Wolverine Shares. The stock market and the commodities market have, from time to time, experienced extreme price and volume fluctuations, which have often been unrelated to the operations of particular companies. In addition, there can be no assurance that an active public market will develop or be sustained for the Wolverine Shares.

There has been no prior public market for Wolverine, and an active trading market may not develop

Prior to the Arrangement, there has been no active public market for Wolverine's shares. An active trading market may not develop following completion of the Arrangement or, if developed, may not be sustained. The lack of an active market may impair an investor's ability to sell its shares at the time he or she wishes to sell them or at a price that he or she considers reasonable. The lack of an active market may also reduce the fair market value of the Wolverine Shares. An inactive market may also impair an investor's ability to raise capital by selling its Wolverine Shares and may impair the Wolverine's ability to acquire other companies by using Wolverine Shares as consideration.

Wolverine is subject to a number of health, safety and environmental laws and regulations that may require it to make substantial expenditures or cause it to incur substantial liabilities.

Wolverine is subject to increasingly stringent and complex federal, provincial, state and local laws and regulations relating to the importation, release, transport, handling, storage, disposal, use of and exposure to hazardous and radioactive materials, and the protection of workers and the environment, including laws and regulations governing occupational health and safety standards, air emissions, chemical usage, water discharges, waste management and plant and wildlife protection. Wolverine incurs, and expects to continue to incur, significant capital, managerial and operating costs to comply with such health, safety and environmental laws and regulations. Violation of these laws and regulations could lead to loss of accreditation, damage to Wolverine's reputation, loss of access to markets and substantial fines and penalties which could have a material adverse effect on Wolverine's business, financial condition, results of operations and cash flows.

Wolverine uses and generates hazardous substances and wastes in its operations. Because Wolverine provides services to companies producing oil and natural gas and involved in mining activities, it may also become subject to claims relating to the release of such substances into the environment. Some environmental laws and regulations provide for joint and several strict liabilities related to spills and releases of hazardous substances for damages to the environment and natural resources or threats to public health and safety. Strict liability can render a potentially responsible party liable for damages irrespective of negligence or fault. Accordingly, Wolverine could become subject to potentially material liabilities relating to the investigation and cleanup of contaminated properties, and to claims alleging personal injury or property damage as the result of exposures to, or releases of, hazardous substances. In addition, stricter enforcement of existing laws and regulations, new laws and regulations, the discovery of previously unknown contamination or the imposition of new or increased requirements could require Wolverine to incur costs or become the basis of new or increased liabilities that could reduce its earnings and cash available for operations.

Adverse litigation, judgments, settlements and exposure to liability resulting from legal proceedings in the normal course of business could reduce Wolverine's profits or limit its ability to operate.

Wolverine may be subject to allegations, claims and legal actions arising in the ordinary course of its business, which may include claims by third parties, including employees or regulators. The outcome of many of these proceedings cannot be predicted. If any of these proceedings were to be determined adversely to Wolverine, a judgment, fine or settlement involving a payment of a material sum of money were to occur, or injunctive relief were issued against Wolverine, its business, financial condition and results of operations could be materially adversely affected.

SPONSORSHIP

In accordance with the TSXV requirements, PetroMaroc intends to solicit an exemption from the sponsorship requirements from the TSXV with regards to the Arrangement.

LISTING OF SECURITIES OF THE RESULTING ISSUER

PetroMaroc has applied to the TSXV to approve the Arrangement. Final approval will be subject to the Resulting Issuer fulfilling all of the requirements of the TSXV in conjunction with the completion of the Arrangement.

INTERESTS OF DIRECTORS AND OFFICERS OF PETROMAROC IN THE ARRANGEMENT

In considering the recommendation of the PetroMaroc Board, PetroMaroc Shareholders should be aware that members of the PetroMaroc Board and the executive officers of PetroMaroc have interests in the Arrangement or may receive benefits that may differ from, or be in addition to, the interests of PetroMaroc Shareholders generally. These interests and benefits are described below.

Except as otherwise disclosed in this Circular, all benefits received, or to be received, by directors or executive officers of PetroMaroc as a result of the Arrangement are, and will be, solely in connection with their services as directors or employees of PetroMaroc. No benefit has been, or will be, conferred for the purpose of increasing the value of consideration payable to any such person for PetroMaroc Shares, nor is it, or will it be, conditional on the person supporting the Arrangement.

PetroMaroc Shares

As of November 14, 2018, the directors and executive officers of PetroMaroc beneficially owned, or exercised control or direction, directly or indirectly, over PetroMaroc Shares representing in the aggregate approximately 3% of all issued and outstanding PetroMaroc Shares. All of the PetroMaroc Shares held by such directors and executive officers of PetroMaroc will be treated in the same fashion under the Arrangement as PetroMaroc Shares held by all other PetroMaroc Shareholders.

PetroMaroc Options

As of November 14, 2018, the directors and executive officers of PetroMaroc owned an aggregate of 6,550,000 PetroMaroc Options granted pursuant to the PetroMaroc Stock Option Plan, representing in the aggregate approximately 46% of all outstanding PetroMaroc Options. All of the PetroMaroc Options held by such directors and executive officers of PetroMaroc will be treated in the same fashion under the Arrangement as PetroMaroc Options held by all other holders of PetroMaroc Options.

Benefits of Directors and Executive Officers of PetroMaroc

Other than as disclosed in this Circular, no executive officer or director of PetroMaroc will receive any payment as a result of the proposed Arrangement.

The chart below sets out for each director and executive officer of PetroMaroc the number of PetroMaroc Shares and PetroMaroc Options beneficially owned, directly or indirectly, by such director and executive officer and the number of Wolverine Shares and Wolverine Options to be received by each director and executive officer under the Arrangement. All of the PetroMaroc Shares held by the directors and

executive officers of PetroMaroc will be treated in the same fashion under the Arrangement as PetroMaroc Shares held by any other PetroMaroc Shareholder.

Name	Number of PetroMaroc Shares	Number of PetroMaroc ITM Options	Number of Wolverine Shares	Number of Wolverine Options
Dennis Sharp	2,731,969	1,750,000	149,018	92,649
Nicholas Brigstocke	619,667	1,350,000	33,800	71,472
Michael Hobart	Nil	2,000,000	Nil	105,884
Martin Arch	7,200	1,450,000	393	76,766

Continuing Insurance Coverage for Directors and Executive Officers of PetroMaroc

PetroMaroc will maintain in effect without any reduction in scope or coverage for six years from the Effective Date customary policies of directors' and officers' liability insurance providing protection to the directors and officers of PetroMaroc no less favourable to the protection provided by the policies maintained by PetroMaroc which are in effect immediately prior to the Effective Date and providing protection in respect of claims arising from facts or events which occurred on or prior to the Effective Date including with respect to the Arrangement; provided, however, that Wolverine acknowledges and agrees that prior to the Effective Date, PetroMaroc may, in the alternative, purchase run off directors' and officers' liability insurance for a period of up to six years from the Effective Date provided that Wolverine shall not be required to pay any amounts in respect of such coverage prior to the Effective Time.

SECURITIES LAW MATTERS

The following is a brief summary of the Canadian and U.S. securities law considerations applying to the transactions contemplated herein not discussed elsewhere in this Circular.

Canadian Securities Laws

The following discussion is only a general overview of certain requirements of Canadian Securities Laws relating to the Arrangement that may be applicable to PetroMaroc Shareholders. Each PetroMaroc Shareholder is urged to consult such shareholder's professional advisors to determine the Canadian conditions and restrictions applicable to trades in the Wolverine Shares issuable pursuant to the Arrangement.

Listing and Resale of Wolverine Shares

PetroMaroc is a reporting issuer in the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick and Nova Scotia. The PetroMaroc Shares are currently listed on the TSXV. Following completion of the Arrangement, PetroMaroc will become a wholly-owned subsidiary of Wolverine and it is anticipated Wolverine will apply to the applicable Canadian securities regulators to have PetroMaroc cease to be a reporting issuer and have the PetroMaroc Shares delisted from the TSXV. Wolverine has applied to list the Wolverine Shares issuable under the Arrangement (including, for greater certainty, Wolverine Shares to be issued to PetroMaroc Shareholders (other than the Dissenting

Shareholders) in exchange for their PetroMaroc Shares and Wolverine Shares issuable upon the exercise of the Wolverine Options) on the TSXV. It is a condition of closing that the TSXV shall have conditionally approved the listing thereon, subject to official notice of issuance, of the Wolverine Shares issuable pursuant to the Arrangement as of the Effective Date, with final notice of issuance to be provided by the TSXV as soon as possible thereafter. See *"Particulars of the Arrangement – Description of the Arrangement and the Arrangement Agreement – Conditions"*.

Resale of Wolverine Shares

The issuance of Wolverine Shares pursuant to the Arrangement will constitute a distribution of securities that is exempt from the prospectus requirements of applicable Canadian Securities Laws. Wolverine Shares acquired under the Arrangement will generally be "freely tradeable" under applicable Canadian securities laws (and not subject to any "restricted period" or "hold period") if the following conditions are met: (i) the trade is not a control distribution (as defined in applicable securities legislation); (ii) no unusual effort is made to prepare the market or to create a demand for the securities that are the subject of the trade; (iii) no extraordinary commission or consideration is paid to a person or company in respect of the trade; and (iv) if the selling shareholder is an insider or an officer of the issuer of the securities, the selling shareholder has no reasonable grounds to believe that the issuer is in default of securities legislation.

To the extent that a PetroMaroc Shareholder resides in a non-Canadian jurisdiction, the Wolverine Shares received by the shareholder may be subject to certain additional trading restrictions under applicable Securities Laws. **All shareholders residing outside Canada are advised to consult their own legal advisors regarding such resale restrictions.**

Multilateral Instrument 61-101

Pursuant to Canadian Securities Laws, PetroMaroc is subject to the requirements of MI 61-101, which regulates transactions which raise the potential for conflicts of interest, including issuer bids, insider bids, related party transactions and business combinations. MI 61-101 is intended to ensure the protection and fair treatment of minority shareholders. MI 61-101 regulates certain transactions to ensure equality of treatment among securityholders, generally requiring enhanced disclosure, approval by a majority of securityholders excluding interested parties or related parties, independent valuations and, in certain instances, approval and oversight of the transaction by a special committee of independent directors. The protections of MI 61-101 generally apply to transactions that terminate the interests of securityholders without their consent. MI 61-101 provides that, in certain circumstances, where a "related party" of an issuer (as defined in MI 61-101 and including directors, executive officers and shareholders holding over 10% of outstanding voting shares of the issuer) is entitled to receive a "collateral benefit" (as defined in MI 61-101) in connection with an arrangement (such as the Arrangement), such transaction may be considered a "business combination" for the purposes of MI 61-101 and be subject to requirements that the issuer obtain minority approval of the transaction and provide a formal valuation, subject to the availability of exemptions in certain circumstances.

A collateral benefit (as defined in MI 61-101) includes any benefit that a related party of PetroMaroc is entitled to receive as a consequence of the Arrangement, including without limitation, an increase in salary, a lump sum payment, a payment for surrendering securities, or other enhancement in benefits related to services as an employee, director or consultant of PetroMaroc. MI 61-101 excludes from the meaning of collateral benefit a payment per security that is identical in amount and form to the entitlement of the general body of holders in Canada of securities of the same class, as well as certain benefits to a related party received solely in connection with the related party's services as an employee or director of an issuer, of an affiliated entity of such issuer or of a successor to the business of such issuer

where (a) the benefit is not conferred for the purpose, in whole or in part, of increasing the value of the consideration paid to the related party for securities relinquished under the transaction; (b) the conferring of the benefit is not, by its terms, conditional on the related party supporting the transaction in any manner; (c) full particulars of the benefit are disclosed in the disclosure document for the transaction; and (d) either (i) at the time of the transaction the related party and his or her associated entities beneficially own, or exercise control or direction over, less than one percent of the outstanding securities of each class of equity securities of the issuer, or (ii) the related party discloses to an independent committee of the issuer the amount of consideration that he or she expects to be beneficially entitled to receive, under the terms of the transaction, in exchange for the equity securities he or she beneficially owns and the independent committee acting in good faith determines that the value of the benefit, net of any offsetting costs to the related party, is less than five percent of the value of the consideration the related party will receive pursuant to the terms of the transaction for the equity securities it beneficially owns, and the independent committee's determination is disclosed in the disclosure document for the transaction.

The directors and officers of PetroMaroc may have interests in the Arrangement that are, or may be, different from, or in addition to, the interests of other securityholders. These interests include those described below. The PetroMaroc Board is aware of these interests and considered them, among other matters, when recommending approval of the Arrangement by PetroMaroc Shareholders.

Bonus Payment

For the purposes of MI 61-101, Mr. Arch is a "senior officer" of PetroMaroc. Mr. Arch is entitled to receive a bonus payment upon completion of the Arrangement. Since Mr. Arch held less than one percent of the outstanding PetroMaroc Shares on a partially-diluted basis at the time the Arrangement was announced, the bonus payment he may receive as a consequence of the Arrangement does not constitute a collateral benefit for the purposes of MI 61-101. Other than Mr. Arch, no other senior officers or directors is to receive a bonus or termination payment as a consequence of the Arrangement.

Minority Approval Requirements

As a result of the foregoing analysis, the minority approval requirements of MI 61-101 will not apply in connection with the Arrangement.

Formal Valuation Exemption

PetroMaroc is not required to obtain a formal valuation in respect of the Arrangement as set out in Section 4.3 of MI 61-101 on the basis of reliance on the exemption set out in Section 4.4(1)(a) of MI 61-101.

PRINCIPAL CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following summary fairly describes, as of the date of this Circular, the principal Canadian federal income tax considerations generally applicable under the Tax Act to a PetroMaroc Shareholder who disposes of PetroMaroc Shares, and who may acquire Wolverine shares, under the Arrangement and who, for purposes of the Tax Act and any applicable tax convention or treaty at all relevant times, (i) is a resident of Canada; (ii) holds such PetroMaroc Shares and will hold any Wolverine Shares received under the Arrangement as capital property; and (iii) deals at arm's length and is not affiliated with either PetroMaroc or Wolverine (a "**Holder**").

Certain Holders whose PetroMaroc Shares or Wolverine Shares, as the case may be, might not qualify as capital property may be entitled to make an irrevocable election in accordance with subsection 39(4) of

the Tax Act to have those shares and any other "Canadian security", as defined in the Tax Act, owned in the year of the election and any subsequent taxation year, deemed to be capital property.

This summary is not applicable to a Holder (i) that is a "financial institution" as defined in the Tax Act for the purposes of the "mark-to-market property" rules contained in the Tax Act; (ii) that is a "specified financial institution" or "restricted financial institution" as defined in the Tax Act; (iii) an interest in which is a "tax shelter investment" as defined in the Tax Act; (iv) whose "functional currency" for purposes of the Tax Act is the currency of a country other than Canada; (v) that has entered into, or will enter into, a "derivative forward agreement", as defined in the Tax Act, in respect of PetroMaroc Shares or Wolverine Shares; (vi) who is or was an employee of PetroMaroc and who acquired PetroMaroc Shares in respect of, in the course of, or by virtue of, the employment, including pursuant to an employee stock option; or (vii) is a foreign affiliate of a taxpayer resident in Canada. Such Holders should consult their own tax advisors with respect to the Arrangement.

This summary does not address the Canadian tax implications of the Arrangement to PetroMaroc Optionholders. PetroMaroc Optionholders should discuss the tax implications of the Arrangement to them with their own tax advisors.

This summary is based upon the current provisions of the Tax Act and the regulations thereunder (the "**Regulations**") in force as of the date hereof, counsel's understanding of the current published administrative policies and assessing practices of the CRA and all specific proposals (except as described below) to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**"). This summary assumes that the Tax Proposals will be enacted substantially as proposed; however, no assurance can be given that the Tax Proposals will be enacted as proposed or at all. This summary does not otherwise take into account or anticipate any changes in law or the CRA's administrative policies or assessing practices, whether by legislative, governmental or judicial decision or action, nor does it take into account any provincial, territorial or foreign income tax legislation or considerations. This summary assumes that PetroMaroc is at all times a "taxable Canadian corporation" within the meaning of the Tax Act.

This summary is of a general nature only and is not intended to be, and should not be construed to be, legal, tax, or business advice to any particular PetroMaroc Shareholder. Consequently, PetroMaroc Shareholders should consult their own tax advisors regarding the tax consequences applicable to them in their particular circumstances. PetroMaroc Shareholders who are resident in or citizens of a jurisdiction other than Canada, or who otherwise are subject to tax in a jurisdiction other than Canada, should consult their own tax advisors with respect to the tax implications of the Arrangement, including any associated filing requirements, in such jurisdictions.

Disposition of PetroMaroc Shares in Exchange for Wolverine Shares

A Holder (other than a Dissenter) who disposes of PetroMaroc Shares under the Arrangement and receives Wolverine Shares as consideration for such PetroMaroc Shares will generally not realize a capital gain (or a capital loss) on such disposition except where such Holder (a "**Triggering Holder**") has included any portion of the capital gain or capital loss otherwise determined from the disposition of such PetroMaroc Shares in that Holder's income for purposes of the Tax Act, for the year in which the disposition occurred.

Pursuant to section 85.1 of the Tax Act, a Holder (other than a Triggering Holder) will be deemed to have disposed of each such PetroMaroc Share for proceeds of disposition equal to the adjusted cost base thereof immediately before the Effective Time and to have acquired the Wolverine Shares at a cost equal to such adjusted cost base. This cost will be averaged with the adjusted cost base of all other Wolverine

Shares held by the Holder as capital property for the purposes of determining the adjusted cost base of each Wolverine Share held by the Holder.

A Triggering Holder who chooses to include any portion of the capital gain or capital loss otherwise determined in respect of any PetroMaroc Shares disposed of under the Arrangement in computing income or loss will be deemed to have disposed of such PetroMaroc Shares for proceeds of disposition equal to the fair market value of the Wolverine Shares received on the disposition and to have acquired such Wolverine Shares at a cost equal to such fair market value. This cost will be averaged with the adjusted cost base of all other Wolverine Shares held by the Holder for the purposes of determining the adjusted cost base of each Wolverine Share held by the Holder. The treatment of capital gains and capital losses is described below under "*Taxation of Capital Gains and Capital Losses*".

Taxation of Capital Gains and Capital Losses

Generally, one half of any capital gain (a "**taxable capital gain**") realized by a Holder in a taxation year must be included in the income of the Holder for that year, and one half of any capital loss (an "**allowable capital loss**") realized by a Holder in a taxation year must be deducted from taxable capital gains realized by the Holder in that year, to the extent and under the circumstances described in the Tax Act.

Allowable capital losses for a taxation year in excess of taxable capital gains for that year generally may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against taxable capital gains realized in such years, to the extent and under the circumstances described in the Tax Act.

The amount of any capital loss realized on the disposition or deemed disposition of a PetroMaroc Share by a Holder thereof that is a corporation may be reduced by the amount of any dividends received or deemed to have been received by it on such PetroMaroc Share to the extent and in the circumstances described in the Tax Act. Analogous rules may apply where a corporation is, directly or through a trust or partnership, a beneficiary of a trust or a member of a partnership that owns such PetroMaroc Share. A Holder that is a "Canadian-controlled private corporation", as defined in the Tax Act, may be liable to pay an additional refundable tax on certain investment income, including taxable capital gains. Capital gains realized by a Holder who is an individual (including certain trusts) may give rise to a liability for alternative minimum tax under the Tax Act.

Consequences of Holders Holding Wolverine Shares

Dividends received or deemed to be received on Wolverine Shares held by a Holder will be included in the Holder's income for the purposes of the Tax Act. Such dividends received by a Holder that is an individual (other than certain trusts) will be subject to the gross-up and dividend tax credit rules in the Tax Act normally applicable to taxable dividends received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit in respect of dividends designated by Wolverine as "eligible dividends". There may be limitations on Wolverine's ability to designate dividends as "eligible dividends".

Taxable dividends received by a Holder who is an individual (other than certain trusts) may result in such Holder being liable for alternative minimum tax under the Tax Act. Holders who are individuals should consult their own tax advisors in this regard.

A Holder that is a corporation will include such dividends in computing its income and generally will be entitled to deduct the amount of such dividends in computing its taxable income. A Holder that is a "private corporation" or "subject corporation" (as such terms are defined in the Tax Act) may be liable to

pay a refundable tax under Part IV of the Tax Act in respect of dividends received or deemed to be received on the Wolverine Shares to the extent such dividends are deductible in computing the Holder's taxable income. In certain circumstances, subsection 55(2) of the Tax Act will treat a taxable dividend received or deemed to be received by a Holder that is a corporation as proceeds of disposition or a capital gain. **Holders that are corporations should consult their own tax advisors having regard to their own circumstances.**

Consequences of Holders Disposing of Wolverine Shares

Subject to various provisions in the Tax Act, a Holder who disposes of Wolverine Shares will generally realize a capital gain (or capital loss) to the extent that the fair market value of the consideration received for such Wolverine Shares exceeds (or is less than) the aggregate of the adjusted cost base of such Wolverine Shares to the Holder and any reasonable costs of disposition. The treatment of any such capital gains and capital losses will be similar to that described above under "*Taxation of Capital Gains and Capital Losses*".

Eligibility for Investment

Provided that either (i) the Wolverine Shares are, at the Effective Time and at all relevant times, listed on a "designated stock exchange" for purposes of the Tax Act (which currently includes the TSXV); or (ii) Wolverine is, at the Effective Time and at all relevant times, a public corporation within the meaning of the Tax Act, the Wolverine Shares will be a qualified investment under the Tax Act for a trust governed by registered retirement savings plan ("RRSP"), a registered retirement income fund ("RRIF"), a deferred profit sharing plan, a registered education savings plan ("RESP"), a registered disability savings plan ("RDSP") and a tax-free savings account ("TFSA") (collectively, "**Deferred Plans**").

Notwithstanding the foregoing, an annuitant under a RRSP, RDSP or RRIF or the holder of a TFSA or the subscriber of a RESP, as the case may be, that holds Wolverine Shares will be subject to a penalty tax if such securities are a "prohibited investment" for the purposes of the Tax Act. Wolverine Shares will not be a "prohibited investment" for a trust governed by a RRSP, RRIF, RDSP, RESP or TFSA provided the annuitant, holder or subscriber of such RRSP, RRIF, RDSP, RESP or TFSA (as the case may be) deals at arm's length with Wolverine for purposes of the Tax Act and does not have a "significant interest" (as defined in the Tax Act) in Wolverine. In addition, Wolverine Shares will generally not be a "prohibited investment" if such Wolverine Shares are "excluded property" for purposes of the prohibited investment rules, for a RRSP, RRIF, RDSP, RESP or TFSA.

Holders who intend to hold Wolverine Shares in Deferred Plans should consult their own tax advisors regarding their particular circumstances and requirements and rules regarding holding and transferring securities therein.

Dissenting Holders

A Holder who is a Dissenting Shareholder (a "**Dissenter**") and who is paid the fair value of such Dissenter's PetroMaroc Shares by Wolverine shall be deemed to have been disposed of such PetroMaroc Shares to Wolverine for proceeds of disposition equal to such fair market value.

To the extent that the Dissenter's proceeds of disposition exceed (or are less than) the aggregate of the adjusted cost base to the Dissenter of such PetroMaroc Shares, plus reasonable disposition costs, the Dissenter will realize a capital gain (or a capital loss). See the section above under the heading "*Taxation of Capital Gains and Capital Losses*".

A Dissenter will be required to include in computing the Dissenter's income any interest awarded by the Court in connection with the Dissenter's valid exercise of Dissent Rights. A Dissenter that is a "Canadian-controlled private corporation", as defined in the Tax Act, may be liable to pay an additional refundable tax on such interest.

Certain Canadian Federal Income Tax Considerations with Respect to the Reduction of Stated Capital

The proposed reduction of the stated capital of the PetroMaroc Shares will not result in any immediate Canadian income tax consequences to a PetroMaroc Shareholder nor will it affect a PetroMaroc Shareholder's adjusted cost base ("**ACB**") of the PetroMaroc Shares for purposes of the Tax Act. However, the reduction in the stated capital will reduce the paid-up capital (as defined in the Tax Act) of the PetroMaroc Shares ("**PUC**") by an amount equal to the reduction in stated capital. PUC is generally the aggregate of all of the amounts received by PetroMaroc upon issuance of its shares (by class) adjusted in certain circumstances in accordance with the Tax Act over the total outstanding number of shares of that class. PUC differs from the ACB of shares to any particular PetroMaroc Shareholder as ACB is calculated based on the amount paid by a PetroMaroc Shareholder to acquire shares of PetroMaroc, whether on issuance by PetroMaroc or through the marketplace.

ARM'S LENGTH TRANSACTION

The Arrangement is an Arm's Length Transaction.

OTHER MATERIAL FACTS

Neither PetroMaroc nor Wolverine is aware of any other material facts relating to PetroMaroc, Wolverine or the Resulting Issuer or to the Arrangement that are not disclosed under the preceding items and are necessary in order for this Circular to contain full, true and plain disclosure of all material facts relating to PetroMaroc, Wolverine and the Resulting Issuer, assuming the completion of the Arrangement, other than those set forth herein.

RELIANCE

Wolverine has provided the information contained in this Circular concerning Wolverine and its respective business, including its financial information and financial statements, which information has been relied upon by PetroMaroc in preparing this Circular. PetroMaroc assumes no responsibility for the accuracy or completeness of such information, nor for any omission on the part of Wolverine to disclose facts or events which may effect the accuracy of any such information.

EXPERTS

Opinions

The following professional persons have prepared reports or have provided opinions that are either included in or referred to in this Circular:

1. Deloitte LLP, Chartered Professional Accountants, has provided an independent auditor's report dated April 25, 2018 on the consolidated financial statements of PetroMaroc which comprise the consolidated statements of financial position as at December 31, 2017 and 2016 and January 1, 2016, and the consolidated statements of operations and comprehensive income (loss),

consolidated statements of changes in equity and consolidated statements of cash flows for the years ended December 31, 2017 and 2016, and a summary of significant accounting policies and other explanatory information, a copy of which is attached as Schedule "E" to this Circular;

2. Pennock Acheson Nielsen Devaney Chartered Accountants, has provided an auditor's report dated as of November 8, 2018 on the consolidated financial statements of Wolverine which comprise the consolidated statement of financial position as at March 31, 2018 and 2017 and the consolidated statements of operations and comprehensive loss, equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information, a copy of which is attached as Schedule "G" to this Circular.

Interest of Experts

No Person, whose profession or business gives authority to a statement made by the Person and who is named as having prepared or certified a part of this Circular or as having prepared or certified a report or valuation described or included in this Circular, holds any beneficial interest, directly or indirectly, in any property of PetroMaroc or Wolverine or any of their respective Associates or Affiliates, and no such person is expected to be elected, appointed or employed as a director, senior officer or employee of the Resulting Issuer or of an Associate or Affiliate of the Resulting Issuer and no such Person is a Promoter of PetroMaroc or Wolverine or any of their respective Associates or Affiliates.

BOARD APPROVAL

The PetroMaroc Board has approved the contents and the delivery of this Circular. Where information contained in this Circular rests within the knowledge of a Person other than PetroMaroc, as applicable, each party has relied upon the information furnished by such other Person.

EXEMPTION

PetroMaroc has received an exemptive relief order from the Ontario Securities Commission in respect of Item 3.2(1)(b)(i) of National Instrument 52-107 – *Acceptable Accounting Principles and Auditing Standards* ("**NI 52-107**") regarding the inclusion of an auditor's report that expresses a qualification of opinion relating to opening inventory relating to financial statements of the Corporation for the year ended March 31, 2017. Section 14.2(c) of Form 51-102F5 – *Information Circular* requires that this Circular include disclosure for Wolverine (including financial statements) prescribed under applicable Canadian Securities Laws on the form of prospectus that Wolverine would be eligible to use immediately prior to sending this Circular to PetroMaroc Shareholders and filing this Circular with securities regulators. The applicable form of prospectus applicable to Wolverine is Form 41-101F1 – *Information Required in a Prospectus* (a "**long form prospectus**"). Item 3.2(1)(b)(i) of NI 52-107 requires that financial statements included in a long form prospectus be accompanied by an auditor's report that expresses an unmodified opinion. Item 5.8(2) of Companion Policy 41-101 to National Instrument 41-101 – *General Prospectus Requirements* contemplates that relief may be granted to non-reporting issuers in appropriate circumstances to permit the auditor's report on such financial statements to contain a modification relating to opening inventory if there is a subsequent audited period of at least six months on which the auditor's report expresses an unmodified opinion and the business is not seasonal. This Circular includes financial statements of the Corporation for a subsequent audited period of twelve months on which the auditor's report expresses an unmodified opinion and the business of the Corporation is not seasonal.

CERTIFICATE OF PETROMAROC CORPORATION

The foregoing document constitutes full, true and plain disclosure of all material facts relating to the securities of PetroMaroc Corporation assuming completion of the Arrangement.

DATED: November 14, 2018

PETROMAROC CORPORATION

signed "Dennis A. Sharp"

Dennis A. Sharp
Chief Executive Officer

signed "Martin Arch"

Martin Arch
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS OF PETROMAROC CORPORATION

signed "G. Michael Hobart"

G. Michael Hobart
Director

signed "Nicholas O. Brigstocke"

Nicholas Brigstocke
Director

CERTIFICATE OF WOLVERINE ENERGY AND INFRASTRUCTURE INC.

The foregoing document as it relates to Wolverine Energy and Infrastructure Inc. constitutes full, true and plain disclosure of all material facts relating to the securities of Wolverine Energy and Infrastructure Inc.

DATED: November 14, 2018

WOLVERINE ENERGY AND INFRASTRUCTURE INC.

signed "Jesse Douglas"

Jesse Douglas
Chief Executive Officer

signed "John Carvalho"

John Carvalho
Chief Financial Officer, Chief
Investment Officer and Corporate
Secretary

**ON BEHALF OF THE BOARD OF DIRECTORS OF
WOLVERINE ENERGY AND INFRASTRUCTURE INC.**

signed "Jesse Douglas"

Jesse Douglas
Director

SCHEDULE "A" – ARRANGEMENT RESOLUTION

SPECIAL RESOLUTION OF PETROMAROC SHAREHOLDERS

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. The arrangement (as it may be modified or amended, the "**Arrangement**") under Section 192 of the *Canada Business Corporations Act* involving PetroMaroc and its securityholders, all as more particularly described and set forth in the plan of arrangement (as it may be modified or amended, the "**Plan of Arrangement**") attached as Schedule "D" to the Management Information Circular of PetroMaroc dated November 14, 2018, is hereby authorized, approved and agreed to.
2. The Arrangement Agreement dated as of September 7, 2018, and amended as of November 14, 2018, between PetroMaroc and Wolverine Energy and Infrastructure Inc. as it may be modified or amended from time to time (the "**Arrangement Agreement**"), the actions of the directors of PetroMaroc in approving the Arrangement and the Arrangement Agreement and the actions of the directors and officers of PetroMaroc in executing and delivering the Arrangement Agreement and causing the performance by PetroMaroc of its obligations thereunder are hereby confirmed, ratified, authorized and approved.
3. Notwithstanding that this resolution has been passed (and the Arrangement approved and agreed to) by shareholders of PetroMaroc or that the Arrangement has been approved by the Ontario Superior Court of Justice, the directors of PetroMaroc are hereby authorized and empowered without further approval of any shareholders of PetroMaroc: (i) to amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or Plan of Arrangement; and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement and related transactions.
4. PetroMaroc be and is hereby authorized to apply for the final order from the Ontario Superior Court of Justice to approve the Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement.
5. Any one director or officer of PetroMaroc is hereby authorized, empowered and instructed, acting for, in the name and on behalf of PetroMaroc, to execute or cause to be executed, under the seal of PetroMaroc or otherwise, and to deliver or to cause to be delivered, all such other documents and to do or to cause to be done all such other acts and things as in such person's opinion may be necessary or desirable in order to carry out the intent of the foregoing paragraphs of these resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or the doing of such act or thing.

SCHEDULE "B" – REDUCTION OF STATED CAPITAL RESOLUTION

SPECIAL RESOLUTION OF PETROMAROC SHAREHOLDERS

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. The stated capital of all of the common shares of PetroMaroc Corporation ("**PetroMaroc**"), shall be reduced to meet the particular solvency test in subsection 192(2) of the *Canada Business Corporations Act*, all as more particularly described and set forth in the information circular of PetroMaroc accompanying the notice of special meeting, and no amount shall be paid or distributed to holders of the common shares of PetroMaroc in respect of such reduction of stated capital.
2. Notwithstanding that this special resolution has been duly passed (and the reduction of the stated capital of the PetroMaroc common shares passed) by the shareholders of PetroMaroc, the board of directors of PetroMaroc is authorized, without further notice to or approval of the shareholders of PetroMaroc, not to reduce the stated capital of the PetroMaroc common shares to meet the particular solvency test in subsection 192(2) of the *Canada Business Corporations Act*.
3. Any one officer or director of PetroMaroc be and is hereby authorized and directed for and on behalf of PetroMaroc to execute or cause to be executed and to deliver or cause to be delivered, all such other documents and instruments and to perform or cause to be performed all such other acts and things as in such person's opinion may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

SCHEDULE "C" – AMENDED INTERIM ORDER

See attached.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST



THE HONOURABLE MR.)
JUSTICE HANEY)

) FRIDAY ~~MONDAY~~, THE 5th DAY
) OF OCTOBER ~~NOVEMBER~~, 2018

IN THE MATTER OF AN APPLICATION UNDER SECTION 192 OF THE CANADA BUSINESS CORPORATIONS ACT, R.S.C. 1985, c. C-44, AS AMENDED;

AND IN THE MATTER OF RULES 14.05(2) AND 14.05(3)(f) OF THE RULES OF CIVIL PROCEDURE; and

AND IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING PETROMAROC CORPORATION, ITS SHAREHOLDERS AND WOLVERINE ENERGY AND INFRASTRUCTURE INC.

AMENDED INTERIM ORDER

THIS MOTION made by the Applicant, PetroMaroc Corporation ("**PetroMaroc**"), for an interim order for advice and directions pursuant to section 192 of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended, (the "**CBCA**") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the Notice of Application issued on October 3, 2018 and the affidavit of Dennis A. Sharp sworn October 3, 2018, (the "**Sharp Affidavit**"), including the Plan of Arrangement, which is attached as Schedule "C" to the draft management proxy circular of PetroMaroc (the "**Information Circular**"), which is attached as Exhibit "A" to the Sharp Affidavit, and on hearing the submissions of counsel for PetroMaroc and on being

advised that the Director appointed under the CBCA (the "**Director**") does not consider it necessary to appear.

Definitions

1. **THIS COURT ORDERS** that all definitions used in this Interim Order shall have the meaning ascribed thereto in the Information Circular or otherwise as specifically defined herein.

The Meeting

2. **THIS COURT ORDERS** that PetroMaroc is permitted to call, hold and conduct a special meeting (the "**Meeting**") of the holders of voting common shares (the "**Shareholders**") in the capital of PetroMaroc to be held at the offices of Fogler, Rubinoff LLP, at 77 King Street West, Suite 3000, Toronto, Ontario, M5K 1G8 on ~~November 7~~ December 17, 2018 at 10:00 a.m. (Toronto time) in order for the Shareholders to consider and, if determined advisable, pass special resolutions authorizing, adopting and approving, with or without variation (i) a reduction of the stated capital of PetroMaroc (the "**Stated Capital Reduction Resolution**"); and (ii) the Arrangement (the "**Arrangement Resolution**").

3. **THIS COURT ORDERS** that the Meeting shall be called, held and conducted in accordance with the CBCA, the notice of meeting of Shareholders, which accompanies the Information Circular (the "**Notice of Meeting**") and the articles and by-laws of PetroMaroc, subject to what may be provided hereafter and subject to further order of this Honourable Court.

4. **THIS COURT ORDERS** that the record date (the "**Record Date**") for determination of the shareholders entitled to notice of, and to vote at, the Meeting shall be ~~October 5~~ November 16, 2018.

5. **THIS COURT ORDERS** that the only persons entitled to attend or speak at the Meeting shall be:

- a) the Shareholders or their respective proxyholders;
- b) the officers, directors, auditors and advisors of PetroMaroc;
- c) representatives and advisors of Wolverine Energy and Infrastructure Inc. ("**Wolverine**");
- d) the Director; and
- e) other persons who may receive the permission of the Chair of the Meeting.

6. **THIS COURT ORDERS** that PetroMaroc may transact such other business at the Meeting as is contemplated in the Information Circular, or as may otherwise be properly before the Meeting.

Quorum

7. **THIS COURT ORDERS** that the Chair of the Meeting shall be determined by PetroMaroc and that the quorum at the Meeting shall be not less than two persons present in person at the opening of the Meeting who are entitled to vote at the Meeting either as Shareholders or proxyholders.

Amendments to the Arrangement

8. **THIS COURT ORDERS** that PetroMaroc and Wolverine are authorized to make, subject to the terms of the Arrangement Agreement, and paragraph 9, below, such amendments, modifications or supplements to the Arrangement as it may determine without any additional notice to the Shareholders, or others entitled to receive notice under paragraph 12 hereof and the Arrangement and Plan of Arrangement, as so amended, modified or supplemented shall be the Arrangement and Plan of Arrangement to be submitted to the Shareholders at the Meeting and shall be the subject of the Stated Capital Reduction Resolution and the Arrangement Resolution. Amendments, modifications or supplements may be made following the Meeting, but shall be subject to review and, if appropriate, further direction by this Honourable Court at the hearing for the final approval of the Arrangement. Any amendment made pursuant to section 7.4 of the Plan of Arrangement shall require court approval and directions as to notification requirements, if any.

9. **THIS COURT ORDERS** that, if any amendments, modifications or supplements to the Arrangement or Plan of Arrangement as referred to in paragraph 8, above, would, if disclosed, reasonably be expected to affect a Shareholder's decision to vote for or against the Stated Capital Reduction Resolution or the Arrangement Resolution, notice of such amendment, modification or supplement shall be distributed, subject to further order of this Honourable Court, by press release, newspaper advertisement, prepaid ordinary mail, or by the method most reasonably practicable in the circumstances, as PetroMaroc may determine.

Amendments to the Information Circular

10. **THIS COURT ORDERS** that PetroMaroc is authorized to make such amendments, revisions and/or supplements to the draft Information Circular as it may determine and the

Information Circular, as so amended, revised and/or supplemental, shall be the Information Circular to be distributed in accordance with paragraph 12.

Adjournments and Postponements

11. **THIS COURT ORDERS** that PetroMaroc and Wolverine, if they deem it advisable and subject to the terms of the Arrangement Agreement, is specifically authorized to adjourn or postpone the Meeting on one or more occasions, without the necessity of first convening the Meeting or first obtaining any vote of the Shareholders respecting the adjournment or postponement, and notice of any such adjournment or postponement shall be given by such method as PetroMaroc may determine is appropriate in the circumstances. This provision shall not limit the authority of the Chair of the Meeting in respect of adjournments and postponements.

Notice of Meeting

12. **THIS COURT ORDERS** that, in order to effect notice of the Meeting, PetroMaroc shall send the Information Circular (including the Notice of Application and this Interim Order), the Notice of Meeting, the form of proxy and the letter of transmittal, along with such amendments or additional documents as PetroMaroc may determine are necessary or desirable and are not inconsistent with the terms of this Interim Order (collectively, the "**Meeting Materials**"), to the following:

- a) the registered Shareholders at the close of business on the Record Date, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of sending and the date of the Meeting, by one or more of the following methods:

- i) by pre-paid ordinary or first class mail at the addresses of the Shareholders as they appear on the books and records of PetroMaroc, or its registrar and transfer agent, at the close of business on the Record Date and if no address is shown therein, then the last address of the person known to the Corporate Secretary of PetroMaroc;
 - ii) by delivery, in person or by recognized courier service or inter-office mail, to the address specified in (i) above; or
 - iii) by facsimile or electronic transmission to any Shareholder, who is identified to the satisfaction of PetroMaroc, who requests such transmission in writing and, if required by PetroMaroc, who is prepared to pay the charges for such transmission;
- b) non-registered Shareholders by providing sufficient copies of the Meeting Materials to intermediaries and registered nominees in a timely manner, in accordance with National Instrument 54-101 of the Canadian Securities Administrators; and
- c) the respective directors and auditors of PetroMaroc, and to the Director appointed under the CBCA, by delivery in person, by recognized courier service, by pre-paid ordinary or first class mail or, with the consent of the person, by facsimile or electronic transmission, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of sending and the date of the Meeting;

and that compliance with this paragraph shall constitute sufficient notice of the Meeting.

13. **THIS COURT ORDERS** that accidental failure or omission by PetroMaroc to give notice of the Meeting or to distribute the Meeting Materials or Court Materials to any person entitled by this Interim Order to receive notice, or any failure or omission to give such notice as a result of events beyond the reasonable control of PetroMaroc, or the non-receipt of such notice shall, subject to further order of this Honourable Court, not constitute a breach of this Interim Order nor shall it invalidate any resolution passed or proceedings taken at the Meeting. If any such failure or omission is brought to the attention of PetroMaroc, it shall use its best efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

14. **THIS COURT ORDERS** that PetroMaroc is hereby authorized to make such amendments, revisions or supplements to the Meeting Materials and Court Materials, as PetroMaroc may determine in accordance with the terms of the Arrangement Agreement ("**Additional Information**"), and that notice of such Additional Information may, subject to paragraph 9, above, be distributed by press release, newspaper advertisement, pre-paid ordinary mail, or by the method most reasonably practicable in the circumstances, as PetroMaroc may determine. In the event of a material change or material fact, notice of same shall be effected by disseminating a new release in accordance with applicable securities laws.

15. **THIS COURT ORDERS** that distribution of the Meeting Materials and Court Materials pursuant to paragraphs 12 and 13 of this Interim Order shall constitute notice of the Meeting and good and sufficient service of the within Application upon the persons described in paragraphs 12 and 13 and that those persons are bound by any orders made on the within

Application. Further, no other form of service of the Meeting Materials or the Court Materials or any portion thereof need be made, or notice given or other material served in respect of these proceedings and/or the Meeting to such persons or to any other persons, except to the extent required by paragraph 9, above.

Solicitation and Revocation of Proxies

16. **THIS COURT ORDERS** that PetroMaroc is authorized to use the letter of transmittal and proxies substantially in the form of the drafts accompanying the Information Circular, with such amendments and additional information as PetroMaroc may determine are necessary or desirable, subject to the terms of the Arrangement Agreement. PetroMaroc is authorized, at its expense, to solicit proxies, directly or through its officers, directors or employees, and through such agents or representatives as they may retain for that purpose, and by mail or such other forms of personal or electronic communication as it may determine. To be valid, a proxy received must be received by PetroMaroc's transfer agent in the manner described in the Information Circular. PetroMaroc may waive generally, in its discretion, the time limits set out in the Information Circular for the deposit or revocation of proxies by Shareholders, if PetroMaroc deems it advisable to do so.

17. **THIS COURT ORDERS** that Shareholders shall be entitled to revoke their proxies in accordance with section 148(4) of the CBCA (except as the procedures of that section are varied by this paragraph) provided that any instruments in writing delivered pursuant to s.148(4)(a)(i) of the CBCA: (a) may be deposited at the registered office of PetroMaroc or with the transfer agent of PetroMaroc as set out in the Information Circular; and (b) any such instruments must be received by PetroMaroc or its transfer agent not later than 10:00 a.m.

(Toronto time) on the second last business day immediately preceding the Meeting (or any adjournment or postponement thereof).

Voting

18. **THIS COURT ORDERS** that the only persons entitled to vote in person or by proxy on the Arrangement Resolution, or such other business as may be properly brought before the Meeting, shall be those Shareholders who hold voting common shares of PetroMaroc as of the close of business on the Record Date. Illegible votes, spoiled votes, defective votes and abstentions shall be deemed to be votes not cast. Proxies that are properly signed and dated but which do not contain voting instructions shall be voted in favour of the Stated Capital Reduction Resolution and the Arrangement Resolution.

19. **THIS COURT ORDERS** that votes shall be taken at the Meeting on the basis of one vote per common share and that in order for the Plan of Arrangement to be implemented, subject to further Order of this Honourable Court, the Stated Capital Reduction Resolution and the Arrangement Resolution must be passed in each case, with or without variation, at the Meeting by an affirmative vote of at least two-thirds ($66\frac{2}{3}\%$) of the votes cast at the Meeting in person or by proxy by the Shareholders. Such votes shall be sufficient to authorize PetroMaroc to do all such acts and things as may be necessary or desirable to give effect to the Arrangement on a basis consistent with what is provided for in the Arrangement Agreement and the Information Circular without the necessity of any further approval by the Shareholders, subject only to final approval of the Arrangement by this Honourable Court.

20. **THIS COURT ORDERS** that in respect of matters properly brought before the Meeting pertaining to items of business affecting PetroMaroc (other than in respect of the

Stated Capital Reduction Resolution and the Arrangement Resolution), each Shareholder is entitled to one vote for each voting common share held.

Dissent Rights

21. **THIS COURT ORDERS** that each registered Shareholder shall be entitled to exercise Dissent Rights in connection with the Arrangement Resolution in accordance with section 190 of the CBCA (except as the procedures of that section are varied by this Interim Order and the Plan of Arrangement) provided that, notwithstanding subsection 190(5) of the CBCA, any Shareholder who wishes to dissent must, as a condition precedent thereto, provide written objection to the Arrangement Resolution to PetroMaroc in the form required by section 190 of the CBCA and the Arrangement Agreement, which written objection must be received by PetroMaroc not later than 10:00 a.m. (Toronto time) on the second last business day immediately preceding the Meeting (or any adjournment or postponement thereof), and must otherwise strictly comply with the requirements of the CBCA. For purposes of these proceedings, the "court" referred to in section 190 of the CBCA means this Honourable Court.

22. **THIS COURT ORDERS** that any Shareholder who duly exercises such Dissent Rights set out in paragraph 21 above and who:

- i) is ultimately determined by this Honourable Court to be entitled to be paid fair value for his, her or its voting common shares, shall be deemed to have transferred those voting common shares as of the Effective Time, without any further act or formality and free and clear of all liens, claims, encumbrances, charges, adverse interests or security interests to Wolverine for cancellation in consideration for a payment of cash from Wolverine equal to such fair value; or

- ii) is for any reason ultimately determined by this Honourable Court not to be entitled to be paid fair value for his, her or its voting common shares pursuant to the exercise of the Dissent Right, shall be deemed to have participated in the Arrangement on the same basis and at the same time as any non-dissenting Shareholder;

but in no case shall PetroMaroc, Wolverine or any other person be required to recognize such Shareholders as holders of voting common shares of PetroMaroc at or after the date upon which the Arrangement becomes effective and the names of such Shareholders shall be deleted from PetroMaroc's register of holders of voting common shares at that time.

Hearing of Application for Approval of the Arrangement

23. **THIS COURT ORDERS** that upon approval by the Shareholders of the Plan of Arrangement in the manner set forth in this Interim Order, PetroMaroc may apply to this Honourable Court for final approval of the Arrangement.

24. **THIS COURT ORDERS** that distribution of the Notice of Application and the Interim Order in the Information Circular, when sent in accordance with paragraphs 12 and 13 shall constitute good and sufficient service of the Notice of Application and this Interim Order and no other form of service need be effected and no other material need be served unless a Notice of Appearance is served in accordance with paragraph 25.

25. **THIS COURT ORDERS** that any Notice of Appearance served in response to the Notice of Application shall be served on the lawyers for PetroMaroc, with a copy to counsel for Wolverine, as soon as reasonably practicable, and, in any event, no later than at 4:00 p.m.

(Toronto time) on the day that is 2 business days before the hearing of this Application at the following addresses:

Lawyers for PetroMaroc:

Fogler, Rubinoff LLP
Lawyers
77 King Street West
Suite 3000, P.O. Box 95
TD Centre
Toronto, ON M5L 1G8

W. Ross MacDougall
Tel: 416.864.7604
Fax: 416.941.8852
rmacdougall@foglers.com

Lawyers for Wolverine:

Dentons Canada LLP
15th Floor, Bankers Court
850-2nd Street SW
Calgary, AB
T2P 0R8

Lucas Tomei
Tel: 403.268.6322
Fax: 403.268.3100
lucas.tomei@dentons.com

26. **THIS COURT ORDERS** that, subject to further order of this Honourable Court, the only persons entitled to appear and be heard at the hearing of the within application shall be:

- i) PetroMaroc ;
- ii) Wolverine;
- iii) the Director; and

- iv) any person who has filed a Notice of Appearance herein in accordance with the Notice of Application, this Interim Order and the *Rules of Civil Procedure*.

27. **THIS COURT ORDERS** that any materials to be filed by PetroMaroc in support of the within Application for final approval of the Arrangement may be filed up to one day prior to the hearing of the Application without further order of this Honourable Court.

28. **THIS COURT ORDERS** that in the event the within Application for final approval does not proceed on the date set forth in the Notice of Application, and is adjourned, only those persons who served and filed a Notice of Appearance in accordance with paragraph 25 shall be entitled to be given notice of the adjourned date.

Precedence

29. **THIS COURT ORDERS** that, to the extent of any inconsistency or discrepancy between this Interim Order and the terms of any instrument creating, governing or collateral to the PetroMaroc Shares or the articles or by-laws of PetroMaroc, this Interim Order shall govern.

Extra-Territorial Assistance

30. **THIS COURT** seeks and requests the aid and recognition of any court or any judicial, regulatory or administrative body in any province of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province and any court or any judicial, regulatory or administrative body of the United States or other country to act in aid of and to assist this Honourable Court in carrying out the terms of this Interim Order.

Variance

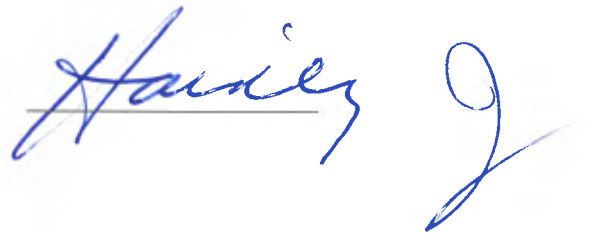
31. **THIS COURT ORDERS** that PetroMaroc shall be entitled to seek leave to vary this Interim Order upon such terms and upon the giving of such notice as this Honourable Court may direct.

Amendments to Notice of Application

32. **THIS COURT ORDERS** that PetroMaroc is granted leave to issue the Amended Notice of Application substantially in the form contained at Schedule "A" to this Order.

Amendment to October 5, 2018 Interim Order

33. **THIS ORDER** amends, varies and replaces the Interim Order granted in this proceeding dated October 5, 2018 in its entirety.

A handwritten signature in blue ink, appearing to read "Hawley J", is written over a horizontal line.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

NOV 05 2018

PER / PAR:

Handwritten initials in blue ink, possibly "pl", are written below the "PER / PAR:" label.

SCHEDULE "A"
TO AMENDED INTERIM ORDER

Court File No.: CV-18-00606268-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF AN APPLICATION UNDER SECTION 192 OF THE CANADA BUSINESS CORPORATIONS ACT, R.S.C. 1985, c. C-44, AS AMENDED;

AND IN THE MATTER OF RULES 14.05(2) AND 14.05(3)(f) OF THE RULES OF CIVIL PROCEDURE; and

AND IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING PETROMAROC CORPORATION, ITS SHAREHOLDERS AND WOLVERINE ENERGY AND INFRASTRUCTURE INC.

PETROMAROC CORPORATION

Applicant

AMENDED NOTICE OF APPLICATION

TO THE RESPONDENTS:

A LEGAL PROCEEDING HAS BEEN COMMENCED by the Applicant. The claim made by the Applicant appears on the following pages.

THIS APPLICATION will come on for a hearing before a judge presiding over the Commercial List at 330 University Avenue, Toronto, Ontario, on a date to be scheduled at a 9:30 a.m. Hearing on ~~Friday, October 5~~ Monday, November 5, 2018.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the Rules of Civil Procedure, serve it on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but not later than 2:00 p.m. on the day before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date: October 3, 2018

Issued by _____
Local registrar

Address of court office: 330 University Avenue
Toronto, Ontario
M5G 1R7

TO: ALL HOLDERS OF COMMON SHARES OF PETROMAROC CORPORATION AS AT ~~OCTOBER 5~~ NOVEMBER 16, 2018

AND TO: THE DIRECTORS OF PETROMAROC CORPORATION

AND TO: THE AUDITOR OF PETROMAROC CORPORATION

AND TO: THE DIRECTOR UNDER THE *CANADA BUSINESS CORPORATIONS ACT*
Compliance & Policies Directorate
Corporations Canada, Industry Canada
9th Floor, Jean Edmonds Tower South
365 Laurier Avenue West
Ottawa, Ontario K1A 0C8

APPLICATION

1. **THE APPLICANT, PETROMAROC CORPORATION, MAKES APPLICATION FOR:**

- (a) an *ex parte* Interim Order (the "**Interim Order**") for advice and directions of this Honourable Court pursuant to subsection 192(4) of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended (the "**CBCA**"), in connection with a proposed plan of arrangement (the "**Arrangement**") involving PetroMaroc Corporation ("**PetroMaroc**"), the shareholders of PetroMaroc (the "**PetroMaroc Shareholders**") and Wolverine Energy and Infrastructure Inc. ("**Wolverine**") pursuant to an arrangement agreement dated September 7, 2018 between PetroMaroc and Wolverine (the "**Arrangement Agreement**"), and in particular:
- (i) providing directions for the calling and holding of a special meeting of the PetroMaroc Shareholders (the "**Meeting**") to consider and vote, among other things upon the proposed Arrangement under section 192 of the CBCA, for the giving of notice of the Meeting and the return of this Application, for the manner of conducting votes in respect of such Meeting;
- (ii) declaring the PetroMaroc Shareholders shall have the right to dissent in respect of the Arrangement pursuant to the Plan of Arrangement in accordance with section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement; and

- (iii) such other matters as may be required for the proper consideration of the Arrangement;
- (b) a final Order (the "**Final Order**") approving the Arrangement proposed by PetroMaroc pursuant to such further and other relief as this Honourable Court may deem just.

2. **THE GROUNDS FOR THE APPLICATION ARE:**

- (a) PetroMaroc is a corporation existing under the laws of Canada. PetroMaroc's head office is in Toronto. PetroMaroc's shares are listed on the TSX Venture Exchange ("**TSXV**");
- (b) the purpose of the Arrangement is to allow for the acquisition by Wolverine Energy and Infrastructure Inc. ("**Wolverine**") of all of the issued and outstanding shares of PetroMaroc ("**PetroMaroc Shares**");
- (c) pursuant to the Arrangement, the holders of PetroMaroc Shares ("**PetroMaroc Shareholders**") will receive 0.054546 of a common share of Wolverine (each whole common share, a "**Wolverine Share**") for each PetroMaroc Share held, at a deemed price of \$1.00 per share;
- (d) upon completion of the Arrangement, existing PetroMaroc Shareholders will hold approximately 10.5% of the Wolverine Shares on an undiluted basis and will have the opportunity to participate in the growth of the assets of PetroMaroc and Wolverine;

- (e) All PetroMaroc Optionholders will have entered into Option Termination and Replacement Agreements prior to the time of the hearing for the Final Order, with the result being that, assuming approval of the Arrangement by the PetroMaroc Shareholders and this Honourable Court, there will be no outstanding PetroMaroc Options immediately before the Effective Time for the Arrangement;
- (f) all statutory requirements under the CBCA either have been fulfilled or will be fulfilled by the date of the return of the Application, subject to the terms of the Interim Order;
- (g) the Arrangement is not a take-over bid within the meaning of section 206 of the CBCA;
- (h) PetroMaroc will not be insolvent (as such term is defined in subsection 192(2) of the CBCA) at the time of the hearing for the Final Order;
- (i) it is not practicable for PetroMaroc to effect the Arrangement under any other provision of the CBCA;
- (j) the Arrangement is in the best interests of, and fair to, the securityholders of PetroMaroc and is put forward in good faith;
- (k) PetroMaroc has no creditors or debt obligations, and therefore no creditor will be adversely affected by the Arrangement;
- (l) the Arrangement is procedurally and substantively fair to all affected persons and reasonable overall;

- (m) certain holders of PetroMaroc Shares are resident outside of Ontario and will be served at their addresses as they appear on the books and records of PetroMaroc as at ~~October 5~~ November 16, 2018, pursuant to Rules 17.02(n) and 17.02(o) of the *Rules of Civil Procedure* and the terms of any Interim Order for advice and directions granted by this Honourable Court;
- (n) if made, the final Order approving the Arrangement will constitute the basis for the exemption from the registration requirements set forth in Section 3(a)(10) of the *Securities Act of 1933*, as amended, of the United States of America with respect to the securities to be exchanged and/or distributed in the United States of America pursuant to the Arrangement;
- (o) Sections 190, 192 and 206 of the CBCA;
- (p) National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* – of the Canadian Securities Administrators;
- (q) Rules 14.05(2), 14.05(3)(f), 38 and 39 of the *Rules of Civil Procedure*; and
- (r) such further and other grounds as counsel may advise and this Honourable Court may permit.

3. THE FOLLOWING DOCUMENTARY EVIDENCE WILL BE USED AT THE HEARING OF THE APPLICATION:

- (a) such Interim Order as may be granted by this Honourable Court;

- (b) an Affidavit of Dennis A. Sharp, the Chairman and Chief Executive Officer of PetroMaroc, to be sworn (with exhibits attached thereto) outlining the basis for an Interim Order for advice and directions;
- (c) a further Affidavit to be sworn by a senior officer or director of PetroMaroc (with exhibits attached thereto) reporting as to compliance with any Interim Order and the results of any meeting of securityholders conducted pursuant to such Interim Order and outlining the basis for a Final Order; and
- (d) such further and other documentary evidence as counsel may advise and this Honourable Court permit.

October 3, 2018

FOGLER, RUBINOFF LLP

Lawyers
77 King Street West
Suite 3000, P.O. Box 95
TD Centre
Toronto, ON M5L 1G8

W. Ross MacDougall

Tel: 416.864.7604
Fax: 416.941.8852
rmacdougall@foglers.com

Lawyers for the Applicant,
PetroMaroc Corporation

PETROMAROC CORPORATION

Applicant

Court File No. CV-18-00606268-00CL

**IN THE MATTER OF AN APPLICATION UNDER SECTION 192 OF THE
CANADA BUSINESS CORPORATIONS ACT, R.S.C. 1985, c. C-44, AS AMENDED;**

**AND IN THE MATTER OF RULES 14.05(2) AND 14.05(3)(f) OF THE RULES
OF CIVIL PROCEDURE; and**

**AND IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING
PETROMAROC CORPORATION, ITS SHAREHOLDERS AND WOLVERINE
ENERGY AND INFRASTRUCTURE INC.**

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST)**

Proceeding commenced at Toronto

**AMENDED NOTICE OF
APPLICATION**

FOGLER, RUBINOFF LLP

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Lawyers for the Applicant,
PetroMaroc Corporation

PETROMAROC CORPORATION
Applicant

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**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST)**

Proceeding commenced at Toronto

AMENDED INTERIM ORDER

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Lawyers for the Applicant,
PetroMaroc Corporation

SCHEDULE "D" – PLAN OF ARRANGEMENT

PLAN OF ARRANGEMENT

**Plan of Arrangement under Section 192
of the
*Canada Business Corporations Act***

**ARTICLE 1
INTERPRETATION**

1.1 In this Plan of Arrangement, the following terms have the following meanings:

- (a) "**Arrangement**" means the arrangement pursuant to Section 192 of the CBCA on the terms and subject to the conditions set forth in this Plan of Arrangement, subject to any amendments or variations thereto made in accordance with the provisions of this Plan of Arrangement or made at the direction of the Court in the Final Order.
- (b) "**Arrangement Agreement**" means the arrangement agreement dated September 7, 2018, between Wolverine and PetroMaroc with respect to the Arrangement, as amended by an amending agreement dated November 14, 2018, and all subsequent amendments thereto.
- (c) "**Arrangement Resolution**" means the special resolution to approve the Arrangement to be considered by PetroMaroc Shareholders at the PetroMaroc Meeting.
- (d) "**Articles of Arrangement**" means the articles of arrangement in respect of the Arrangement required under Section 192(6) of the CBCA to be filed with the CBCA Director after the Final Order has been granted giving effect to the Arrangement.
- (e) "**Business Day**" means any day, other than Saturday, Sunday or a statutory holiday in the Province of Alberta or the Province of Ontario.
- (f) "**CBCA**" means the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as from time to time amended or re-enacted, including the regulations promulgated thereunder.
- (g) "**CBCA Director**" means the director appointed under section 260 of the CBCA.
- (h) "**Certificate**" means the certificate to be issued by the CBCA Director pursuant to Section 192(7) of the CBCA in respect of the Articles of Arrangement giving effect to the Arrangement.
- (i) "**Circular**" means the notice of the PetroMaroc Meeting and the accompanying management proxy circular and proxy statement to be sent by PetroMaroc to the PetroMaroc Shareholders in connection with the PetroMaroc Meeting, together with all appendices, schedules and exhibits thereto and any financial statements contained therein, and any amendments or supplements thereto.
- (j) "**Court**" means the Superior Court of Justice of Ontario.

- (k) "**Depository**" means Odyssey Trust Company or such other person that may be appointed by Wolverine for the purpose of receiving deposits of certificates formerly representing PetroMaroc Shares, with the approval of PetroMaroc, acting reasonably.
- (l) "**Dissent Rights**" means the right of a registered PetroMaroc Shareholder to dissent to the Arrangement Resolution and to be paid the fair value of the PetroMaroc Shares in respect of which such holder dissents, all in accordance with section 190 of the CBCA as modified by this Plan of Arrangement and the Interim Order.
- (m) "**Dissenting Shareholders**" means registered PetroMaroc Shareholders who have duly and validly exercised their Dissent Rights in strict compliance with the terms thereof and who have not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights and who are ultimately determined to be entitled to be paid the fair value for their PetroMaroc Shares.
- (n) "**Effective Date**" means the date the Arrangement becomes effective under the CBCA, being the date shown on the Certificate.
- (o) "**Effective Time**" means 12:01 a.m. (Eastern time) on the Effective Date.
- (p) "**Encumbrance**" means, in the case of property or an asset, all mortgages, pledges, charges, liens, debentures, hypothecs, trust deeds, outstanding demands, burdens, capital leases, assignments by way of security, security interests, conditional sales contracts or other title retention agreements or similar interests or instruments charging, or creating a security interest in, or against title to, such property or assets, or any part thereof or interest therein, and any agreements, leases, options, easements, rights of way, restrictions, executions or other charges or encumbrances (including notices or other registrations in respect of any of the foregoing), whether arising by law, contract or otherwise, against title to any of such property or assets, or any part thereof or interest therein or capable of becoming any of the foregoing.
- (q) "**Final Order**" means the final order of the Court approving the Arrangement pursuant to Section 192(4)(e) of the CBCA, as such order may be affirmed, amended or modified by any court of competent jurisdiction.
- (r) "**Former PetroMaroc Shareholder**" means a registered PetroMaroc Shareholder immediately prior to the Effective Time or any person who surrenders to the Depository certificates representing PetroMaroc Shares duly endorsed for transfer in accordance with the provisions set forth in the Letter of Transmittal, other than a Dissenting Shareholder.
- (s) "**Governmental Authority**" means: (i) any international, multinational, federal, provincial, state, regional, municipal, local or other government, governmental or public department, ministry, central bank, court, tribunal, arbitral body, commission, commissioner, board, bureau or agency, domestic or foreign; (ii) any subdivision, agency, agent or authority of any of the foregoing; (iii) any quasi-governmental or private body, including any tribunal, commission, regulatory agency or self-regulatory organization, exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (iv) any stock exchange (including the TSXV).
- (t) "**Interim Order**" means the interim order of the Court pursuant to Section 192(4) of the CBCA containing declarations and directions with respect to the Arrangement and the

calling and the holding of the PetroMaroc Meeting, as such order may be affirmed, amended or modified by any court of competent jurisdiction.

- (u) **"Letter of Transmittal"** means the Letter of Transmittal forwarded to PetroMaroc Shareholders pursuant to which PetroMaroc Shareholders may deliver certificates representing PetroMaroc Shares and receive, on completion of the Arrangement Wolverine Shares in exchange for their PetroMaroc Shares.
- (v) **"Parties"** means PetroMaroc and Wolverine; and **"Party"** means either one of them.
- (w) **"person"** includes an individual, limited or general partnership, limited liability company, limited liability partnership, trust, joint venture, association, body corporate, unincorporated organization, trustee, executor, administrator, legal representative, government (including any Governmental Authority) or any other entity, whether or not having legal status.
- (x) **"PetroMaroc"** means PetroMaroc Corporation, a corporation continued under the CBCA.
- (y) **"PetroMaroc Meeting"** means the special meeting of PetroMaroc Shareholders to consider, among other things, the Arrangement Resolution and related matters, and any adjournment thereof.
- (z) **"PetroMaroc Option Plan"** means the stock option plan of PetroMaroc dated November 25, 2010 and most recently approved, ratified and adopted by the PetroMaroc Shareholders on June 25, 2018.
- (aa) **"PetroMaroc Shareholders"** means the registered or beneficial holders of the PetroMaroc Shares, as the context requires.
- (bb) **"PetroMaroc Shares"** means the common shares in the capital of PetroMaroc.
- (cc) **"Plan of Arrangement"**, **"herein"**, **"hereof"**, **"hereto"**, **"hereunder"** and similar expressions mean and refer to this Plan of Arrangement as amended or supplemented from time to time in accordance with the terms hereof, the Arrangement Agreement or at the direction of the Court in the Final Order, and not to any particular article, section or other portion hereof.
- (dd) **"Share Consideration"** means 0.052942 of a Wolverine Share, being the consideration to be paid by Wolverine for each PetroMaroc Share pursuant to the Arrangement.
- (ee) **"TSXV"** means the TSX Venture Exchange.
- (ff) **"Wolverine"** means Wolverine Energy and Infrastructure Inc., a corporation incorporated under the laws of Alberta.
- (gg) **"Wolverine Shares"** means the common shares in the capital of Wolverine.

- 1.2 The division of this Plan of Arrangement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement.

- 1.3 Unless reference is specifically made to some other document or instrument, all references herein to articles and sections are to articles and sections of this Plan of Arrangement.
- 1.4 Unless the context otherwise requires, words importing the singular number shall include the plural and vice versa and words importing any gender shall include all genders.
- 1.5 In the event that the date on which any action is required to be taken hereunder by any of the Parties hereto is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.
- 1.6 References in this Plan of Arrangement to any statute or sections thereof shall include such statute as amended or substituted and any regulations promulgated thereunder from time to time in effect prior to the Effective Time.
- 1.7 Time shall be of the essence in every matter or action contemplated hereunder.
- 1.8 References to currency are to lawful money of Canada.

**ARTICLE 2
ARRANGEMENT AGREEMENT**

- 2.1 This Plan of Arrangement is made pursuant to, is subject to the provisions of and forms part of, the Arrangement Agreement.
- 2.2 This Plan of Arrangement, upon the filing of the Articles of Arrangement and the issuance of the Certificate, will become effective at the Effective Time and be binding on: (a) the PetroMaroc Shareholders; (b) Wolverine; (c) PetroMaroc; and (d) all other persons.
- 2.3 The Articles of Arrangement and Certificate shall be filed and issued, respectively, with respect to the Arrangement in its entirety. The Certificate shall be conclusive evidence that the Arrangement has become effective and that each of the provisions of Article 3 has become effective in the sequence and at the times set out therein.
- 2.4 Other than as expressly provided for herein, no portion of this Plan of Arrangement shall take effect with respect to any party or person until the Effective Time.

**ARTICLE 3
ARRANGEMENT**

- 3.1 Commencing at the Effective Time, each of the events set out below shall occur and shall be deemed to occur in the following order without any further act or formality except as otherwise provided herein:
 - (a) the PetroMaroc Shares held by Dissenting Shareholders shall, as of the Effective Time, be deemed to have been transferred to Wolverine (free and clear of any Encumbrances) in consideration for a debt claim against Wolverine in accordance with Article 4, and, as of the Effective Time, such Dissenting Shareholders shall cease to be the holders thereof or have any rights as PetroMaroc Shareholders and shall only be entitled to be paid by Wolverine the fair value of their PetroMaroc Shares in accordance with Article 4; and

- (b) other than those PetroMaroc Shares transferred pursuant to Section 3.1(a), each outstanding PetroMaroc Share shall be transferred to, and acquired by, Wolverine (free and clear of any Encumbrances) in exchange for the Share Consideration.
- 3.2 Upon the completion of the transfer and exchange of PetroMaroc Shares referred to in Section 3.1 at the Effective Time:
- (a) each Former PetroMaroc Shareholder shall, if receiving Share Consideration, be added to the register of holders of Wolverine Shares maintained by or on behalf of Wolverine;
 - (b) each Former PetroMaroc Shareholder and each Dissenting Shareholder shall cease to be a holder of the PetroMaroc Shares so transferred or exchanged and the name of such Former PetroMaroc Shareholder or such Dissenting Shareholder shall be removed from the register of PetroMaroc Shareholders maintained by or on behalf of PetroMaroc as it relates to the PetroMaroc Shares so transferred or exchanged; and
 - (c) Wolverine shall become the holder of the PetroMaroc Shares so transferred and exchanged and shall be added to the register of PetroMaroc Shareholders maintained by or on behalf of PetroMaroc.

ARTICLE 4 DISSENTING SHAREHOLDERS

- 4.1 Each registered PetroMaroc Shareholder shall be entitled to exercise the Dissent Rights in strict compliance with Section 190 of the CBCA as modified by this Plan of Arrangement and the Interim Order. A Dissenting Shareholder shall, at the Effective Time, cease to have any rights as a PetroMaroc Shareholder and shall only be entitled to be paid the fair value of the Dissenting Shareholder's PetroMaroc Shares by Wolverine (as a debt claim owing by Wolverine). A Dissenting Shareholder shall be deemed to have transferred its PetroMaroc Shares (free and clear of any Encumbrances) to Wolverine in accordance with Section 3.1(a), without any further act or formality as of the Effective Time, notwithstanding the provisions of Section 190 of the CBCA. A Dissenting Shareholder who for any reason is not entitled to be paid the fair value of the Dissenting Shareholder's PetroMaroc Shares shall be deemed to be a Former PetroMaroc Shareholder and to have participated in the Arrangement on the same basis as a non-dissenting PetroMaroc Shareholder in accordance with Section 3.1(b). In either case, neither PetroMaroc nor Wolverine shall be required to recognize such holders as holders of PetroMaroc Shares after the Effective Time and the name of such holder shall be removed from the register of PetroMaroc Shares as at the Effective Time. The fair value of the PetroMaroc Shares shall be determined as of the close of business on the last Business Day before the day on which the Arrangement is approved by the PetroMaroc Shareholders at the PetroMaroc Meeting. For greater certainty, in addition to any other restrictions in Section 190 of the CBCA, no person who has voted or has instructed a proxyholder to vote their PetroMaroc Shares in favour of the Arrangement shall be entitled to exercise Dissent Rights.

ARTICLE 5 OUTSTANDING CERTIFICATES AND FRACTIONAL SECURITIES

- 5.1 At or before the Effective Time, Wolverine will deposit or cause to be deposited with the Depository for the benefit of the Former PetroMaroc Shareholders one or more certificates representing Wolverine Shares required to be delivered to the Former PetroMaroc Shareholders pursuant to Section 3.1(b) in accordance with the terms of the Arrangement.

- 5.2 From and after the Effective Time: (a) the certificates formerly representing PetroMaroc Shares held by Former PetroMaroc Shareholders shall represent only the right to receive the consideration to which the Former PetroMaroc Shareholders are entitled under this Plan of Arrangement pursuant to Section 3.1(b); and (b) the certificates formerly representing PetroMaroc Shares held by Dissenting Shareholders shall represent only the right to receive the fair value of the PetroMaroc Shares represented by such certificates; in each case subject to compliance with the requirements set forth in this Article 5.
- 5.3 Wolverine shall, as soon as practicable following the later of the Effective Date and the date of deposit by a Former PetroMaroc Shareholder of a duly completed Letter of Transmittal and the certificates representing applicable PetroMaroc Shares, and such additional documents and instruments as the Depository may reasonably require, either:
- (a) forward or cause to be forwarded by first class mail (postage prepaid) to such Former PetroMaroc Shareholder at the address specified in the Letter of Transmittal; or
 - (b) if requested by such Former PetroMaroc Shareholder in the Letter of Transmittal, make available or cause to be made available at the offices of the Depository for pickup by such Former PetroMaroc Shareholder,
- certificates representing the number of Wolverine Shares issued to such Former PetroMaroc Shareholder under the Arrangement.
- 5.4 If any certificate which immediately prior to the Effective Time represented an interest in outstanding PetroMaroc Shares that were exchanged pursuant to Section 3.1(b) has been lost, stolen or destroyed, upon the making of an affidavit of that fact by the person claiming such certificate to have been lost, stolen or destroyed, the Depository will issue and deliver in exchange for such lost, stolen or destroyed certificate the consideration to which the Former PetroMaroc Shareholder is entitled pursuant to this Plan of Arrangement (and any dividends or distributions thereon). The person who is entitled to receive such consideration shall, as a condition precedent to the receipt thereof, give a bond to each of Wolverine and PetroMaroc and their respective transfer agents, which bond shall be in form and substance satisfactory to each of Wolverine and PetroMaroc and their respective transfer agents, or shall otherwise indemnify Wolverine and PetroMaroc and their respective transfer agents against any claim that may be made against any of them with respect to the certificate alleged to have been lost, stolen or destroyed.
- 5.5 Any certificate formerly representing PetroMaroc Shares that is not deposited with all other documents as required by this Plan of Arrangement on or before the last Business Day prior to the third anniversary of the Effective Date, or such shorter or longer period required under any applicable law, shall cease to represent a right or claim of any kind or nature including the right of the Former PetroMaroc Shareholder to receive Wolverine Shares, and the right of the Former PetroMaroc Shareholder to receive Wolverine Shares shall be deemed to have been surrendered to Wolverine. In such case, such Wolverine Shares shall be returned to Wolverine for cancellation.
- 5.6 No certificates representing fractional Wolverine Shares shall be issued under this Plan of Arrangement. In lieu of any fractional Wolverine Share, each Former PetroMaroc Shareholder otherwise entitled to a fractional interest in a Wolverine Share will receive the nearest whole number of Wolverine Shares (with fractions equal to or greater than 0.5 being rounded up).

**ARTICLE 6
WITHHOLDINGS AND TAX ELECTIONS**

- 6.1 Wolverine, PetroMaroc and the Depository shall be entitled to deduct and withhold from any consideration otherwise payable to any PetroMaroc Shareholder and, for greater certainty, from any amount payable to any Dissenting Shareholder, as the case may be, under this Plan of Arrangement such amounts as Wolverine is required to deduct and withhold from such consideration in accordance with the *Income Tax Act* (Canada), the United States Internal Revenue Code of 1986 and any other provision of any applicable law. Any such amounts will be deducted and withheld from the consideration payable pursuant to this Plan of Arrangement and shall be treated for all purposes as having been paid to the PetroMaroc Shareholder in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority in accordance with applicable law. In connection with any amount required to be withheld pursuant to this Plan of Arrangement, Wolverine may direct the Depository to withhold the number of Wolverine Shares that may otherwise be paid to such PetroMaroc Shareholder under this Plan of Arrangement and to sell such shares on the TSXV for cash proceeds to be used for such withholdings, subject to applicable laws. Each PetroMaroc Shareholder shall be deemed to have granted an irrevocable power of attorney to effect the sale of the applicable Wolverine Shares.

**ARTICLE 7
AMENDMENTS**

- 7.1 Wolverine and PetroMaroc may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment, modification or supplement must be: (a) set out in writing; (b) approved by both Parties; (c) filed with the Court and, if made following the PetroMaroc Meeting, approved by the Court; and (d) communicated to PetroMaroc Shareholders, if and as required by the Court.
- 7.2 Any amendment, modification or supplement to this Plan of Arrangement may be proposed by Wolverine or PetroMaroc at any time prior to or at the PetroMaroc Meeting (provided that the other party shall have consented thereto) with or without any other prior notice or communication and, if so proposed and accepted by the persons voting at the PetroMaroc Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.
- 7.3 Any amendment, modification or supplement to this Plan of Arrangement which is approved or directed by the Court following the PetroMaroc Meeting shall be effective only: (a) if it is consented to by PetroMaroc and Wolverine (each acting reasonably); and (b) if required by the Court or applicable law, it is consented to by the PetroMaroc Shareholders.
- 7.4 Any amendment, modification or supplement to this Plan of Arrangement may be made unilaterally by Wolverine following the Effective Time, provided that it concerns a matter which, in the reasonable opinion of Wolverine, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the financial or economic interests of any Former PetroMaroc Shareholder.

**ARTICLE 8
FURTHER ASSURANCES**

- 8.1 Notwithstanding that the transactions and events set out herein shall occur and be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the Parties to the Arrangement Agreement shall make, do and execute, or cause to be made, done and executed all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order to further document or evidence any of the transactions or events set out herein.

SCHEDULE "E" – FINANCIAL STATEMENTS OF PETROMAROC CORPORATION

See attached.

PetroMaroc Corporation plc
Consolidated Financial Statements
December 31, 2017

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of PetroMaroc Corporation plc:

We have audited the accompanying consolidated financial statements of PetroMaroc Corporation plc, which comprise the consolidated statements of financial position as at December 31, 2017 and 2016 and January 1, 2016, and the consolidated statements of operations and comprehensive income (loss), consolidated statements of changes in equity and consolidated statements of cash flows for the year ended December 31, 2017 and 2016, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of PetroMaroc Corporation plc as at December 31, 2017 and 2016 and January 1, 2016, and its financial performance and its cash flows for the years ended December 31, 2017 and 2016 in accordance with International Financial Reporting Standards.



Chartered Professional Accountants
April 25, 2018
Calgary, Canada

PetroMaroc Corporation plc
Consolidated Statements of Financial Position
In Canadian Dollars

	Notes	December 31, 2017	December 31, 2016 (Note 17)	January 1, 2016 (Note 17)
Assets				
Current				
Cash and cash equivalents		\$ 766,428	\$ 2,782,398	\$ 308,372
Other current assets		29,028	57,547	138,083
Restricted cash	4	-	806,240	4,307,786
Investment in securities	5	13,633,031	-	-
Exploration and evaluation assets held for sale	6	-	-	-
		-	8,846,687	-
		<u>14,428,487</u>	<u>12,492,872</u>	<u>4,754,241</u>
Non-current				
Exploration and evaluation assets	6	-	-	9,449,280
Property and equipment	7	-	-	45,193
		<u>-</u>	<u>-</u>	<u>9,494,473</u>
Total Assets		\$ 14,428,487	\$ 12,492,872	\$ 14,248,714
Liabilities				
Current				
Accounts payable and accrued liabilities		\$ 2,370,723	\$ 9,952,110	\$ 6,737,462
Series 1 and 2 debentures	8	8,160,700	-	-
Convertible debentures	9	-	9,720,608	9,542,578
Other current liabilities	10	-	1,791,379	1,402,468
Decommissioning obligations held for sale	11	-	1,406,733	-
		<u>10,531,423</u>	<u>22,870,830</u>	<u>17,682,508</u>
Decommissioning obligations	11	<u>-</u>	<u>-</u>	<u>1,433,274</u>
		<u>10,531,423</u>	<u>22,870,830</u>	<u>19,115,782</u>
Shareholders' Equity (Deficiency)				
Share capital	12	77,357,624	74,283,414	74,283,414
Share based payment reserve	12(c)	7,005,532	6,930,434	6,843,013
Deficit		(78,072,178)	(91,752,607)	(85,993,495)
Accumulated comprehensive income (loss)		(2,393,914)	160,801	-
		<u>3,897,064</u>	<u>(10,377,958)</u>	<u>(4,867,068)</u>
Total Liabilities and Shareholders' Equity		\$ 14,428,487	\$ 12,492,872	\$ 14,248,714

On behalf of the Board:

"Signed Dennis Sharp"
Director – Dennis Sharp

"Signed Nick Brigstocke"
Director – Nick Brigstocke

The accompanying notes are an integral part of these consolidated financial statements.

PetroMaroc Corporation plc
Consolidated Statements of Operations and
Comprehensive Income (Loss)
In Canadian Dollars

	Notes	December 31, 2017	December 31, 2016 (Note 17)
Administrative		\$ 1,388,962	\$ 2,297,143
Share based compensation	12(c)	75,098	87,421
Depreciation	7	-	6,135
Accretion of decommissioning obligation	11	-	20,812
Impairment of property and equipment	7	-	38,266
Finance costs	8	2,691,048	2,964,460
Foreign exchange (gain) loss		(130,069)	352,722
Loss on disposition of investments	5	81,716	-
		<u>4,106,755</u>	<u>5,766,959</u>
Other income			
Finance income		1,942	7,847
Derivative gain	8	1,311,799	-
Gain on settlement of trade payables		2,329,088	-
Gain on assets held for sale		14,144,355	-
		<u>17,787,184</u>	<u>7,847</u>
Net income (loss)		\$ 13,680,429	\$ (5,759,112)
Other comprehensive income (loss)			
Unrealized loss on revaluation of securities to fair value		(2,554,715)	-
Exchange differences (loss) / gain on translation of foreign operations		-	160,801
		<u>-</u>	<u>160,801</u>
Total comprehensive income (loss)		\$ 11,125,714	\$ (5,598,311)
Net income (loss) per share			
- Basic		\$ 0.13	\$ (0.05)
- Diluted		\$ 0.08	\$ (0.05)
Weighted average shares outstanding			
- Basic		109,100,671	105,223,923
- Diluted		179,236,272	105,223,923

The accompanying notes are an integral part of these consolidated financial statements.

PetroMaroc Corporation plc
Consolidated Statements of Changes in Shareholders' Equity
In Canadian Dollars

	Share Capital	Accumulated comprehensive income (loss)	Share Based Payment Reserve	Deficit	Total Equity
Balance, December 31, 2016	\$ 74,283,414	\$ 160,801	\$ 6,930,434	\$ (91,752,607)	\$ (10,377,958)
Net income	-		-	13,680,429	13,680,429
Unrealized loss on revaluation of investments	-	(2,554,715)	-	-	(2,554,715)
Issuance of shares	3,074,210	-	-	-	3,074,210
Share-based payments	-		75,098	-	75,098
Balance, December 31, 2017	\$ 77,357,624	\$ (2,393,914)	\$ 7,005,532	\$ (78,072,178)	\$ 3,897,064

	Share Capital	Accumulated comprehensive income (loss)	Share Based Payment Reserve	Deficit	Total Equity
Balance, December 31, 2015	\$ 74,283,414	\$ -	\$ 6,843,013	\$ (85,993,495)	\$ (4,867,068)
Net loss	-		-	(5,759,112)	(5,759,112)
Exchange differences (loss) / gain on re-translation of foreign operations	-	160,801	-	-	160,801
Share-based payments	-	-	87,421	-	87,421
Balance, December 31, 2016	\$ 74,283,414	\$ 160,801	\$ 6,930,434	\$ (91,752,607)	\$ (10,377,958)

The accompanying notes are an integral part of these consolidated financial statements.

PetroMaroc Corporation plc
Consolidated Statements of Cash Flows
In Canadian Dollars

For the year ended December 31,	Notes	2017	2016
Cash flows (used in) operating activities			
Net income (loss)		\$ 13,680,429	\$ (5,759,112)
Items not involving cash:			
Unrealised foreign exchange loss (gain)		232,565	421,039
Share based payments		75,098	87,421
Loss on disposal of securities		81,716	-
Impairment of property and equipment	7	-	38,266
Accretion of decommissioning obligation	11	-	20,812
Gain on sale of exploration and evaluation assets	6	(14,144,355)	-
Non-cash finance costs	8 and 9	1,202,643	178,030
Derivative gain		(1,311,799)	-
Gain on settlement of trade payables		(2,329,088)	-
Depreciation	7	-	6,135
Changes in non-cash working capital balances:			
Other current assets		28,519	75,536
Accounts payable and accrued liabilities		(5,252,299)	3,214,648
Cash flow used in operating activities		<u>(7,736,571)</u>	<u>(1,717,225)</u>
Cash flows (used in) from financing activities			
Loan payable	10 (b)	<u>(400,000)</u>	400,000
Cash flow (used in) provided by financing activities		<u>(400,000)</u>	400,000
Cash flows from (used in) investing activities			
Expenditures on property and equipment	7	-	(700)
Expenditures on exploration and evaluation assets	6	-	(84,595)
Proceeds on the disposal of exploration and evaluation assets	6	-	375,000
Proceeds on the disposal of securities	5	5,314,361	-
Restricted cash	4	806,240	3,501,546
Cash flow provided by (used in) investing activities		<u>6,120,601</u>	<u>3,791,251</u>
Increase (decrease) in cash and cash equivalents		(2,015,970)	2,474,026
Cash and cash equivalents, beginning of year		<u>2,782,398</u>	<u>308,372</u>
Cash and cash equivalents, end of year		\$ 766,428	\$ 2,782,398
Supplemental information			
Interest paid		\$ 4,475,879	\$ -
Corporate taxes paid		\$ -	\$ -

The accompanying notes are an integral part of these consolidated financial statements.

PetroMaroc Corporation plc
Notes to Consolidated Financial Statements
In Canadian Dollars

As at December 31, 2017, 2016 and January 1, 2016 and for the years ended December 31, 2017 and 2016

1. Corporate Information and Corporate Transaction

PetroMaroc Corporation plc (“PetroMaroc” or “the Company”), is a publicly traded corporation on the TSX Venture Exchange (“TSX-V”) under the trading symbol PMA. The Company was engaged in the evaluation, acquisition, exploration and development of oil and gas properties in Morocco until January 2017.

On March 8, 2016, the Company entered into a binding sale and purchase agreement with Sound Energy plc (“Sound”). The agreement, upon completion, would allow Sound to acquire the Company’s Sidi Moktar licence in consideration for issuance to the Company of 21,258,008 ordinary shares of Sound and the Company retaining a 10% net profit interest in any future cash flows from the Kechoula structure within the Sidi Moktar licence, and the Company retaining a 5% net profit interest in any future cash flows from structures within the Sidi Moktar licence other than the Kechoula structure. The binding sale and purchase agreement was subject to a number of conditions precedent, including ministerial approvals in Morocco, debenture holder approval and a final approval of the TSX Venture Exchange. In September 2016, PetroMaroc and Sound entered into an amending agreement, pursuant to which any proceeds from a sale (in whole or in part) of the 21,258,008 Sound Energy ordinary shares to be issued to PetroMaroc as consideration on completion of the acquisition will be shared between PetroMaroc and Sound Energy as follows: PetroMaroc will receive all proceeds from sale(s) up to 50 pence per consideration share and sale proceeds in excess of 50 pence per consideration share will be shared equally between PetroMaroc and Sound. The transaction closed on January 9, 2017 with the Sound shares closing at 75.75 pence as quoted on the Alternative Investment Market (“AIM”).

PetroMaroc is a Jersey limited company governed by the Companies (Jersey) Law 1991 (the “CJL”). The registered office of the Company is located at Queensway House, St Helier, Jersey, Channel Islands.

The following sets out the operating subsidiaries of the Company and the Company’s ownership interest in those subsidiaries:

Name of Subsidiary	Jurisdiction of Incorporation	Ownership – December 31, 2017	Ownership – December 31, 2016
Longreach Oil and Gas Ventures Limited	Jersey, Channel Islands	100%	100%
Longreach Oil and Gas (Canada) Limited	Canada	100%	100%
Longreach Oil and Gas (UK) Ltd.	United Kingdom	(*)	- 100%

(*) During 2017 the Company was dissolved through a solvent winding up process.

2. Basis of Presentation

Statement of compliance

The Company prepares its consolidated financial statements in accordance with International Financial Reporting Standards (“IFRS”).

The consolidated financial statements were authorized for issue by the Company’s Board of Directors on April 25, 2018.

Going concern assumption

These consolidated financial statements have been prepared on a going concern basis, under which the Company is assumed to be able to realise its assets and discharge its liabilities in the normal course of operations, which is subjective. At December 31, 2017, the Company had a working capital surplus of approximately \$3.9 million and the Company does not have any active business operations. Accordingly, the Company is expected to have sufficient funds for at least the next twelve months.

PetroMaroc Corporation plc
Notes to Consolidated Financial Statements
In Canadian Dollars

As at December 31, 2017, 2016 and January 1, 2016 and for the years ended December 31, 2017 and 2016

2. Basis of Presentation - Continued

Change in functional and presentation currency

These consolidated financial statements are presented in Canadian dollars ("CAD dollars"). The Company changed its functional currency from US Dollars to CAD dollars with effect from January 1, 2017. This change was triggered by the completion of the reorganization with respect to the disposition of its oil and gas properties in early 2017 and reorganization of the Company's debts. The statement of financial position of PetroMaroc was translated to US dollars at the January 1, 2018 rate of 1.3437 CAD per 1.0 USD. Transactions impacting the statement of operations and comprehensive income were translated to CAD dollar using rates which approximate the rates at the date of transaction. The resulting gains and losses were recorded in the statement of operations.

In 2017, the Company changed its presentation currency from the US Dollar to Canadian dollars ("CAD"). These consolidated financial statements are presented in CAD dollars, which is the Company's presentation currency. The change in presentation currency is to better reflect the Company's business activities given the disposal of the disposal and derecognition of its Moroccan oil and gas properties. In making this change to the CAD dollar presentation currency, the Company followed the guidance in IAS 21 *The Effects of Changes in Foreign Exchange Rates* and have applied the change retrospectively as if the new presentation currency had always been the Company's presentation currency. In accordance with IAS 21, the financial statements for all years and periods presented have been translated to the new CAD dollar presentation currency. For the 2016 comparative balances, assets and liabilities have been translated into the presentation currency (CAD dollars) at the rate of exchange prevailing at the reporting date. The statements of comprehensive income (loss) were translated at the average exchange rates for the reporting period, or at the exchange rates prevailing at the date of transactions. Exchange differences arising on translation were taken to the foreign currency translation reserve in shareholders' equity. The Company has presented a third statement of financial position as at January 1, 2016 without the related notes except for the disclosure requirements outlined in IAS 8 *accounting policies, changes in accounting estimates and errors*. The resulting effect of the change in presentation currency of \$160,801 on the comparative figures is reflected in the accumulated comprehensive income (loss) balance at December 31, 2016.

Use of estimates and judgments

The preparation of financial statements requires management to make estimates and use judgment regarding the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities as at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the period. By their nature, estimates are subject to measurement uncertainty and changes in such estimates in future periods could require a material change in the financial statements. Accordingly, actual results may differ from the estimated amounts as future confirming events occur. Significant estimates and judgments made by the directors in the preparation of these consolidated financial statements are as follows:

- i. The consolidated financial statements include accruals and provisions based on management's interpretation of the terms of existing licence terms and commitments. Best available information is used to determine the accruals at each period end. The Company is at varying stages of negotiations with certain partners to settle differences in opinion of the obligations of each party under existing agreements. The accruals made by management in this regard may be significantly different from those determined by the Company's partners or amounts agreed to as a result of negotiations. The effect on the consolidated financial statements resulting from such adjustments, if any, may be material and will be reflected prospectively.
- ii. Tax interpretations, regulations and legislation in the various jurisdictions in which the Company operates are subject to change. Therefore, income taxes are subject to measurement uncertainty. Deferred income tax assets are assessed by management at the end of the reporting period to determine the likelihood that they will be realised from future taxable earnings. The Company has yet to record any deferred tax assets or liabilities.

PetroMaroc Corporation plc
Notes to Consolidated Financial Statements
In Canadian Dollars

As at December 31, 2017, 2016 and January 1, 2016 and for the years ended December 31, 2017 and 2016

3. Summary of Significant Accounting Policies

The significant accounting policies used in the preparation of these consolidated financial statements are described below.

Basis of consolidation:

(i) Subsidiaries:

Subsidiaries are entities controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases or the subsidiaries become dormant.

The purchase method of accounting is used to account for acquisitions of subsidiaries and assets that meet the definition of a business under IFRS. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of closing. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the cost of acquisition over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recorded as goodwill. If the cost of the acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised immediately in the statement of operations and comprehensive income (loss).

(ii) Transactions eliminated on consolidation:

Intercompany balances and transactions, and any unrealised income and expenses arising from intercompany transactions, are eliminated in preparing these consolidated financial statements.

Financial instruments:

(i) Non-derivative financial instruments:

Non-derivative financial instruments comprise cash and cash equivalents, other current assets, restricted cash, investment and advances, accounts payable and accrued liabilities and other liabilities. Non-derivative financial instruments are recognised initially at fair value net of any directly attributable transaction costs, except for non-derivative instrument classified as fair value through profit and loss ("FVPL"). Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

Financial assets at fair value through earnings:

An instrument is classified at fair value through earnings if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated at fair value through profit and loss if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's risk management or investment strategy. Upon initial recognition, directly attributable transaction costs are recognised in earnings when incurred. Financial instruments at fair value through earnings are measured at fair value, and changes therein are recognised in earnings.

Financial assets classified as available for sale:

An instrument is classified as available for sale if it is designated as available for sale, or if it is not classified as a loan or receivable, held-to-maturity investment or financial asset at fair value through profit or loss. A gain or loss on an available for sale financial asset, except for impairment losses, is recognised in other comprehensive income. The gain or loss recognized in other comprehensive income is inclusive of the related foreign exchange component when the instrument is a non-monetary financial instrument.

Other:

Other non-derivative financial instruments, such as accounts receivable, accounts payable and accrued liabilities, and related party loan and other liabilities are measured at amortised cost using the effective interest method. The Company's investment in Sound was classified as available for sale.

As at December 31, 2017, 2016 and January 1, 2016 and for the years ended December 31, 2017 and 2016

3. Summary of Significant Accounting Policies – continued

(ii) Derivative financial instruments:

The Company may enter into certain financial derivative contracts in order to manage the exposure to market risks from fluctuations in commodity or currency prices. These instruments are not used for trading or speculative purposes. The Company has not designated its financial derivative contracts as effective accounting hedges, and thus not applied hedge accounting, even though the Company considers all commodity contracts to be economic hedges. All financial derivative contracts when entered into will be classified as fair value through earnings and are recorded on the statement of financial position at fair value. Transaction costs are recognised in earnings when incurred.

Embedded derivatives are separated from the host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through earnings.

Changes in the fair value of separable embedded derivatives are recognised immediately in earnings. Certain warrants issued by the Company are considered a derivative liability as further discussed below.

(iii) Share capital:

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares and share options are recognised as a deduction from share capital, net of any tax effects.

Foreign Currency Translation:

The consolidated financial statements are presented in Canadian dollars which is the Company's reporting and functional currency. Transactions denominated in a currency other than the functional currency are translated at the prevailing rates on the date of the transaction. Any monetary items held in a currency which is not the functional currency are translated to the functional currency at the prevailing rate as at the date of the statement of financial position. All exchange differences arising as a result of the translation to the functional currency are recorded in net income (loss) from operations.

Impairment:

(i) Financial assets:

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. All impairment losses are recognised in the statement of operations and comprehensive income (loss).

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost the reversal is recognised in the statements of operations and comprehensive income (loss).

Share based payment:

The Company has established a share based payment plan (the "Plan") comprised of a Stock Option Plan (refer to Note 12 for further details of the Plan). The Company uses the fair value method for valuing share based payments. Under this method, the compensation cost attributed to stock options granted are measured at the fair value at the grant date and expensed over the vesting period with a corresponding increase to share based payment reserve. A forfeiture rate is estimated on the grant date and is adjusted to reflect the actual number of options or units that vest. Upon the settlement of the stock options, the previously recognised value in share based payment reserve is recorded as an increase to shareholders' equity.

PetroMaroc Corporation plc
Notes to Consolidated Financial Statements
In Canadian Dollars

As at December 31, 2017, 2016 and January 1, 2016 and for the years ended December 31, 2017 and 2016

3. Summary of Significant Accounting Policies – continued

Provisions:

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax “risk-free” rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are not recognised for future operating losses.

Non-current Assets and Disposal Groups Held-for-Sale and Discontinued Operations:

Non-current assets and disposal groups are classified as assets held-for-sale (“HFS”) if it is highly probable that the value of these assets will be recovered primarily through sale rather than through continuing use. They are recorded at the lower of carrying amount and fair value less cost of disposal. Impairment losses on initial classification as HFS and subsequent gains and losses on re-measurement are recognized in the income statement. Once classified as HFS, property, plant and equipment are no longer amortized. The assets and liabilities are presented as HFS in the consolidated balance sheet when the sale is highly probable, the asset or disposal group is available for immediate sale in its present condition and management is committed to the sale, which should be expected to be completed within one year from the date of classification.

A discontinued operation is a component of the Company that can be clearly distinguished from the rest of the Company and represents a major line of business or geographic area, and the value of this component is expected to be recovered primarily through sale rather than continuing use.

Results of operations and any gain or loss from disposal are excluded from income before finance items and income taxes and are reported separately as income/loss from discontinued operations.

Income (loss) per share:

Basic income (loss) per share is calculated by dividing the net income or loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted per share amounts are calculated based on the treasury stock method, which assumes that any proceeds obtained on the exercise of the in the money stock options and warrants would be used to purchase common shares at the average market price for the period.

Future Accounting Changes:*IFRS 16 – Leases*

In January 2017, the International Accounting Standards Board (“IASB”) issued IFRS 16, which will supersede IAS 17, Leases. Under IFRS 16, a lease will exist when a customer controls the right to use an identified asset as demonstrated by the customer having exclusive use of the asset for a period of time. IFRS 16 effectively removes the classification of leases as either finance or operating and treats all leases as finance leases for lessees with exemptions for short-term leases where the lease term is twelve months or less and for leases of low value items. The accounting treatment for lessors will remain largely the same as under IAS 17. The standard is effective for annual periods beginning on or after January 1, 2019 with early adoption permitted,

The Company is required to retrospectively apply IFRS 16 to all existing leases as of the date of transition and has the option to either: a) apply IFRS 16 with full retrospective effect; or b) recognise the cumulative effect of initially applying IFRS 16 as an adjustment to the opening equity at the date of initial application. The standard will be effective on January 1, 2019 for the Company. As the Company currently has no leases in place, the standard is not expected to have a material impact on the consolidated financial statements.

IFRS 9 – Financial Instruments

In July 2014, the IASB has amended IFRS 9 which amends its classification and measurement of financial assets and introduces a new expected loss impairment model. This standard is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted and shall be applied retrospectively. The Company is currently assessing the impact the adoption of this standard will have on the consolidated financial statements. The standard is not expected to have a material impact on the consolidated financial statements.

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4. Restricted Cash

The Company has a restricted cash balance, which represents the following bank deposits securing licences as follows:

	In favor of	December 31, 2017	December 31, 2016
Zag exploration licence (Note 13 (b))	San Leon	\$ -	\$ 806,215
Other	Barclays	-	25
		\$ -	\$ 806,240

In March 2017, the Office National des Hydrocarbures et des Mines (“ONHYM”) issued a demand notice and claimed the \$806,215 (US - \$600,000) of restricted cash.

5. Investment in Securities

PetroMaroc acquired 21,258,008 ordinary shares of Sound in exchange for the Sidi Moktar licence. The Sound shares trade on the Alternative Investment Market (“AIM”) and are traded in Pounds Sterling. PetroMaroc will receive all proceeds from sale(s) up to 50 pence per consideration share, and sale proceeds in excess of 50 pence per consideration share will be shared equally between PetroMaroc and Sound.

During the first quarter of 2017, PetroMaroc disposed of 5,314,502 Sound shares for gross proceeds of \$6,286,142 (GBP - 3,841,556). The shares were disposed of above 50 pence, and the net proceeds due (and paid) to Sound totaled \$971,781. The net proceeds to PetroMaroc were \$5,314,361 (GBP - 3,249,403), and the loss on the disposal was \$81,716.

At December 31, 2017, the Company holds 15,943,506 Sound shares with a fair market value to PetroMaroc of \$13,633,032. As a result, the Company recorded a \$2,554,715 loss on the revaluation of the Sound shares.

Subsequent to the 2017 year end, the Company allocated 11,284,801 Sound shares to settle amounts due to the Series 1 and 2 debenture holders (Note 16(a)). In April 2018, PetroMaroc disposed of 2,000,000 Sound shares for proceeds of \$1,611,740. Since the shares were sold below 50 pence there is no amount payable to Sound.

6. Exploration and Evaluation Assets

Balance, January 1, 2016	\$ 9,449,280
Additions	84,595
Disposal	(375,000)
Exchange movements	(312,188)
Balance, December 31, 2016	8,846,687
Exploration and evaluation assets held for sale	(8,846,687)
Exploration and evaluation assets	\$ -

Exploration and evaluation assets consist entirely of costs pertaining to licences in Morocco, the carrying value at December 31, 2016 related to the Sidi Moktar licence. The evaluation of the technical feasibility and commercial viability of the Sidi Moktar licence has not been performed.

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6. Exploration and Evaluation Assets - continued

As disclosed in Note 1, on March 8, 2016, the Company entered into a binding Sale and Purchase agreement with Sound Energy plc ("Sound") with an amending agreement on September 16, 2016. The agreement upon completion would allow Sound to acquire the Company's Sidi Mokhtar licence in consideration for issuance to the Company 21,258,008 shares of and the Company retaining a 10% net profit interest in any future cash flows from the Kechoula structure within the Sidi Mokhtar licence (the "Kechoula NPI"), and the Company retaining a 5% net profit interest in any future cash flows from structures within the Sidi Mokhtar licence other than the Kechoula structure (the "Other Sidi Mokhtar NPI's"). As a result, the Company reclassified the Sidi Mokhtar exploration and evaluation assets as held for sale. The transaction closed on January 9, 2017.

As at December 31, 2017 the Sidi Mokhtar Kechoula NPI and Other Sidi Mokhtar NPI's are held at a valuation of \$nil.

7. Property and Equipment

Cost		
Balance, January 1, 2016	\$	237,320
Additions		700
Balance, December 31, 2016 and 2017	\$	<u>238,020</u>
Depreciation		
Balance, January 1, 2016	\$	(192,127)
Impairment		(38,266)
Depreciation charge		(6,135)
Exchange movement		(1,492)
Balance, December 31, 2016 and 2017	\$	<u>(238,020)</u>
Net book value		
Net book value, January 1, 2016	\$	45,193
Net book value, December 31, 2016	\$	-
Net book value, December 31, 2017	\$	-

As a result of closing the Moroccan office in 2016, and the closing of the London office (to become a virtual office) in 2017, the Company impaired the office equipment.

8. Series 1 and 2 Debentures

On February 15, 2017, PetroMaroc completed the restructuring of the \$11.09 million principal amount of the secured debentures (Notes 9, 10(a) and 10(b)) of the Company, which were due for repayment on December 31, 2016. Accordingly, the \$11.09 million rolled into a new class of secured redeemable, debentures, issuable in series (with an issue date of December 31, 2016), with all principal and interest due and payable in full on January 31, 2018 (the "New Debentures").

The Series 1 New Debentures bear interest at the rate of 10% per annum and are convertible, at the option of the holder, into ordinary shares of the Company at a conversion price equal to \$0.06 per share in the first 12 months of the term (January 1, 2017 to December 31, 2017) and \$0.10 per share in the last month of the term (January 1, 2018 to January 31, 2018). The Series 2 New Debentures bear interest at the rate of 15% per annum, with no right to convert into ordinary shares of the Company. The Series 1 New Debentures and the Series 2 New Debentures have an effective issue date of December 31, 2016, being the amended maturity date of the original Debentures. The Series 1 New Debentures and the Series 2 New Debentures rank pari passu with each other. The Company issued \$4,762,400 Series 1 New Debentures and \$6,327,600 Series 2 New Debentures.

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8. Series 1 and 2 Debentures - continued

The following table summarizes the accounting for the Series 1 New Debentures:

	Liability	Derivative Financial Liability	Total
Issued on February 15, 2017 (Note 9, Note 10(a), Note 10 (c))	\$ 3,450,457	\$ 1,311,943	\$ 4,762,400
Conversion to common shares (Note 12 (b))	(2,820,000)	-	(2,820,000)
Accretion and amortization of debt issuance costs	1,201,643	-	1,202,043
Derivative gain	-	(1,311,943)	(1,311,943)
Balance at December 31, 2017	<u>\$ 1,832,100</u>	<u>\$ -</u>	<u>\$ 1,832,100</u>

The liability portion is measured at amortized cost and will accrete up to the principal balance at maturity using the effective interest rate method. The accretion, interest paid and amortization of debt issuance costs are charged to finance expense in the consolidated statement of comprehensive income/loss. The derivative financial liability is measured at fair value through profit or loss, with changes to the fair value being recorded in the statement of operations. In 2017, the Company incurred a \$1,311,943 recovery as a result of the re-measurement of the derivative liability.

The following table summarizes the accounting for the Series 2 New Debentures:

	Liability	Derivative Financial Liability	Total
Issued on February 15, 2017 (Note 9, Note 10 (a), Note 10 (c))	\$ 6,327,600	\$ -	\$ 6,327,600
Balance at December 31, 2017	<u>\$ 6,327,600</u>	<u>\$ -</u>	<u>\$ 6,327,600</u>

The Company incurred finance costs of \$2,691,048 for the period ended December 31, 2017, of which \$1,419,940 relates to interest accrued on the Series 1 New Debentures and the Series 2 New Debentures (interest is accrued in accounts payable and accrued liabilities) and \$1,202,043 relates to the accretion and amortization of debt issuance costs of the Series 1 New Debentures (as detailed above).

The following table summarizes the Series 1 New Debentures and Series 2 New Debentures as at 31 December 2017

	Series 1	Series 2	Total
Balance as at January 1, 2017	\$ -	\$ -	\$ -
Issued on February 15, 2017	4,762,400	6,327,600	11,090,000
Conversion to common shares (Note 12 (b))	(2,820,000)	-	(2,820,000)
Accretion and amortization of debt issuance costs (January 1, 2018 – January 31, 2018)	(109,300)	-	(109,300)
Balance at December 31, 2017	<u>\$ 1,833,100</u>	<u>\$ 6,327,600</u>	<u>\$ 8,160,700</u>

In February 2018, the Company repaid the Series 1 and 2 debentures (Note 18(a)).

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9. Convertible Debentures

On April 10, 2014, PetroMaroc issued \$9.7 million of convertible secured debentures (the “Debentures”) with an annual coupon rate of 10% maturing on April 10, 2017. The Debentures have a face value of \$1,000 per debentures, following the first anniversary the Debentures are convertible into common shares at the option of the holder at the greater of \$0.30 and the market price at the time of conversion based on a 20 day volume weighted average price. The Debenture subscribers were also issued 9,700,000 warrants exercisable at \$0.30 until April 10, 2016. These warrants expired unexercised.

In October 2015, PetroMaroc entered into a waiver and amending agreement with the debenture holders, where in order to consent to the \$1.0 million debenture financing, a fee equal to 15% of the aggregate amount of their respective deferred interest payments shall be payable on the maturity date (the Consideration Fee), being in addition to the Waiver Fee.

On April 11, 2016, the Company entered into a waiver and amending agreement with the \$9.7 million, Cdn \$1.0 million (Note 10(b)), and \$0.39 million (Note 10 (a)) debenture holders to extend the maturity date from April 10, 2016 to September 30, 2016 and to December 31, 2016, under which payment of the quarterly interest payments (June 30, 2017, September 30, 2017, December 31, 2017) shall accrue to the December 31, 2016 maturity date. Pursuant to the terms of the waiver agreement, the aggregate amount of all Deferred Interest Payments shall accrue interest at the previously amended annual interest rate of 15% and shall be due and owing on the maturity date. In consideration for entering into the Waiver Agreement, the Company has agreed to pay to the Debenture holders a fee equal to 15% of the aggregate amount of their respective deferred interest payments (the Consideration Fee), which shall be payable on the maturity date, in cash.

The Convertible Debentures were converted into \$4.7 million Series 1 Debentures and into \$5.0 million Series 2 Debentures in February 2017 (with an effective issue date of December 31, 2016), as described further in note 8.

The following table summarizes the accounting for the debentures:

	Liability	Derivative Financial Liability	Total
Balance at January 1, 2016	\$ 9,542,578	\$ -	\$ 9,542,578
Accretion and amortization of debt issuance costs	178,030	-	178,030
Balance at December 31, 2016	\$ 9,720,608	\$ -	\$ 9,720,608

The liability portion is measured at amortized cost and will accrete up to the principal balance at maturity using the effective interest rate method. The accretion, interest paid and amortization of debt issuance costs are charged to finance expense in the consolidated statement of comprehensive income/loss. The derivative financial liability is measured at fair value through profit or loss, with changes to the fair value being recorded in finance expense.

Finance costs in 2016 of \$2,964,460 include the accretion and amortization of debt issuance costs of \$178,030.

10. Other Current Liabilities

(a) On June 9, 2016, the Company closed a secured, non-convertible debenture financing of \$0.39 million. The debenture matures on December 31, 2017 and bears interest at a rate of 15% per annum, calculated and payable in arrears, in cash, on the maturity date. This secured loan ranks equally to the \$9.7 million Convertible debentures (Note 8) and the \$1.0 million non-convertible debenture (Note 9(c)), and ranks in priority to unsecured Loan (Note 9(b)). As at December 31, 2016, \$35,445 interest has been accrued for the unsecured loan. The Loan was converted into a \$62,000 Series 1 Debenture and \$328,000 into a Series 2 Debenture in February 2017 (with an effective issue date of December 31, 2016), as described further in note 8.

(b)

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10. Other Current Liabilities (continued)

- (c) On June 16, 2015, the Company closed an unsecured \$0.4 million loan. This arm's length loan bears interest at a rate of 10% per annum. The lender received 8,000,000 bonus warrants with each bonus warrant exercisable into one common share at a price of \$0.05 per Common Share. The bonus warrants expired on June 16, 2016. The principal amount and all accrued interest was due either on April 30, 2016 or upon the release of the \$2.5 million of restricted cash. This loan is unsecured and ranks subordinate to the \$9.7 million Convertible Debenture (Note 9), the \$1.0 million Debentures (Note 10(c), and the \$0.39 million Debentures (Note 10 (a)). In September 2016, the Company entered an agreement where the loan interest rate was amended from 10% to 15% per annum, and the loan maturity date was extended from April 30, 2016, to December 2016. As at December 31, 2016, \$77,399 of interest has been accrued for the unsecured loan. The loan, including accrued interest was repaid in January 2017.
- (d) On November 4, 2015, the Company closed a secured, non-convertible debenture financing of \$1.0 million with an arm's length lender. The debenture matured on April 10, 2016, and bears interest at a rate of 15% per annum, calculated and payable in arrears, in cash, on the maturity date. No warrants were issued in conjunction with this financing. This secured loan ranks equally to the \$9.7 million Convertible Debentures (Note 9) and \$0.39 million Debentures (Note 10(a)), and ranks in priority to unsecured loan (Note 10(b)). As at December 31, 2016, \$200,906 of interest has been accrued for the secured debenture. The secured non-convertible debenture maturity date was extended from April 10, 2016, to December 31, 2016. The secured non-convertible debenture was converted into a Series 2 Debenture in February 2017 (Note 8).

11. Decommissioning Obligations

The following table presents the reconciliation of the beginning and ending aggregate carrying amount of the estimated obligation associated with the decommissioning of oil and natural gas properties.

	December 31, 2017	December 31, 2016
Obligation, beginning of year	\$ 1,406,733	\$ 1,433,274
Disposal	(1,406,733)	-
Accretion expenses	-	20,812
Exchange movements	-	(47,353)
Obligation, end of year	\$ -	\$ 1,406,733
Current portion of the obligation held for sale (Notes 1 and 6)	\$ -	\$ 1,406,733
Long-term portion of the obligation	-	-
	\$ -	\$ 1,406,733

The undiscounted amount of cash, required to settle the current decommissioning obligations on the Koba-1 and Kamar-1 wells, adjusted for inflation, was estimated at \$1,420,000. The obligations were calculated using a risk free discount rate of 1.50 percent and an inflation rate of 2.0 percent (as of December 31, 2016 and January 1, 2016).

As disclosed in Notes 1 and 6, Sound assumed the decommissioning obligations upon closing of the sale transaction on January 9, 2017. As a result, at December 31, 2016 the assets were classified as held for sale and the related liability became a current liability.

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12. Share Capital

(a) Authorised

Unlimited number of Common Shares without nominal or par value.

(b) Issued

	December 31, 2017		December 31, 2016	
	Issued	Amounts	Issued	Amounts
Common Shares				
Opening balance	105,223,923	\$ 74,283,414	105,223,923	\$ 74,283,414
Debt settlement (i)	2,606,941	174,210	-	-
Debt settlement (ii)	1,000,000	80,000	-	-
Series 1 conversion (iii)	47,000,000	2,820,000	-	-
Balance, end of year	155,830,864	77,357,624	105,223,923	74,283,414
Warrants (ii)				
Opening balance	-	\$ -	27,700,000	\$ -
Expired	-	-	(27,700,000)	-
Balance, end of year	-	-	-	-
		\$ 77,357,624		\$ 74,283,414

(i) On March 16, 2017, the Company issued 2,606,941 shares at a price of \$0.07875 per to settle \$2,258,298 of debts

(ii) On August 11, 2017 the Company issued 1,000,000 shares to settle \$325,000 of debts. As a result of the Company's shares trading at \$0.08 on the issue date, \$80,000 was allocated to share capital resulting in a \$245,000 gain on debt settlement.

(iii) On December 20, 2017, holders of 2,820,000 Series 1 convertible debentures converted their debenture holdings into common shares at a price of CAD \$0.06.

(c) Stock options

The Company has a stock option plan that provides for the issuance to its directors, officers, employees and consultants options to purchase from treasury a number of common shares not exceeding 10% of the common shares that are outstanding from time to time, which is the number of shares reserved for issuance under the plan. The options vest at various rates as determined by the Board. The maximum term of the options is five years. The options are non-transferable if not exercised. A summary of the status of the Company stock option plan as at December 31, 2017 and December 31, 2016 and changes during the respective periods ended on those dates is presented below:

Stock Options	December 31, 2017		December 31, 2016	
	Number of options	Weighted average Exercise Price	Number of options	Weighted average exercise price
Beginning of year	10,522,142	\$0.30	10,522,142	\$0.30
Granted	900,000	\$0.09	-	-
Exercised	-	-	-	-
Expired/Forfeited	(712,142)	1.16	-	-
End of year	10,710,000	\$0.22	10,522,142	\$0.30
Exercisable, end of year	10,710,000	\$0.22	9,468,809	\$0.30

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12. Share Capital (continued)

(c) Stock options (continued)

Date of Grant	Number Outstanding	Exercise Price	Weighted Average Remaining Contractual Life	Date of Expiry	Number Exercisable December 31, 2017
January 15, 2013 (i)	1,570,000	\$0.70	0.04 years	January 15, 2018	1,570,000
April 30, 2014	3,160,000	\$0.30	1.33 years	April 30, 2019	3,160,000
July 22, 2015	5,080,000	\$0.05	2.56 years	July 22, 2020	5,080,000
May 18, 2017	900,000	\$0.09	4.38 years	May 18, 2022	900,000
	10,710,000		1.98 years		10,710,000

(i) *The options expired unexercised.*

The weighted average fair market value per option granted in 2017 was approximately \$0.06 (2016 - \$0.012) (CAD) was estimated using the Black-Scholes option pricing model with the following assumptions: dividend yield – nil, expected volatility 100%, risk free rate – 1.4%, expected life - 5 years, an estimated forfeiture rate – 5% and utilising the graded option method.

13. Commitments and Contingencies

(a) From time to time, the Company may be involved in litigation or has claims sought against it in the normal course of business operations. Management of the Company is not currently aware of any claims or actions that would materially affect the Company's reported financial position or results from operations.

Under the terms of certain agreements and the Company's by-laws the Company indemnifies individuals who have acted at the Company's request to be a director and/or officer of the Company, to the extent permitted by law, against any and all damages, liabilities, costs, charges or expenses suffered by or incurred by the individuals as a result of their service.

(b) Zag licence

The Company committed to its percentage share of further geophysical studies and the drilling of one exploration well, subject to receiving and approving a satisfactory proposal from the operator, as per the terms of the First Extension Period. Following the joint venture not completing the minimum work commitment of the First Extension Period, a twelve month extension to the First Extension Period to May 2016, was agreed by the joint venture. During the twelve month extension the Company continued to seek a mutually agreed technical, commercial and financial proposal to reduce its financial exposure insofar as possible. As at December 31, 2017, the Company continues to accrue \$0.75 million (US\$0.6 million) penalty costs based on its working interest in the joint venture but challenges its obligation to pay such amount and has notified ONHYM that a "force majeure" has occurred pursuant to the Zag Petroleum Agreement due to financial, commercial and operational challenges on the licence over a number of years. The Company will seek to work with ONHYM and the Operator to expedite a mutually agreed resolution, however reserves the right to preserve its rights, which may include legal arbitration. Initially US\$1.2 million was accrued for the Company's share of estimated penalty costs per the Exploration Licence First Extension Period, with the US\$0.6 million of restricted cash lodged as a bank guarantee being available to offset the penalty. In March 2017, ONHYM issued a demand notice and claimed the \$0.8 million (US\$0.6 million) of restricted cash.

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14. Financial Instruments

The Company may hold various forms of financial instruments. The nature of these instruments and the operations expose the Company to credit and foreign exchange risks. The Company manages its exposure to these risks by operating in a manner that minimizes its exposure to the extent practical.

(a) Credit Risk

Credit risk is the risk that arises when a party to a financial instrument will be unable to discharge its obligations as they become due. The financial assets exposed to credit risk are cash and cash equivalents, restricted cash, and other current assets. Cash and cash equivalents and restricted cash is placed with major financial institutions. The maximum credit risk is approximate to the carrying value of such financial instruments. Management assesses quarterly if there should be any impairment of the financial assets of the Company. At December 31, 2017, none of the financial assets are considered to be impaired.

(b) Market Risk

Market risk is comprised of two components: currency risk and interest rate risk, discussed separately below.

(c) Interest Risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. The Company is not currently exposed to interest rate risk as it borrows funds at a fixed coupon rate of 10% on the Series 1 convertible debentures and 15% on the Series 2 on-convertible as disclosed in Note 8.

(d) Foreign Currency Exchange Risk

The Company operates on an international basis and therefore foreign exchange risk exposures arise from transactions denominated in currencies other than Canadian Dollar. The Company is exposed to foreign currency fluctuations as it holds cash and incurs expenditures in property and equipment in foreign currencies. The Company incurs expenditures in Pound Sterling, Euros, Moroccan Dirhams and United States Dollars and is exposed to fluctuations in exchange rates in these currencies. There are no exchange rate contracts in place at December 31, 2017 and 2016. The Company had nominal foreign currency cash balances at December 31, 2017.

(e) Fair Value of Financial Instruments

The Company classifies the fair value of these financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

- Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.
- Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.
- Level 3 – Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

Cash and cash equivalents and investments in securities have been classified as level 1.

At inception, the fair market value per option was approximately \$0.02 and this was estimated using the Black-Scholes option pricing model with the following assumptions: dividend yield – nil, expected volatility 70%, risk free rate – 1.4%, expected life - 1 years, an estimated forfeiture rate – 0% and utilizing the graded option method.

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14. Financial Instruments - continued

All financial assets (except for cash and cash equivalents and restricted cash which are classified as FVPL), are classified as loans and receivables and are accounted for on an amortised cost basis. Investments in marketable securities are classified as available for sale and carried at fair value. All financial liabilities are classified as other liabilities other than the warrants attributed to equity financing which are classified as FVPL. There have been no changes to the aforementioned classifications during the year.

(f) Liquidity Risk

Liquidity risk includes the risk that, as a result of the operational liquidity requirements:

- The Company may not have sufficient funds to settle a transaction on the due date;
- The Company may be forced to sell financial assets at a value which is less than what they are worth; or
- The Company may be unable to settle or recover a financial asset.

15. Compensation to Key Management Personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company's key management personnel are its directors and executive officers. Key management personnel compensation is comprised of the following:

	December 31, 2017	December 31, 2016
Executives and Executive Directors	\$ 390,573	\$ 744,051
Non-Executive Directors	184,901	238,320
Benefits and other personnel costs	-	9,477
Share based compensation	75,098	87,421
Total remuneration	\$ 650,572	\$ 1,079,269

Personnel expenses are recorded in general and administrative expenses.

16. Capital Risk Management

The Company manages its capital with the objective to continue as a going concern, create investor confidence, and meet its commitments and to strengthen its working capital position. The capital structure of the Company is composed of debt and equity. The Company's current strategy is to access capital by liquidating the Sound shares and if required through equity issuances, in order to maintain financial flexibility and to develop a future business. The Company manages its capital structure and makes adjustments relative to changes in economic conditions and the Company's risk profile.

In order to maintain the capital structure, the Company may from time to time issue shares and adjust its capital spending to manage current working capital levels. The Company is not currently subject to any externally imposed covenants.

The Company's capital includes the following:

	December 31, 2017	December 31, 2016
Series 1 and 2 debentures	\$ 8,160,700	\$ -
Convertible debentures	-	9,720,608
Other current liabilities	-	1,791,379
Shareholder equity (deficiency)	3,897,064	(10,377,958)
	\$ 12,057,764	\$ 1,134,029

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As at December 31, 2017, 2016 and January 1, 2016 and for the years ended December 31, 2017 and 2016

17. Adjustment of previously reported financial information due to change in presentation currency

For comparative purposes, the statement of financial position as at December 31 2016 and January 1, 2016 includes adjustments to reflect the change in accounting policy resulting from the change in presentation currency to Canadian dollars. The amounts previously reported in US Dollars as shown below have been translated into CAD dollars at the December 31 2016 and January 1, 2016 exchange rate of 1.344 CAD:USD and 1.3896 USD:CAD, respectively. The effect of the translation is as follows:

As at December 31, 2016	As previously reported USD	As translated at a rate of 1.344
Current assets	\$ 9,297,436	\$ 12,492,872
Non-current	-	-
Total Assets	\$ 9,297,436	\$ 12,492,872
Current liabilities	\$ 17,020,913	\$ 22,870,830
Non-current liabilities	-	-
Total liabilities	17,020,913	22,870,830
<hr/>		
As at January 1, 2016	As previously reported USD	As translated at a rate of 1.3896
Current assets	\$ 3,421,302	\$ 4,754,241
Non-current	6,832,522	9,494,473
Total Assets	\$ 10,253,824	\$ 14,248,714
Current liabilities	\$ 12,724,890	\$ 17,682,508
Non-current liabilities	1,031,429	1,433,274
Total liabilities	\$ 13,756,319	\$ 19,115,752

For comparative purposes, the Consolidated Statements of Operations and Comprehensive Loss for the year ended December 31 2016 includes adjustments to reflect the change in accounting policy resulting from the change in presentation currency to US dollars. The amounts previously reported in Canadian Dollars as shown below have been translated into US dollars at the average 2016 exchange rate of 1.324 CAD:USD. The effect of the translation is as follows:

For the year ended December 31, 2016	As previously reported USD	As translated at a rate of 1.32
Administrative	\$ 1,735,758	\$ 2,297,143
Share based compensation	65,058	87,421
Depreciation	4,566	6,135
Accretion of decommissioning obligation	15,489	20,812
Impairment of property and equipment	28,478	38,266
Finance costs	2,239,018	2,964,460
Foreign exchange loss (gain)	203,600	352,722
Finance income	(5,927)	(7,847)
Net loss and comprehensive loss	\$ (4,286,040)	\$ (5,759,112)
<hr/>		
Net loss per share		
- Basic and diluted	\$ (0.04)	\$ (0.05)

PetroMaroc Corporation plc
Notes to Consolidated Financial Statements
In Canadian Dollars

As at December 31, 2017, 2016 and January 1, 2016 and for the years ended December 31, 2017 and 2016

18. Subsequent Events

Except as disclosed elsewhere in these consolidated financial statements the Company had the following subsequent events:

- (a) On February 6, 2018, PetroMaroc had paid in full the outstanding obligations owing by the Company under the Series 1, 10% secured convertible redeemable debentures and the Series 2, 15% secured redeemable debentures which were issued effective December 31, 2016. The aggregate principal and accrued interest owing under the Debentures on January 31, 2018 (the "Maturity Date") was \$9,783,218, comprised of \$2,425,866 in respect of the Series 1 Debentures and \$7,357,352 in respect of the Series 2 Debentures. The Company satisfied the obligations owing under the Debentures by transferring to the holders of the Debentures an aggregate of 11,284,801 ordinary shares of Sound Energy plc, and a cash payment of \$272,729. Subsequent to the allocation to the debenture holders in February 2018, the Company held 4,658,705 Sound Energy plc ordinary shares.
 - (b) On March 30, 2018, subject to the approval of the TSX Venture Exchange, the Company issued 5,000,000 options exercisable at \$0.05 expiring on March 30, 2023. Of the issue, 5,000,000 options were approved by the TSX Venture Exchange.
 - (c) In April 2018, the Company disposed of 2,000,000 Sound shares, at an average price of GBP 45 pence per share, with the cash proceeds totaling \$1,611,740. Subsequent to the disposal the Company now holds 2,658,705 Sound Energy plc ordinary shares.
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PetroMaroc Corporation plc
Interim Condensed Consolidated Financial Statements
June 30, 2018
(Unaudited)

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PetroMaroc Corporation plc
Condensed Consolidated Statements of Financial Position
In Canadian Dollars
(Unaudited)

	Notes	June 30, 2018		December 31, 2017
Assets				
Current				
Cash and cash equivalents		\$ 3,343,812	\$	766,428
Other current assets		45,134		29,028
Investment in securities	3	-		13,633,031
Total Assets		\$ 3,388,946	\$	14,428,487
Liabilities				
Current				
Accounts payable and accrued liabilities		\$ 961,108	\$	2,370,723
Series 1 and 2 debentures	4	-		8,160,700
		961,108		10,531,423
Shareholders' Equity				
Share capital	5	77,357,624		77,357,624
Share based payment reserve	5(c)	7,120,974		7,005,532
Deficit		(78,861,254)		(78,072,178)
Accumulated comprehensive loss		(3,189,506)		(2,393,914)
		2,427,838		3,897,064
Total Liabilities and Shareholders' Equity		\$ 3,388,946	\$	14,428,487

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

PetroMaroc Corporation plc
Condensed Consolidated Statements of Operations and
Comprehensive (Loss) Income
In Canadian Dollars
(Unaudited)

	Notes	Three Months Ended June 30,		Six Months Ended June 30,	
		2018	2017	2018	2017
			<i>(Note 10)</i>		<i>(Note 10)</i>
Expenses					
Administrative	\$	254,152	\$ 369,397	\$ 469,115	\$ 634,594
Share based compensation		-	59,254	115,442	72,251
Finance costs		-	641,300	204,276	1,254,327
Foreign exchange loss (gain)		19,598	(177,429)	43,867	(67,848)
		<u>273,750</u>	<u>892,522</u>	<u>832,700</u>	<u>1,893,324</u>
Other income (loss)					
Gain on assets held for sale		-	-	-	14,144,355
Loss on disposition of investments		-	-	-	(81,716)
Gain on settlement of trade payables		-	568,183	-	1,974,893
Derivative loss		-	(2,774,932)	-	(1,853,458)
Finance income		43,279	475	43,624	1,086
		<u>43,279</u>	<u>(2,206,274)</u>	<u>43,624</u>	<u>14,185,160</u>
Net (loss) income for the period		(230,471)	(3,098,796)	(789,076)	12,291,836
Other comprehensive (loss) income					
(Loss) gain on revaluation of investment	3	<u>(628,062)</u>	39,925	<u>(795,592)</u>	899,776
Net and comprehensive (loss) income for the period		\$ (858,533)	\$ (3,058,871)	\$ (1,584,668)	\$ 13,191,612
Net (loss) income per share					
- Basic		\$ (0.00)	\$ (0.03)	\$ (0.01)	\$ 0.12
- Diluted		\$ (0.00)	\$ (0.03)	\$ (0.01)	\$ 0.08
Weighted average shares outstanding					
- Basic		155,830,864	107,830,864	155,830,864	106,748,983
- Diluted ⁽¹⁾		155,830,864	107,830,864	155,830,864	165,951,745
⁽¹⁾ The options and warrants have been excluded from the diluted loss per share computation as they are anti-dilutive					

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

PetroMaroc Corporation plc
Condensed Consolidated Statements of Changes in Shareholders' Equity
In Canadian Dollars
(Unaudited)

	Share Capital	Accumulated comprehensive income (loss)	Share Based Payment Reserve	Deficit	Total Equity
Balance, December 31, 2017	\$ 77,357,624	\$ (2,393,914)	\$ 7,005,532	\$ (78,072,178)	\$ 3,897,064
Net loss	-	-	-	(789,076)	(789,076)
Loss on revaluation of investment	-	(795,592)	-	-	(795,592)
Share-based payments	-	-	115,442	-	115,442
Balance, June 30 2018	\$ 77,357,624	\$ (3,189,506)	\$ 7,120,974	\$ (78,861,254)	\$ 2,427,838

	Share Capital	Accumulated comprehensive income (loss)	Share Based Payment Reserve	Deficit	Total Equity
Balance, December 31, 2016	\$ 74,283,414	\$ 160,801	\$ 6,930,434	\$ (91,752,607)	\$ (10,377,958)
Net income	-	-	-	12,291,836	12,291,836
Gain on revaluation of investment	-	899,776	-	-	899,776
Share-based payments	-	-	72,251	-	72,251
Balance, June 30, 2017	\$ 74,283,414	\$ 1,060,577	\$ 7,002,685	\$ (79,460,771)	\$ 2,885,905

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

PetroMaroc Corporation plc
Condensed Consolidated Statements of Cash Flows
In Canadian Dollars
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Cash flows from (used in) operating activities				
Net (loss) income for the period	\$ (230,471)	\$ (3,098,796)	\$ (789,076)	\$ 12,291,836
Items not involving cash:				
Foreign exchange loss	5,647	59,910	8,047	212,409
Stock based compensation	-	59,254	115,442	72,251
Gain on settlement of trade payables	-	(568,252)	-	(1,974,893)
Gain on sale of exploration and evaluation assets	-	-	-	(14,144,355)
Loss on disposition of investments	-	-	-	81,716
Non-cash finance costs	-	284,965	108,900	541,657
Derivative loss	-	2,774,932	-	1,853,458
Changes in non-cash working capital balances:				
Other current assets	(12,564)	2,251	(18,106)	30,990
Accounts payable and accrued liabilities	(8,188)	(206,726)	(164,073)	(5,343,743)
Cash flow used in operating activities	<u>(245,576)</u>	<u>(692,462)</u>	<u>(738,866)</u>	<u>(6,378,674)</u>
Cash flows from (used in) investing activities				
Proceeds from the sale of investments	3,316,250	-	3,316,250	5,314,361
Repayment of unsecured loan	-	-	-	(400,000)
Cash flows from (used in) investing activities	<u>3,316,250</u>	<u>-</u>	<u>3,316,250</u>	<u>4,914,361</u>
Increase (decrease) in cash and cash equivalents	3,070,674	(692,462)	2,577,384	(1,464,313)
Cash and cash equivalents, beginning of period	<u>273,138</u>	<u>2,010,457</u>	<u>766,428</u>	<u>2,782,398</u>
Cash and cash equivalents, end of period	\$ 3,343,812	\$ 1,317,995	\$ 3,343,812	\$ 1,318,085
Supplemental Information				
Interest paid	\$ -	\$ -	\$ 272,729	\$ -
Corporate Taxes paid	\$ -	\$ -	\$ -	\$ -

The accompanying notes are an integral part of these interim condensed consolidated financial statements.

PetroMaroc Corporation plc
Notes to the Condensed Consolidated Financial Statements
In Canadian Dollars
(Unaudited)

June 30, 2018

1. Corporate Information and Corporate Transaction

PetroMaroc Corporation plc (“PetroMaroc” or “the Company”), is a publicly traded corporation on the TSX Venture Exchange (“TSX-V”) under the trading symbol PMA. The Company was engaged in the evaluation, acquisition, exploration and development of oil and gas properties in Morocco until January 2017.

PetroMaroc is a Jersey limited company governed by the Companies (Jersey) Law 1991 (the “CJL”). The registered office of the Company is located at Queensway House, St Helier, Jersey, Channel Islands.

2. Basis of Presentation

Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34 Interim Financial Reporting. These condensed consolidated financial statements were authorised for issue by the Board of Directors on August 28, 2018. They do not contain all disclosures required by International Financial Reporting Standards (“IFRS”) for annual financial statements and, accordingly, should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2017.

These condensed consolidated financial statements have been prepared on the historical cost basis, except for financial assets and liabilities recorded in accordance with IFRS 9. The condensed consolidated financial statements have been prepared using the same accounting policies and methods as the consolidated financial statements for the year ended December 31, 2017, except for the adoption of new accounting pronouncements as discussed below.

New accounting pronouncements

IFRS 9 – Financial Instruments

IFRS 9 contains three classifications for financial assets: amortized cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL). The new classifications are based on an entity’s business model for managing financial assets and the contractual cash flow characteristics of the financial asset. The previous IAS 39 Financial Instruments: Recognition and Measurement classifications of held to-maturity, loans and receivables and available-for-sale have been eliminated. In addition, IFRS 9 replaces the “incurred loss” model in IAS 39 with an “expected credit loss” impairment model that applies to financial assets measured at amortized cost. Under IFRS 9, credit losses, if any, may be recognized earlier than under IAS 39.

Under IAS 39, assets held for trading were measured at fair value with gains and losses recorded in other comprehensive income. Gains and losses were reclassified to net income when disposed. Under IFRS 9 gains and losses arising on equity investments designated at FVTOCI are never reclassified.

On January 1, 2018 PetroMaroc adopted IFRS 9 Financial Instruments as issued by the IASB using the modified retrospective approach.

PetroMaroc has revised the description of its accounting policy for financial instruments to reflect the new classification approach as follows:

- Fair value through profit or loss: Financial instruments under this classification include cash and cash equivalents.
- Fair value through other comprehensive income: Financial instruments under this classification include the investment in Securities (Note 3).
- Amortized cost: Financial instruments under this classification include other current assets and accounts payable and accrued liabilities.

At the date of initial application, the Company designated the available for sale investment as an equity investment at fair value through other comprehensive income, as it falls outside the definition of held for trading.

PetroMaroc Corporation plc
Notes to the Condensed Consolidated Financial Statements
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June 30, 2018

2. Basis of Presentation (continued)

As the investment was previously recorded at fair value there was no adjustment to the carrying amount in the Company's financial statements. The implementation of IFRS 9 did not impact the treatment of the realized loss on disposal of the investments previously recorded.

Presentation and functional currency

The interim condensed consolidated financial statements are presented in Canadian dollars, which is PatroMaroc's functional currency.

The Company changed its functional currency from US Dollars ("USD") to Canadian dollars ("CAD") with effect from January 1, 2017. This change was triggered by the completion of the reorganization with respect to the disposition of its oil and gas properties in early 2017 and reorganization of the Company's debts. The opening statement of financial position of PetroMaroc was translated to USD at the January 1, 2018 rate of 1.3437 CAD per 1.0 USD. Transactions impacting the consolidated statement of operations and comprehensive income were translated to CAD dollar using rates which approximate the rates at the date of transaction. The resulting gains and losses were recorded in the consolidated statement of operations and comprehensive income (loss).

In 2017, the Company changed its presentation currency from the US Dollar to Canadian dollars ("CAD"). The change in presentation currency is to better reflect the Company's business activities given change in functional currency discussed above. In making this change to the CAD presentation currency, the Company followed the guidance in IAS 21 *The Effects of Changes in Foreign Exchange Rates* and have applied the change retrospectively as if the new presentation currency had always been the Company's presentation currency. In accordance with IAS 21, the 2017 comparative balances were translated at the average exchange rates for the reporting period, or at the exchange rates prevailing at the date of transactions.

Going concern assumption

These interim condensed consolidated financial statements have been prepared on a going concern basis, under which the Company is assumed to be able to realize its assets and discharge its liabilities in the normal course of operations, which is subjective. At June 30, 2018, the Company had a working capital surplus of approximately \$2.43 million and the Company does not have any active business operations. Accordingly, the Company is expected to have sufficient funds for at least the next twelve months.

Use of estimates and judgments

The preparation of financial statements requires management to make estimates and use judgment regarding the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities as at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the period. By their nature, estimates are subject to measurement uncertainty and changes in such estimates in future periods could require a material change in the financial statements. Accordingly, actual results may differ from the estimated amounts as future confirming events occur. Significant estimates and judgments made by the directors in the preparation of these consolidated financial statements are as follows:

- i. The consolidated financial statements include accruals and provisions based on management's interpretation of the terms of existing licence terms and commitments. Best available information is used to determine the accruals at each period end. The Company is at varying stages of negotiations with certain partners to settle differences in opinion of the obligations of each party under existing agreements. The accruals made by management in this regard may be significantly different from those determined by the Company's partners or amounts agreed to as a result of negotiations. The effect on the consolidated financial statements resulting from such adjustments, if any, may be material and will be reflected prospectively.
- ii. Tax interpretations, regulations and legislation in the various jurisdictions in which the Company operates are subject to change. Therefore, income taxes are subject to measurement uncertainty. Deferred income tax assets are assessed by management at the end of the reporting period to determine the likelihood that they will be realised from future taxable earnings. The Company has yet to record any deferred tax assets or liabilities.

PetroMaroc Corporation plc
Notes to the Condensed Consolidated Financial Statements
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June 30, 2018

3. Investment in Securities

At December 31, 2017, PetroMaroc held 15,943,506 ordinary shares of Sound Energy plc ("Sound"). The Sound shares trade on the Alternative Investment Market ("AIM") and are traded in Pounds Sterling. PetroMaroc will receive all proceeds from sale(s) up to 50 pence per consideration share, and sale proceeds in excess of 50 pence per consideration share will be shared equally between PetroMaroc and Sound.

In February 2018, the Company allocated 11,284,801 Sound shares to settle amounts due to the Series 1 and 2 debenture holders (Note 4) and the related accrued interest. The fair value of the shares at the time of the debt settlement was \$9,515,542.

In April 2018, the Company disposed of 2,000,000 Sound shares, at an average price of GBP 45 pence per share, with the cash proceeds totaling \$1,611,740. In May 2018 the Company disposed the remaining 2,658,705 Sound shares, at an average price of GBP 37 pence per share, with the cash proceeds totaling \$1,704,510. Since the shares were sold below 50 pence there is no amount payable to Sound.

4. Series 1 and 2 Debentures

The Series 1 New Debentures bear interest at the rate of 10% per annum and are convertible, at the option of the holder, into ordinary shares of the Company at a conversion price equal to \$0.06 per share in the first 12 months of the term (January 1, 2017 to December 31, 2017) and \$0.10 per share in the last month of the term (January 1, 2018 to January 31, 2018). The Series 2 New Debentures bear interest at the rate of 15% per annum, with no right to convert into ordinary shares of the Company. The Series 1 New Debentures and the Series 2 New Debentures have an effective issue date of December 31, 2016, being the amended maturity date of the original Debentures. The Series 1 New Debentures and the Series 2 New Debentures rank pari passu with each other. The \$4,762,400 Series 1 New Debentures and \$6,327,600 Series 2 New Debentures with interest were due on January 31, 2018.

The following table summarizes the accounting for the Series 1 New Debentures:

	Liability	Derivative Financial Liability	Total
Balance at December 31, 2017	\$ 1,833,100	\$ -	\$ 1,833,100
Accretion and amortization of debt issuance costs	108,900	-	108,900
Repaid	(1,942,000)	-	(1,942,000)
Balance at June 30, 2018	\$ -	\$ -	\$ -

The following table summarizes the accounting for the Series 2 New Debentures:

	Liability	Derivative Financial Liability	Total
Balance at December 31, 2017	\$ 6,327,600	\$ -	\$ 6,327,600
Repaid	(6,327,600)	-	(6,327,600)
Balance at June 30, 2018	\$ -	\$ -	\$ -

The Company incurred finance costs of \$204,276 for the period ended June 30, 2018, of which \$95,376 relates to interest accrued on the Series 1 New Debentures and the Series 2 New Debentures and \$108,900 relates to the accretion and amortization of debt issuance costs of the Series 1 New Debentures (as detailed above).

PetroMaroc Corporation plc
Notes to the Condensed Consolidated Financial Statements
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June 30, 2018

5. Share Capital

(a) Authorised
 Unlimited number of Common Shares without nominal or par value.

(b) Issued

	June 30, 2018	
	Issued	Amounts
Common Shares		
Opening and ending balance	155,830,864	\$ 77,357,624

(c) Stock options

The Company has a stock option plan that provides for the issuance to its directors, officers, employees and consultants options to purchase from treasury a number of common shares not exceeding 10% of the common shares that are outstanding from time to time, which is the number of shares reserved for issuance under the plan. The options vest at various rates as determined by the Board. The maximum term of the options is five years. The options are non-transferable if not exercised. A summary of the status of the Company stock option plan as at June 30, 2018 and December 31, 2017 and changes during the respective periods ended on those dates is presented below:

	June 30, 2018	
	Number of options	Weighted average Exercise Price
Stock Options		
Beginning of period	10,710,000	\$0.22
Granted	5,000,000	0.05
Exercised	-	-
Expired	(1,570,000)	0.70
End of period	14,140,000	\$0.11
 Exercisable, end of period	 14,140,000	 \$0.11

Date of Grant	Number Outstanding	Exercise Price	Weighted Average Remaining Contractual Life	Date of Expiry	Number Exercisable June 30, 2018
April 30, 2014	3,160,000	\$0.30	0.83 years	April 30, 2019	3,160,000
July 22, 2015	5,080,000	\$0.05	2.06 years	July 22, 2020	5,080,000
May 18, 2017	900,000	\$0.09	3.88 years	May 18, 2022	900,000
March 30, 2018	5,000,000	\$0.05	4.75 years	March 30, 2023	5,000,000
	14,140,000		2.85 years		14,140,000

The weighted average fair market value per option granted in 2018 was approximately \$0.02 and was estimated using the Black-Scholes option pricing model with the following assumptions: dividend yield – nil, expected volatility 100%, risk free rate – 1.6%, expected life - 5 years, an estimated forfeiture rate – 5% and utilising the graded option method.

PetroMaroc Corporation plc
Notes to the Condensed Consolidated Financial Statements
In Canadian Dollars
(Unaudited)

June 30, 2018

6. Commitments and Contingencies

- (a) From time to time, the Company may be involved in litigation or has claims sought against it in the normal course of business operations. Management of the Company is not currently aware of any claims or actions that would materially affect the Company's reported financial position or results from operations.

Under the terms of certain agreements and the Company's by-laws the Company indemnifies individuals who have acted at the Company's request to be a director and/or officer of the Company, to the extent permitted by law, against any and all damages, liabilities, costs, charges or expenses suffered by or incurred by the individuals as a result of their service.

- (b) Zag licence

The Company committed to its percentage share of further geophysical studies and the drilling of one exploration well, subject to receiving and approving a satisfactory proposal from the operator, as per the terms of the First Extension Period. Following the joint venture not completing the minimum work commitment of the First Extension Period, a twelve-month extension to the First Extension Period to May 2016, was agreed by the joint venture. During the twelve-month extension the Company continued to seek a mutually agreed technical, commercial and financial proposal to reduce its financial exposure insofar as possible. As at June 30, 2018, the Company continues to accrue approximately \$0.78 million (US\$0.6 million) in penalty costs based on its working interest in the joint venture but challenges its obligation to pay such amount and has notified ONHYM that a "force majeure" has occurred pursuant to the Zag Petroleum Agreement due to financial, commercial and operational challenges on the licence over a number of years. The Company will seek to work with ONHYM and the Operator to expedite a mutually agreed resolution, however reserves the right to preserve its rights, which may include legal arbitration.

7. Financial Instruments

The Company may hold various forms of financial instruments. The nature of these instruments and the operations expose the Company to credit and foreign exchange risks. The Company manages its exposure to these risks by operating in a manner that minimizes its exposure to the extent practical.

- (a) Credit Risk

Credit risk is the risk that arises when a party to a financial instrument will be unable to discharge its obligations as they become due. The financial assets exposed to credit risk are cash and cash equivalents, and other current assets. Cash and cash equivalents is placed with major financial institutions. The maximum credit risk is approximate to the carrying value of such financial instruments. Management assesses quarterly if there should be any impairment of the financial assets of the Company. At June 30, 2018, none of the financial assets are considered to be impaired.

- (b) Market Risk

Market risk is comprised of two components: currency risk and interest rate risk, discussed separately below.

- (c) Interest Risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. The Company is not currently exposed to interest rate risk as it has no borrowings.

PetroMaroc Corporation plc
Notes to the Condensed Consolidated Financial Statements
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(Unaudited)

June 30, 2018

7. Financial Instruments (continued)

(d) Foreign Currency Exchange Risk

The Company operates on an international basis and therefore foreign exchange risk exposures arise from transactions denominated in currencies other than Canadian Dollar. The Company is exposed to foreign currency fluctuations as it holds cash and incurs expenditures in property and equipment in foreign currencies. The Company incurs expenditures in Pound Sterling, Euros, Moroccan Dirhams and United States Dollars and is exposed to fluctuations in exchange rates in these currencies. There are no exchange rate contracts in place at June 30, 2018 and December 31, 2017. The Company had nominal foreign currency cash balances at June 30, 2018 and December 31, 2017.

(e) Fair Value of Financial Instruments

The Company classifies the fair value of these financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

- Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.
- Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.
- Level 3 – Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

Cash and cash equivalents and investments in securities have been classified as level 1 and are carried at fair value.

All other financial liabilities are classified as loans and are accounted for on an amortised cost basis. There have been no changes to the aforementioned classifications since the adoption of IFRS 9, as discussed in Note 2.

(f) Liquidity Risk

Liquidity risk includes the risk that, as a result of the operational liquidity requirements:

- The Company may not have sufficient funds to settle a transaction on the due date;
 - The Company may be forced to sell financial assets at a value which is less than what they are worth; or
 - The Company may be unable to settle or recover a financial asset.
-

PetroMaroc Corporation plc
Notes to the Condensed Consolidated Financial Statements
In Canadian Dollars
(Unaudited)

June 30, 2018

8. Capital Risk Management

The Company manages its capital with the objective to continue as a going concern, create investor confidence, and meet its commitments and to strengthen its working capital position. The capital structure of the Company is composed of debt and equity. The Company's current strategy is to access capital by liquidating the Sound shares and if required through equity issuances, in order to maintain financial flexibility and to develop a future business. The Company manages its capital structure and makes adjustments relative to changes in economic conditions and the Company's risk profile.

In order to maintain the capital structure, the Company may from time to time issue shares and adjust its capital spending to manage current working capital levels. The Company is not currently subject to any externally imposed covenants.

The Company's capital includes the following:

	June 30, 2018	December 31, 2017
Series 1 and 2 debentures	\$ -	\$ 8,160,700
Shareholder equity	2,427,838	3,897,064
	\$ 2,427,838	\$ 12,057,764

9. Proposed Transaction

PetroMaroc has entered into a Letter of Intent ("LOI") dated June 1, 2018, to combine with Wolverine Energy and Infrastructure Inc. ("Wolverine"). Pursuant to the LOI, it is proposed that PetroMaroc and Wolverine will enter into a definitive agreement in respect of a business combination, which is anticipated to constitute a reverse takeover and a change of business.

Prior to the completion of the proposed transaction, PetroMaroc will effect a consolidation for all of the issued and outstanding shares of PetroMaroc on an approximate one-new-for-16-old basis. The closing date of the transaction will be subject to obtaining shareholder and regulatory approvals and is anticipated to close in the fourth quarter.

PetroMaroc Corporation plc
Notes to the Condensed Consolidated Financial Statements
In Canadian Dollars
(Unaudited)

June 30, 2018

10. Adjustment of previously reported financial information due to change in presentation currency

For comparative purposes, the Consolidated Statements of Operations and Comprehensive (Loss) Income for the three months and six-month periods ended June 30, 2017 includes adjustments to reflect the change in functional currency effective January 1, 2017 and the accounting policy resulting from the change in presentation currency to US dollars, as discussed in Note 2.

For the three months ended June 30, 2017	As previously reported USD	As translated (Canadian dollars)
Administrative	\$ 274,665	\$ 369,397
Share based compensation	44,058	59,254
Finance costs	262,543	641,300
Foreign exchange loss (gain)	292,517	(177,429)
Gain on settlement of trade payables	(422,472)	(568,183)
Derivative loss	4,089,672	2,774,932
Finance income	(353)	(475)
Net loss for the period	4,540,630	3,098,796
Other comprehensive income		
Unrealized gain on revaluation of securities to fair value	326,946	39,925
Net loss and comprehensive loss	\$ 4,213,684	\$ 3,058,871

For the six months ended June 30, 2017	As previously reported USD	As translated (Canadian dollars)
Administrative	\$ 475,601	\$ 634,594
Share based compensation	54,149	72,251
Finance costs	599,788	1,254,327
Foreign exchange loss (gain)	528,934	(67,848)
Gain on sale of exploration and evaluation assets	(10,722,749)	(14,144,355)
Realized (gain) loss on sale of investments and securities	(7,124)	81,716
Gain on settlement of trade payables	(1,480,097)	(1,974,893)
Derivative loss	4,089,672	1,853,458
Finance income	(814)	(1,086)
Net income for the period	(6,462,640)	(12,291,836)
Other comprehensive income		
Unrealized gain on revaluation of securities to fair value	973,672	899,776
Net income and comprehensive income	\$ (7,436,312)	\$ (13,191,612)

SCHEDULE "F" – MD&A OF PETROMAROC CORPORATION

See attached.

PetroMaroc Corporation plc

Management Discussion and Analysis

This Management Discussion and Analysis (“MD&A”) of the financial condition and results of operations of PetroMaroc Corporation plc (“PetroMaroc” or the “Company”) is dated April 25, 2018 and should be read in conjunction with the audited consolidated financial statements of the Company for the year ended December 31, 2017. These financial statements, including the comparative figures, were prepared in accordance with International Financial Reporting Standards (“IFRS”). Unless otherwise noted, all financial measures are expressed in Canadian dollars. This MD&A contains forward looking information based on the Company’s current expectations and projections.

Additional information relating to the Company is available on SEDAR at www.sedar.com or the Company’s website at www.petromaroc.co

Statements throughout this MD&A that are not historical facts may be considered “forward-looking statements” These forward-looking statements sometimes include words to the effect that management believes or expects a stated condition or result. All estimates and statements that describe the Company’s objectives, goals or future plans are forward-looking statements. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties and actual results could differ materially from those currently anticipated. These risks and uncertainties include, but are not limited to, changes in market conditions, law or government policy, operating conditions and costs, operating performance, demand for oil and gas and related products, price and exchange rate fluctuations, commercial negotiations or other technical and economic factors. Forward-looking statements are based on current expectations, estimates and projections of future production and capital spending as at the date of this MD&A and the Company assumes no obligation to update or revise forward-looking statements to reflect new events or circumstances, except as required by law or accounting standards.

Financial outlook information contained in this MD&A about prospective results of operations, financial position or cash flows is based on assumptions about future events, including economic conditions and proposed course of action, based on the assessment by management of the relevant information currently available. Readers are cautioned that such financial outlook information contained in this MD&A should not be used for purposes other than for which it is disclosed herein.

Sale and Purchase Agreement with Sound Energy

On March 8, 2016, the Company entered into a binding sale and purchase agreement with Sound Energy plc (“Sound”). The agreement, upon completion, would allow Sound to acquire the Company’s Sidi Moktar licences in consideration for issuance to the Company of 21,258,008 shares of Sound and the Company retaining a 10% net profit interest in any future cash flows from the Kechoula structure within the Sidi Moktar licences, and the Company retaining a 5% net profit interest in any future cash flows from structures within the Sidi Moktar licences other than the Kechoula structure. The binding sale and purchase agreement was subject to a number of conditions precedent, including ministerial approvals in Morocco, debenture holder approval and a final approval of the TSX Venture Exchange.

In September 2016, PetroMaroc and Sound entered into an amending agreement, pursuant to which any proceeds from a sale (in whole or in part) of the 21,258,008 Sound ordinary shares to be issued to PetroMaroc as consideration on completion of the acquisition will be shared between PetroMaroc and Sound Energy as follows: PetroMaroc will receive all proceeds from sale(s) up to 50 pence per consideration share and sale proceeds in excess of 50 pence per consideration share will be shared equally between PetroMaroc and Sound. The transaction closed on January 9, 2017 with the Sound shares closing at 75.75 pence as quoted on the Alternative Investment Market (“AIM”).

As a result of completing the transaction with Sound, the Company was able to restructure the \$11.09 million principal amount of the secured debentures. Accordingly, the \$11.09 million was rolled into a new class of secured redeemable, debentures, issuable in series, with all principal and interest due and payable in full on January 31, 2018 (the “New Debentures”). The Series 1 New Debentures bear interest at the rate of 10% per annum and are convertible, at the option of the holder, into ordinary shares of the Company at a conversion price equal to \$0.06 per share in the first 12 months of the term (January 1, 2017 to December 31, 2017) and \$0.10 per share in the last month of the term (January 1, 2018 to January 31, 2018). The Series 2 New Debentures bear interest at the rate of 15% per annum, with no right to convert into ordinary shares of the Company. The Series 1 New Debentures and the Series 2 New Debentures shall bear an effective issue date of December 31, 2016, being the maturity date of the original Debentures. The Series 1 New Debentures and the Series 2 New Debentures shall rank pari passu with each other. The Company issued \$6,327,600 Series 2 New Debentures, and \$4,762,400 Series 1 New Debentures.

In accordance with the terms of the New Debentures, \$4,407,056 being the outstanding accrued interest and fees owing under the Debentures as at December 31, 2016 was paid in February 2017, along with interest and fees totalling \$68,823 being the accrued interest and fees owing under the April 2014, November 2015 and June 2016, \$11.09 million Debentures for the period January 1, 2017 to February 7, 2017 (the “stub” period), which interest cost being accrued and payable in the first quarter of 2017. In order to provide capital for the interest and fees owing and have capital available for general working capital purposes, in February 2017, PetroMaroc disposed of 5,314,502 Sound Energy shares, the proceeds received (net of

transaction costs, and net of proceeds above 50 pence being allocated equally between the Company and Sound Energy) totaled \$5,314,361.

On February 6, 2018, PetroMaroc had paid in full the outstanding obligations owing by the Company under the Series 1, 10% secured convertible redeemable debentures and the Series 2, 15% secured redeemable debentures which were issued effective December 31, 2016. The aggregate principal and accrued interest owing under the Debentures on January 31, 2018 (the "Maturity Date") was \$9,783,218, comprised of \$2,425,866 in respect of the Series 1 Debentures and \$7,357,352 in respect of the Series 2 Debentures. The Company satisfied the obligations owing under the Debentures by transferring to the holders of the Debentures an aggregate of 11,284,801 ordinary shares of Sound Energy plc, and a cash payment of \$272,729.

In April 2018 the Company disposed of 2,000,000 Sound shares, at an average price of GBP 45 pence per share, with the cash proceeds totalling \$1,611,740. Subsequent to the disposal the Company now holds 2,658,705 Sound Energy plc ordinary shares. As of the date of this MD&A, the fair market value to PetroMaroc of the Sound shares is \$2,121,341.

Finally, as a result of completing the corporate restructuring in 2017, the Company changed its presentation currency from the US Dollar to Canadian dollars. The 2017 annual consolidated financial statements are presented in CAD dollars, which is the Company's presentation currency. The change in presentation currency is to better reflect the Company's current business activities.

Selected Annual Information

<i>(\$ thousands, except per share amounts)</i>	For the year ended December 31, 2017	For the year ended December 31, 2016	For the year ended December 31, 2015
Net income (loss)	13,680	(5,759)	(40,654)
Net income (loss) per share – basic and diluted	0.13	(0.05)	(0.39)
- diluted	0.08	(0.05)	(0.39)
Exploration and evaluation expenditures (recovery)	-	(290)	(230)
Working capital surplus (deficit) (i)	3,897	(17,819)	(12,928)
Total assets	14,428	12,493	14,429
Weighted average shares outstanding (000s)	109,101	105,224	104,169
Current shares outstanding at April 25, 2018 (000s)	155,831		
(i) <i>The balance for the year ended December 31, 2016 and the year ended December 31, 2015 excludes the exploration and evaluation assets (held for sale), and decommissioning liabilities (held for sale).</i>			

The Company was in the exploration stage and thus no oil and gas revenues have been generated. In 2017, the net income is related to the Company completing the transaction with Sound resulting in a \$14.14 million gain on the disposal of the exploration and evaluation assets and certain debt settlements \$2.33 million.

In 2016, the net loss in 2016 primarily relates to \$2,264,460 of finance costs related to interest and waiver fees on the secured debentures (to amend the terms of the secured debentures in order to avoid default), and \$2,297,143 of administrative costs. The administrative costs predominantly relate to the aforementioned Sound transaction, corporate restructuring.

Following conclusion of the strategic alternatives process in March 2016, and careful consideration, PetroMaroc recorded a \$37,193,900 impairment of previously capitalised costs on the Sidi Moktar exploration licence in the fourth quarter of 2015. The working capital deficit as at December 31, 2015 is due to the reclassification of \$9,700,000 convertible debentures that were due in April 2016 as a current liability, the classification of \$1,000,000 non-convertible debentures that were due in April 2016 as a current liability, and the classification of the \$400,000 unsecured loan that were due in April 2016 as a current liability.

Administrative Costs

Administrative	For the three months ended		For the twelve months ended	
	December 31,		December 31,	
	2017	2016	2017	2016
Wages	\$ 87,500	\$ 128,277	\$ 463,364	\$ 787,092
Bonus	-	-	-	264,800
Severance	-	-	-	64,447
Professional fees	28,609	139,444	145,518	347,479
Consulting fees	39,434	44,897	568,399	272,770
Director fees	15,875	38,976	64,901	227,331
Stock Fees	17,037	62,718	90,005	119,805
Travel	13,412	12,216	28,861	51,689
Rent	5,170	20,603	31,376	98,377
Bank Charges	1,293	2,021	10,720	21,106
Morocco exit costs	-	(20,022)	(14,182)	26,480
Other	-	-	-	15,767
	\$ <u>208,330</u>	\$ <u>429,130</u>	\$ <u>1,388,962</u>	\$ <u>2,297,143</u>

Administrative costs for the three month period ended December 31, 2017 were 51.5% or \$220,800 lower than the comparative 2016 period. The decrease primarily relates to a reduced professional fees as a result of completing the Sound transaction in January 2017, wages and director fees and rent. Administrative costs for the twelve month period ended December 31, 2017 were 39.5% or \$908,181 lower than the comparative 2016 period. In March 2016, the Company accrued estimated costs associated with the aforementioned Sound transaction of approximately \$238,000, of which, \$132,400 related to Moroccan exit costs. The decrease in administrative costs in the twelve month period is due to the Sound transaction being completed, with ongoing costs being reduced as the Company is currently not actively pursuing exploration activities. The Company is prudently monitoring its administrative expenditures in light of its minimal operational activities whereby all non-essential costs are being eliminated.

Stock Compensation

This expense represents the fair value of the Company stock options at the grant date as options granted under the current plan vest at the date of the grant and are expensed using the graded vesting method. The options are non-transferable. The future expense will vary as it is dependent on the number and vesting provisions of future stock option grants.

Taxes

Presently the Company does not expect to pay corporation taxes in the foreseeable future. However, the current tax horizon will ultimately depend on several factors including equity markets for oil companies, future revenue from the net profits interest, corporate expenses, and both the type and amount of capital expenditures incurred in future reporting periods.

Liquidity and Capital Resources

At December 31, 2017, the Company had a working capital surplus of \$3.9 million, with the Sound consideration shares held at December 31, 2017 as an investment in securities, being valued at fair market value and excluding the derivative liability.

In February 2017, the Company disposed of 5,314,502 Sound Energy shares for net proceeds of \$5,314,361, to provide capital to the Company to meet its obligations for the debentures interest, fees, and for general working capital purposes.

In accordance with the terms of the New Debentures, \$4,407,056 being the outstanding accrued interest and fees owing under the Debentures as at December 31, 2016 was paid in February 2017, along with interest and fees totalling \$68,823 being the accrued interest and fees owing under the April 2014, November 2015 and June 2016, \$11.09 million Debentures for the period January 1, 2017 to February 7, 2017 (the “stub” period).

On February 15, 2017, the Company completed the restructuring of the \$11.09 principal amount of the secured debentures of the Company. Accordingly, the \$11.09 million secured Debentures were rolled into a new class of secured redeemable, debentures, issuable in series (with an issue date of December 31, 2016), with all principal and interest due and payable in full on January 31, 2018 (the “New Debentures”). The Series 1 New Debentures bear interest at the rate of 10% per annum and are convertible, at the option of the holder, into ordinary shares of the Company at a conversion price equal to \$0.06 per share in the first 12 months of the term (January 1, 2017 to December 31, 2017) and \$0.10 per share in the last month of the term (January 1, 2018 to January 31, 2018). The Series 2 New Debentures bear interest at the rate of 15% per annum, with no right to convert into Common Shares of the Company. The Series 1 New Debentures and the Series 2 New Debentures shall bear an effective issue date of December 31, 2016, being the maturity date of the original Debentures. The Series 1 New Debentures and the Series 2 New Debentures shall rank pari passu with each other. The Company issued \$6,327,600 Series 2 New Debentures, and \$4,762,400 Series 1 New Debentures.

In July 2017, a creditor of the Company agreed to settle \$325,000 of debt owed, in consideration for the issuance of one million ordinary shares of the Company. The issuance of shares was approved by the TSX Venture Exchange on August 8, 2017. The Company has resolved all of its outstanding debts with its trade creditors.

In December 2017, \$2,820,000 of the Series 1 Debentures were converted into 47,000,000 Common shares at an issue price of \$0.06 per Common Share. On February 6, 2018, PetroMaroc had paid in full the outstanding obligations owing by the Company under the Series 1, 10% secured convertible redeemable debentures and the Series 2, 15% secured redeemable debentures which were issued effective December 31, 2016. The aggregate principal and accrued interest owing under the Debentures on January 31, 2018 (the "Maturity Date") was \$9,783,218, comprised of \$2,425,866 in respect of the Series 1 Debentures and \$7,357,352 in respect of the Series 2 Debentures. The Company satisfied the obligations owing under the Debentures by transferring to the holders of the Debentures an aggregate of 11,284,801 ordinary shares of Sound Energy plc, and a cash payment of \$272,729. Subsequent to the allocation to the debenture holders in February 2018, the Company held 4,658,705 Sound Energy plc ordinary shares.

With respect to the Zag Licence, the Company committed to its percentage share of further geophysical studies and the drilling of one exploration well, subject to receiving and approving a satisfactory proposal from the Operator, as per the terms of the First Extension Period. Following the joint venture not completing the minimum work commitment of the First Extension Period, a twelve month extension to the First Extension Period to May 2016, was agreed by the joint venture. During the twelve month extension the Company continued to seek a mutually agreed technical, commercial and financial proposal to reduce its financial exposure insofar as possible. In March 2017, ONHYM advised the Operator and the Company that the bank guarantee had been deemed forfeited, and in addition, that the joint venture should pay the residual penalty, Cdn \$0.75 million net to the Company (USD \$0.6 million), to ONHYM. The Company has accrued Cdn \$0.75 million (USD \$0.6 million) based on its working interest in the joint venture but challenges its obligation to pay such amount and has notified ONHYM that a "force majeure" has occurred pursuant to the Zag Petroleum Agreement due to financial, commercial and operational challenges on the licence over a number of years. The Company will seek to work with ONHYM and the Operator to expedite a mutually agreed resolution, however reserves the right to preserve its rights, which may include legal arbitration.

The Company currently does not have any long-term lease agreements in place.

The Company has no off-balance sheet arrangements.

Financial Instruments

Risks associated with market, commodity prices, interest and exchange rates are generally beyond the control of the Company.

The Company operates on an international basis and therefore foreign exchange risk exposures arise from transactions denominated in currency other than the United

States Dollar. The Company is exposed to foreign currency fluctuations as it holds cash and incurs expenditures in foreign currencies. The Corporation incurs expenditures in Pound Sterling, Euros, Dirham (Moroccan currency) and Canadian Dollars and is exposed to fluctuations in exchange rates in these currencies. There are no fixed exchange rate contracts in place as at or during the periods ended September 30, 2017 or December 31, 2016 or thereafter. Assuming all other variables remain constant, a 1% increase or decrease in foreign exchange rates on the foreign cash balances at June 30, 2017 would have impacted operational earnings of the Company during the period ended June 30, 2017 by approximately \$7,400.

As previously disclosed, the Series 1 New Debentures are convertible into common shares of the Company therefore a derivative financial liability exists. The derivative financial liability is measured at fair value through profit or loss, with changes to the fair value being recorded in the statement of operations. The Company incurred a \$1,311,000 recovery as a result of the re-measurement of the derivative liability. The primary cause of the recovery is the Company's share price at December 31, 2017 was \$0.06 and the Series 1 New Debentures were convertible at \$0.10 until the end of January 2018.

Outstanding Share Data

The Company has authorised an unlimited number of Common shares, without par value. The Company currently has 155,830,864 common shares outstanding as of the date of this MD&A. The following details the share capital structure as of the date of this MD&A.

	Expiry Date	Exercise Price	Number	Total Number
Common shares				155,830,864
Options	April 30, 2019	\$0.30	3,160,000	
	July 22, 2020	\$0.05	5,080,000	
	May 18, 2022	\$0.09	900,000	
	March 30, 2023	\$0.05	<u>5,000,000</u>	14,140,000

Summary of Quarterly Results

	Three months ended December 31, 2017	Three months ended September 30, 2017	Three months ended June 30, 2017	Three months ended March 31, 2017
<i>(\$ thousands)</i>				
Net income (loss)	1,751	3,542	(5,891)	14,777
Profit (loss) per share (basic & diluted)	0.02	0.03	(0.05)	0.13
Fair value of securities	13,633	12,980	17,095	17,116
Working capital surplus (deficit)	3,897	698	5,462	5,428
Total assets	14,428	13,967	14,204	18,843

<i>(\$ thousands)</i>	Three months ended December 31, 2016	Three months ended September 30, 2016	Three months ended June 30, 2016	Three months ended March 31, 2016
Net income (loss)	(679)	(845)	(1,553)	(2,682)
Profit (loss) per share (basic & diluted)	(0.01)	(0.01)	(0.02)	(0.02)
Fair value of securities	-	-	-	-
Working capital surplus (deficit)	(13,260)	(16,841)	(15,727)	(14,268)
Total assets	12,493	12,518	12,650	12,735

During the current quarter, the Company revalued the derivative liability associated with the Series 1 Debentures resulted in a \$0.78 million income inclusion. Finance costs on the Series 1 and 2 Debentures were approximately \$0.51 million in the quarter.

The net loss in the 2017 second and third quarters is primarily as a result of the revaluation of the derivative liability associated with the Series 1 Debentures.

During the first quarter of 2017, the net income is primarily due to the Company completing the transaction with Sound resulting in a \$14.14 million gain on the disposal of the exploration and evaluation assets and certain debt settlements of approximately \$1.38 million. PetroMaroc also restructured the convertible debentures and loans payable by issuing Series 1 and 2 debentures.

The working capital surplus in the first quarter of 2017 compared to the 2016 quarters is due to the competition of the Sound transaction and repaying certain interest and finance charges as a result of disposing 5,314,502 Sound shares for net proceeds of \$5.31 million.

Critical Accounting Estimates

A summary of the significant accounting policies is contained in Note 3 to the consolidated financial statements. These accounting policies are subject to estimates and key judgments about future events, many of which are beyond PetroMaroc's control. The following is a discussion of the accounting estimates that are critical to the financial statements.

Accruals and Provisions

The consolidated financial statements include accruals and provisions based on the interpretation by management of the terms of existing licences and commitments. Best available information is used to determine the accruals at each period end. The Company is at varying stages of negotiations with certain partners to settle differences in opinion of the obligations of each party under existing agreements. The accruals made by management in this regard may be significantly different from those determined by PetroMaroc's partners or amounts agreed to as a result of negotiations. The effect on the consolidated financial statements resulting from such adjustments, if any, may be material and will be reflected prospectively.

Share based payments

Stock options issued to employees and directors under the Company stock option plan are accounted for using the fair value method of accounting for stock-based compensation. The fair value of the option is recognised as a share based payment

and contributed surplus over the vesting period of the option. Share based payment is determined on the date of an option grant using the Black-Scholes option pricing model. The Black-Scholes pricing model requires the estimation of several variables including estimated volatility of PetroMaroc's stock price over the life of the option, estimated option forfeitures, estimated life of the option, estimated risk-free rate and estimated dividend rate. A change to these estimates would alter the valuation of the option and would result in a different related share based payment.

Investment recoverability

The recoverability of investments are dependent on the liquidity of public or private investments shares, which is based in part on its performance. The Company will assess at each reporting period whether there is any objective evidence that a financial asset has been impaired. When the fair value of the investment cannot be derived from active markets, they are determined using recent transactions or a variety of valuation techniques that may include the use of mathematical models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of liquidity and model inputs such as volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Income taxes

PetroMaroc follows the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Current tax is the expected Corporation tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting year end, and any adjustment to tax payable in respect to previous periods. Tax interpretations and legislation in which the Company operates are subject to change. Thus income taxes are subject to measurement uncertainty and interpretations.

Future Accounting Pronouncements

IFRS 16 – Leases

In January 2016, the International Accounting Standards Board ("IASB") issued IFRS 16, which will supersede IAS 17, Leases. Under IFRS 16, a lease will exist when a customer controls the right to use an identified asset as demonstrated by the customer having exclusive use of the asset for a period of time. IFRS 16 effectively removes the classification of leases as either finance or operating and treats all leases as finance leases for lessees with exemptions for short-term leases where the lease term is twelve months or less and for leases of low value items. The accounting treatment for lessors will remain largely the same as under IAS 17. The standard is effective for annual periods beginning on or after January 1, 2019 with early adoption permitted,

The Company is required to retrospectively apply IFRS 16 to all existing leases as of the date of transition and has the option to either: a) apply IFRS 16 with full retrospective effect; or b) recognise the cumulative effect of initially applying IFRS 16 as an adjustment to the opening equity at the date of initial application. The standard will be effective on January 1, 2019 for the Company. As the Company currently has

no leases in place, the standard is not expected to have a material impact on the consolidated financial statements.

IFRS 9 – Financial Instruments

In July 2014, the IASB has amended IFRS 9 which amends its classification and measurement of financial assets and introduces a new expected loss impairment model. This standard is effective for annual periods beginning on or after January 1, 2018, with early adoption permitted and shall be applied retrospectively. The Company is currently assessing the impact the adoption of this standard will have on the consolidated financial statements.

Risks and Uncertainties

Management defines risk as the evaluation of probability that an event might happen in the future that could negatively affect the financial condition and/or results of operations of PetroMaroc. The following section describes specific and general risks that could affect the Company. The following descriptions of risk do not include all possible risks as there may be other risks of which management is currently unaware. Moreover, the likelihood that a risk will occur or the nature and extent of its consequences if it does occur, are not possible to predict with certainty, and the actual effect of any risk or its consequences on the business could be materially different from those described below.

Concentration Risk

Concentration risk is the risk that any single or group of exposures will have the potential to produce losses large enough to threaten the ability of an entity to continue operating as a going concern. The Company's investment in Sound is currently its sole investment and is subject to changes in market prices and foreign exchange movements as the company's shares are traded in Sterling.

Sound is an international exploration and production ("E&P") company and is exposed to the risks typically associated with other international E&P companies. Some of the more significant risks include:

- a prolonged decline in crude oil, natural gas liquids and natural gas and the effect on credit liquidity and access to capital;
- volatility in oil and gas prices;
- uncertainties associated with drilling and well stimulation activities;
- access to adequate bank and equity capital for significant capital investment; and,
- actual reserves will vary from reserve estimates.

Operational risk

This category encompasses a number of risks. The Company follows prudent industry practices with respect to insurance where practicable and as guided by external experts but cannot fully insure against all risks. With respect to non-insurable operating risks, management has designed business process controls and accountability to identify problems at the earliest possible occasion and implement solutions. However, investors must appreciate that operational risk is very much a

characteristic of the individual businesses and industries and can never be entirely eliminated.

Staffing

The Company operates in a very competitive environment for professional staff and this staff is critical to the organization's ultimate success. Recognizing this, the Company has developed an industry competitive, compensation program including bonuses based on annual performance, benefits and a long-term incentive program to provide for long-term incentive and retention.

PetroMaroc common shares

The market price of the Company's common shares could fluctuate significantly as a result of many factors, including the following:

- economic and stock market conditions generally and specifically as they may impact participants in the investment fund industry;
- our earnings and results of operations and other developments affecting the business;
- changes in financial estimates and recommendations by securities analysts following PetroMaroc's common shares;
- earnings and other announcements by, and changes in market evaluations of, participants in the investment fund industry;
- changes in business or regulatory conditions affecting participants in the investment fund industry; and
- trading volume of PetroMaroc 's common shares.

In addition, the financial markets have experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of companies and that have often been unrelated to the operating performance of such companies. Accordingly, the market price of the Company's common shares may decline even if PetroMaroc 's operating results or prospects have not changed.

Confidentiality of Information

Confidentiality is essential to the success of the Company's business, and it strives to consistently maintain the highest standards of trust, integrity and professionalism. Information is kept under strict control in compliance with all applicable laws, and physical, procedural, and electronic safeguards are maintained in order to protect this information from access by unauthorized parties.

Conflicts of Interest

The Company has a number of policies with respect to employee personal trading. Employees may not trade any of the securities held or being considered for investment by the Company. In addition, employees must receive prior approval before they are permitted to buy or sell any securities. Speculative trading is strongly discouraged. All employees must comply with the Company's Code of Ethics. The code establishes strict rules for professional conduct including the management of conflicts of interest.

Dividends

The Company has neither declared nor paid any dividends on its ordinary shares since the date of its incorporation. Any payments of dividends on the ordinary shares of the Company will be dependent upon the financial requirements of the Company to finance future growth, the financial condition of the Company and other factors which the board of directors may consider appropriate in the circumstance. It is unlikely that the Company will pay dividends in the immediate or foreseeable future.

PetroMaroc Corporation plc

Management Discussion and Analysis

This Management Discussion and Analysis (“MD&A”) of the financial condition and results of operations of PetroMaroc Corporation plc (“PetroMaroc” or the “Company”) is dated August 28, 2018 and should be read in conjunction with the audited consolidated financial statements of the Company for the year ended December 31, 2017, the related MD&A and the unaudited interim condensed consolidated financial statements of the Company for the three and six months ended June 30, 2018. These financial statements, including the comparative figures, were prepared in accordance with International Financial Reporting Standards (“IFRS”). Unless otherwise noted, all financial measures are expressed in Canadian dollars. This MD&A contains forward looking information based on the Company’s current expectations and projections.

Additional information relating to the Company is available on SEDAR at www.sedar.com or the Company’s website at www.petromaroc.co

Statements throughout this MD&A that are not historical facts may be considered “forward-looking statements” These forward-looking statements sometimes include words to the effect that management believes or expects a stated condition or result. All estimates and statements that describe the Company’s objectives, goals or future plans are forward-looking statements. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties and actual results could differ materially from those currently anticipated. These risks and uncertainties include, but are not limited to, changes in market conditions, law or government policy, operating conditions and costs, operating performance, demand for oil and gas and related products, price and exchange rate fluctuations, commercial negotiations or other technical and economic factors. Forward-looking statements are based on current expectations, estimates and projections of future production and capital spending as at the date of this MD&A and the Company assumes no obligation to update or revise forward-looking statements to reflect new events or circumstances, except as required by law or accounting standards.

Financial outlook information contained in this MD&A about prospective results of operations, financial position or cash flows is based on assumptions about future events, including economic conditions and proposed course of action, based on the assessment by management of the relevant information currently available. Readers are cautioned that such financial outlook information contained in this MD&A should not be used for purposes other than for which it is disclosed herein.

Proposed Transaction

PetroMaroc has entered into a Letter of Intent (“LOI”) dated June 1, 2018, to combine with Wolverine Energy and Infrastructure Inc. (“Wolverine”). Pursuant to the LOI, it is proposed that PetroMaroc and Wolverine will enter into a definitive agreement in respect of a business combination, which is anticipated to constitute a reverse takeover and a change of business.

Prior to the completion of the transaction, PetroMaroc will effect a consolidation for all of the issued and outstanding shares of PetroMaroc on an approximate one-new-for-16-old basis. Following the completion of the transaction, it is contemplated that the PetroMaroc shareholders will hold approximately 14 per cent of the issued and outstanding shares of the resulting issuer on a non-diluted basis.

The closing date of the transaction will be subject to obtaining shareholder and regulatory approvals and is anticipated to close in the fourth quarter.

Series 1 and 2 Debenture Repayment

On February 6, 2018, PetroMaroc had paid in full the outstanding obligations owing by the Company under the Series 1, 10% secured convertible redeemable debentures and the Series 2, 15% secured redeemable debentures which were issued effective December 31, 2016. The aggregate principal and accrued interest owing under the Debentures on January 31, 2018 (the "Maturity Date") was \$9,783,218, comprised of \$2,425,866 in respect of the Series 1 Debentures and \$7,357,352 in respect of the Series 2 Debentures. The Company satisfied the obligations owing under the Debentures by transferring to the holders of the Debentures an aggregate of 11,284,801 ordinary shares of Sound Energy plc, and a cash payment of \$272,729.

As a result of the aforementioned settlement, the Company no longer has any secured debt.

Administrative Costs

Administrative	For the three months ended		For the six months ended	
	June 30,		June 30,	
	2018	2017	2018	2017
Wages	\$ 30,965	\$ 155,986	\$ 100,886	\$ 245,641
Professional fees	69,214	57,655	99,180	112,944
Consulting fees	74,937	72,799	109,051	125,911
Director fees	33,288	16,811	61,425	33,358
Brokerage	28,359	45,007	67,446	61,831
Travel	8,078	9,757	11,594	13,172
Rent	-	8,279	-	59,898
Office expense	2,539	-	5,218	-
Insurance	4,962	-	10,550	-
Bank Charges	1,810	2,231	3,354	7,660
Morocco exit costs	-	-	-	(26,686)
Other	-	872	411	865
	<u>\$ 254,152</u>	<u>\$ 369,397</u>	<u>\$ 469,115</u>	<u>\$ 634,594</u>

Administrative costs for the three month period ended June 30, 2018 were 31.2% or \$115,245 lower than the comparative 2017 period and 26.1% or \$165,479 lower than the comparative six month period ended June 30, 2017. The decreases are primarily related to reduced salaries as a result of completing the Sound transaction in January 2017 and the restructuring of the Company's debts and director fee reductions and eliminating all office leases. The professional and consulting fees in the 2018 second

quarter primarily relate to due diligence costs with respect to the Company signing the LOI with Wolverine. The Company is prudently monitoring its administrative expenditures in light of its minimal operational activities whereby all non-essential costs are being eliminated.

Stock Compensation

This expense represents the fair value of the Company stock options at the grant date as options granted under the current plan vest at the date of the grant and are expensed using the graded vesting method. The options are non-transferable. The future expense will vary as it is dependent on the number and vesting provisions of future stock option grants.

Taxes

Presently the Company does not expect to pay corporate taxes in the foreseeable future. However, the current tax horizon will ultimately depend on several factors including equity markets for oil companies, future revenue from the net profits interest, corporate expenses, and both the type and amount of capital expenditures incurred in future reporting periods.

Liquidity and Capital Resources

At June 30, 2018, the Company had a working capital surplus of \$2.4 million. During the second quarter of 2018, the remaining 4,658,705 Sound shares were disposed for proceeds of \$3,316,250.

With respect to the Zag Licence, the Company committed to its percentage share of further geophysical studies and the drilling of one exploration well, subject to receiving and approving a satisfactory proposal from the Operator, as per the terms of the First Extension Period. Following the joint venture not completing the minimum work commitment of the First Extension Period, a twelve-month extension to the First Extension Period to May 2016, was agreed by the joint venture. During the twelve-month extension the Company continued to seek a mutually agreed technical, commercial and financial proposal to reduce its financial exposure insofar as possible. In March 2017, ONHYM advised the Operator and the Company that the bank guarantee had been deemed forfeited, and in addition, that the joint venture should pay the residual penalty, \$0.78 million net to the Company (USD \$0.6 million), to ONHYM. The Company has accrued \$0.78 million (USD \$0.6 million) based on its working interest in the joint venture but challenges its obligation to pay such amount and has notified ONHYM that a "force majeure" has occurred pursuant to the Zag Petroleum Agreement due to financial, commercial and operational challenges on the licence over a number of years. The Company will seek to work with ONHYM and the Operator to expedite a mutually agreed resolution, however reserves the right to preserve its rights, which may include legal arbitration.

The Company currently does not have any long-term lease agreements in place.

The Company has no off-balance sheet arrangements.

Financial Instruments

Risks associated with market, interest and exchange rates are generally beyond the control of the Company.

The Company operates on an international basis and therefore foreign exchange risk exposures arise from transactions denominated in currency other than the Canadian Dollar. The Company is exposed to foreign currency fluctuations as it holds cash and incurs expenditures in foreign currencies. The Corporation incurs expenditures in Pound Sterling, Euros, Dirham (Moroccan currency) and United States Dollars and is exposed to fluctuations in exchange rates in these currencies. There are no fixed exchange rate contracts in place as at or during the periods ended December 31, 2017 and June 30, 2018 or thereafter. The Company has nominal foreign cash balances at June 30, 2018.

Outstanding Share Data

The Company has authorised an unlimited number of Common shares, without par value. The Company currently has 155,830,864 common shares outstanding as of the date of this MD&A. The following details the share capital structure as of the date of this MD&A.

	Expiry Date	Exercise Price	Number	Total Number
Common shares				155,830,864
Options	April 30, 2019	\$0.30	3,160,000	
	July 22, 2020	\$0.05	5,080,000	
	May 18, 2022	\$0.09	900,000	
	March 30, 2023	\$0.05	5,000,000	
				14,140,000

Summary of Quarterly Results

	Three months ended June 30, 2018	Three months ended March 31, 2018	Three months ended December 31, 2017	Three months ended September 30, 2017
<i>(\$ thousands)</i>				
Net (loss) income =	(230)	(559)	1,751	3,542
(Loss) profit per share (basic & diluted)	(0.00)	(0.00)	0.02	0.03
Fair value of securities	-	3,954	13,633	12,980
Working capital surplus (deficit)	2,428	3,286	3,897	698
Total assets	3,389	4,263	14,428	13,967
	Three months ended June 30, 2017	Three months ended March 31, 2017	Three months ended December 31, 2016	Three months ended September 30, 2016
<i>(\$ thousands)</i>				
Net (loss) income	(3,099))	15,391	(679)	(845)
(Loss) profit per share (basic & diluted)	(0.03)	0.15	(0.01)	(0.01)
Fair value of securities	17,095	17,116	-	-
Working capital surplus (deficit)	5,462	5,428	(13,260)	(16,841)
Total assets	14,204	18,843	12,493	12,518

In the second quarter of 2018, the remaining 4,658,705 Sound shares were disposed for proceeds of \$3,316,250.

In the first quarter of 2018, the decrease in total assets and the fair value of securities in the quarter was due to the transfer of 11,284,801 Sound Energy plc shares to settle the \$8.27 million due to the series 1 and 2 debenture holders.

During the 2017 fourth quarter, the Company revalued the derivative liability associated with the Series 1 Debentures, which resulted in a \$0.78 million income inclusion. Finance costs on the Series 1 and 2 Debentures were approximately \$0.51 million in the quarter.

The net loss in the 2017 second and third quarters was primarily as a result of the revaluation of the derivative liability associated with the Series 1 Debentures.

During the first quarter of 2017, the net income was primarily due to the Company completing the transaction with Sound resulting in a \$14.14 million gain on the disposal of the exploration and evaluation assets and certain debt settlements of approximately \$1.38 million. PetroMaroc also restructured the convertible debentures and loans payable by issuing Series 1 and 2 debentures.

The working capital surplus in the first quarter of 2017 compared to the 2016 quarters was due to the completion of the Sound transaction and repaying certain interest and finance charges as a result of disposing 5,314,502 Sound shares for net proceeds of \$5.31 million.

Critical Accounting Estimates

A summary of the significant accounting policies is contained in Note 2 to the consolidated financial statements. These accounting policies are subject to estimates and key judgments about future events, many of which are beyond PetroMaroc's control. The following is a discussion of the accounting estimates that are critical to the financial statements.

Accruals and Provisions

The consolidated financial statements include accruals and provisions based on the interpretation by management of the terms of existing licences and commitments. Best available information is used to determine the accruals at each period end. The Company is at varying stages of negotiations with certain partners to settle differences in opinion of the obligations of each party under existing agreements. The accruals made by management in this regard may be significantly different from those determined by PetroMaroc's partners or amounts agreed to as a result of negotiations. The effect on the consolidated financial statements resulting from such adjustments, if any, may be material and will be reflected prospectively.

Share based payments

Stock options issued to employees and directors under the Company stock option plan are accounted for using the fair value method of accounting for stock-based compensation. The fair value of the option is recognised as a share based payment and contributed surplus over the vesting period of the option. Share based payment is determined on the date of an option grant using the Black-Scholes option pricing model. The Black-Scholes pricing model requires the estimation of several variables including estimated volatility of PetroMaroc's stock price over the life of the option,

estimated option forfeitures, estimated life of the option, estimated risk-free rate and estimated dividend rate. A change to these estimates would alter the valuation of the option and would result in a different related share based payment.

Investment recoverability

The recoverability of investments are dependent on the liquidity of investments shares, which is based in part on its performance. The Company will assess at each reporting period whether there is any objective evidence that a financial asset has been impaired. When the fair value of the investment cannot be derived from active markets, they are determined using recent transactions or a variety of valuation techniques that may include the use of mathematical models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of liquidity and model inputs such as volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Income taxes

PetroMaroc follows the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Current tax is the expected Corporation tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting year end, and any adjustment to tax payable in respect to previous periods. Tax interpretations and legislation in which the Company operates are subject to change. Thus income taxes are subject to measurement uncertainty and interpretations.

New Accounting Pronouncements

IFRS 9 – Financial Instruments

On January 1, 2018 PetroMaroc adopted IFRS 9 Financial Instruments with no material transitional impact on the financial statements. IFRS 9 contains three classifications for financial assets: amortized cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL). The new classifications are based on an entity's business model for managing financial assets and the contractual cash flow characteristics of the financial asset. The previous IAS 39 Financial Instruments: Recognition and Measurement classifications of held to-maturity, loans and receivables and available-for-sale have been eliminated. In addition, IFRS 9 replaces the "incurred loss" model in IAS 39 with an "expected credit loss" impairment model that applies to financial assets measured at amortized cost. Under IFRS 9, credit losses, if any, may be recognized earlier than under IAS 39. PetroMaroc's financial assets (cash and other current assets) are measured at amortized cost and the adoption of IFRS 9 did not result in any adjustment to the carrying amount of the related assets. The Company's investment in the Sound shares was classified as available-for-sale and already classified as FVOCI.

There was no change to the classification of accounts payable and accrued liabilities, classified as "other financial liabilities" and are measured at amortized cost.

Future Accounting Pronouncements

IFRS 16 – Leases

In January 2016, the International Accounting Standards Board (“IASB”) issued IFRS 16, which will supersede IAS 17, Leases. Under IFRS 16, a lease will exist when a customer controls the right to use an identified asset as demonstrated by the customer having exclusive use of the asset for a period of time. IFRS 16 effectively removes the classification of leases as either finance or operating and treats all leases as finance leases for lessees with exemptions for short-term leases where the lease term is twelve months or less and for leases of low value items. The accounting treatment for lessors will remain largely the same as under IAS 17. The standard is effective for annual periods beginning on or after January 1, 2019 with early adoption permitted,

The Company is required to retrospectively apply IFRS 16 to all existing leases as of the date of transition and has the option to either: a) apply IFRS 16 with full retrospective effect; or b) recognise the cumulative effect of initially applying IFRS 16 as an adjustment to the opening equity at the date of initial application. The standard will be effective on January 1, 2019 for the Company. As the Company currently has no leases in place, the standard is not expected to have a material impact on the consolidated financial statements.

Risks and Uncertainties

Management defines risk as the evaluation of probability that an event might happen in the future that could negatively affect the financial condition and/or results of operations of PetroMaroc. The following section describes specific and general risks that could affect the Company. The following descriptions of risk do not include all possible risks as there may be other risks of which management is currently unaware. Moreover, the likelihood that a risk will occur or the nature and extent of its consequences if it does occur, are not possible to predict with certainty, and the actual effect of any risk or its consequences on the business could be materially different from those described below.

Concentration Risk

Concentration risk is the risk that any single or group of exposures will have the potential to produce losses large enough to threaten the ability of an entity to continue operating as a going concern. The Company's investment in Sound is currently its sole investment and is subject to changes in market prices and foreign exchange movements as the company's shares are traded in Sterling.

Sound is an international exploration and production ("E&P") company and is exposed to the risks typically associated with other international E&P companies. Some of the more significant risks include:

- a prolonged decline in crude oil, natural gas liquids and natural gas and the effect on credit liquidity and access to capital;
- volatility in oil and gas prices;
- uncertainties associated with drilling and well stimulation activities;
- access to adequate bank and equity capital for significant capital investment; and,
- actual reserves will vary from reserve estimates.

Operational risk

This category encompasses a number of risks. The Company follows prudent industry practices with respect to insurance where practicable and as guided by external experts but cannot fully insure against all risks. With respect to non-insurable operating risks, management has designed business process controls and accountability to identify problems at the earliest possible occasion and implement solutions. However, investors must appreciate that operational risk is very much a characteristic of the individual businesses and industries and can never be entirely eliminated.

Staffing

The Company operates in a very competitive environment for professional staff and this staff is critical to the organization's ultimate success. Recognizing this, the Company has developed an industry competitive, compensation program including bonuses based on annual performance, benefits and a long-term incentive program to provide for long-term incentive and retention.

PetroMaroc common shares

The market price of the Company's common shares could fluctuate significantly as a result of many factors, including the following:

- economic and stock market conditions generally and specifically as they may impact participants in the investment fund industry;
- our earnings and results of operations and other developments affecting the business;
- changes in financial estimates and recommendations by securities analysts following PetroMaroc's common shares;
- earnings and other announcements by, and changes in market evaluations of, participants in the investment fund industry;
- changes in business or regulatory conditions affecting participants in the investment fund industry; and
- trading volume of PetroMaroc 's common shares.

In addition, the financial markets have experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of companies and that have often been unrelated to the operating performance of such companies. Accordingly, the market price of the Company's common shares may decline even if PetroMaroc 's operating results or prospects have not changed.

Confidentiality of Information

Confidentiality is essential to the success of the Company's business, and it strives to consistently maintain the highest standards of trust, integrity and professionalism. Information is kept under strict control in compliance with all applicable laws, and physical, procedural, and electronic safeguards are maintained in order to protect this information from access by unauthorized parties.

Conflicts of Interest

The Company has a number of policies with respect to employee personal trading. Employees may not trade any of the securities held or being considered for investment by the Company. In addition, employees must receive prior approval before they are permitted to buy or sell any securities. Speculative trading is strongly discouraged. All employees must comply with the Company's Code of Ethics. The code establishes strict rules for professional conduct including the management of conflicts of interest.

Dividends

The Company has neither declared nor paid any dividends on its ordinary shares since the date of its incorporation. Any payments of dividends on the ordinary shares of the Company will be dependent upon the financial requirements of the Company to finance future growth, the financial condition of the Company and other factors which the board of directors may consider appropriate in the circumstance. It is unlikely that the Company will pay dividends in the immediate or foreseeable future.

**SCHEDULE "G" – FINANCIAL STATEMENTS OF WOLVERINE ENERGY AND
INFRASTRUCTURE INC.**

See attached.

WOLVERINE ENERGY AND INFRASTRUCTURE INC.

Consolidated Financial Statements

March 31, 2018 and 2017

Pennock Acheson Nielsen Devaney

**Pennock Acheson Nielsen Devaney
Chartered Accountants**

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Wolverine Energy and Infrastructure Inc.

We have audited the accompanying consolidated financial statements of Wolverine Energy and Infrastructure Inc., which comprise the consolidated statements of financial position as at March 31, 2018 and 2017 and the consolidated statements of operations and comprehensive loss, changes in equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

We were appointed as auditors of the Company in May of 2016 and thus did not observe the counting of the physical inventories at March 31, 2016. We were unable to satisfy ourselves by alternative means concerning inventory quantities held at March 31, 2016. Since opening inventories enter into the determination of the financial performance and cash flows, we were unable to determine whether adjustments might have been necessary in respect of the profit as reported in the 2017 consolidated statement of operations and comprehensive loss and the 2017 net cash flows from operating activities reported in the consolidated statement of cash flows.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of Wolverine Energy and Infrastructure Inc. as at March 31, 2018 and 2017, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

We draw attention to Note 2 to the financial statements describing the basis of presentation. Our opinion is not qualified in respect of this matter.

Pennock Acheson Nielsen Devaney

Chartered Accountants

November 8, 2018

WOLVERINE ENERGY AND INFRASTRUCTURE INC.**Consolidated Statement of Financial Position****As at March 31, 2018 and 2017**

	2018	2017 (Note 25)	April 1, 2016 (Note 25)
ASSETS			
CURRENT			
Cash	\$ 608,889	\$ 669,211	\$ 98,452
Accounts receivable (Note 7)	14,962,398	8,019,701	4,188,060
Inventory (Note 8)	2,810,785	2,808,572	2,444,205
Prepaid expenses	215,450	472,259	105,264
	18,597,522	11,969,743	6,835,981
NOTE RECEIVABLE (Note 9)	-	1,315,000	-
EQUIPMENT (Note 10)	37,649,604	23,868,015	9,090,156
GOODWILL (Note 11)	3,551,676	3,521,184	2,325,861
	\$ 59,798,802	\$ 40,673,942	\$ 18,251,998
LIABILITIES			
CURRENT			
Short-term borrowings (Note 12)	\$ 5,473,259	\$ 4,086,211	\$ 3,075,744
Accounts payable and accrued liabilities (Note 13)	4,603,244	3,517,518	837,506
Income taxes payable (Note 14)	-	73,352	1,863,500
Current portion of debt (Note 15)	4,959,031	3,471,849	2,622,674
Demand debt due beyond one year (Note 15)	1,235,414	-	5,590,500
Due to shareholder (Note 16)	1,938,580	1,844,498	1,528,050
	18,209,528	12,993,428	15,517,974
LONG-TERM DEBT (Note 15)	28,761,099	21,219,669	750,000
DEFERRED INCOME TAX LIABILITY (Note 14)	1,352,000	1,145,000	674,000
PREFERRED SHARES (Note 17)	-	3,850,000	800,000
	48,322,627	39,208,097	17,741,974
COMMITMENTS (Note 18)			
SUBSEQUENT EVENTS (Note 24)			
SHAREHOLDERS' EQUITY			
Share capital (Note 17)	11,977,260	200	200
Retained earnings (deficit)	(501,085)	(355,036)	509,824
	11,476,175	(354,836)	510,024
Non-controlling interest	-	1,820,681	-
	11,476,175	1,465,845	510,024
	\$ 59,798,802	\$ 40,673,942	\$ 18,251,998

APPROVED BY

_____ *signed "Jesse Douglas"* Director

_____ *signed "John Carvalho"* Officer

WOLVERINE ENERGY AND INFRASTRUCTURE INC.
Consolidated Statement of Operations and Comprehensive Loss
Years Ended March 31, 2018 and 2017

	2018	2017 (Note 25)
REVENUE	\$ 39,951,389	\$ 22,155,202
DIRECT COSTS (Note 19)	<u>20,345,922</u>	<u>10,643,569</u>
GROSS PROFIT	<u>19,605,467</u>	<u>11,511,633</u>
OPERATING EXPENSES		
Salaries and wages	5,279,001	3,102,226
Depreciation (Note 10)	5,088,580	3,174,784
Finance costs (Note 20)	2,579,521	1,707,851
Equipment leases	2,057,166	1,376,374
Facility costs	1,984,989	1,417,987
Bad debts (Note 7)	1,339,245	-
Office	860,967	332,917
Insurance	421,223	278,500
Advertising and promotion	255,296	164,623
Professional and consulting fees	231,189	222,473
Vehicle	162,941	140,361
Acquisition costs (Note 6)	49,436	357,939
(Gain) loss on disposal of equipment	<u>(26,241)</u>	<u>78,420</u>
	<u>20,283,313</u>	<u>12,354,455</u>
LOSS BEFORE INCOME TAXES	<u>(677,846)</u>	<u>(842,822)</u>
INCOME TAXES (RECOVERED) (Note 14)		
Current	4,479	93,457
Deferred	<u>(55,000)</u>	<u>(441,000)</u>
	<u>(50,521)</u>	<u>(347,543)</u>
LOSS BEFORE NON-CONTROLLING INTEREST	<u>(627,325)</u>	<u>(495,279)</u>
NON-CONTROLLING INTEREST	<u>(481,276)</u>	<u>305,581</u>
NET LOSS AND COMPREHENSIVE LOSS	<u>\$ (146,049)</u>	<u>\$ (800,860)</u>

WOLVERINE ENERGY AND INFRASTRUCTURE INC.**Consolidated Statement of Changes in Equity****Years Ended March 31, 2018 and 2017**

	Share capital (Note 17)	Retained Earnings (Deficit)	Non-controlling Interest	Total
As at April 1, 2016 (Note 25)	\$ 200	\$ 509,824	\$ -	\$ 510,024
Non-controlling interest in shares of subsidiaries acquired in the year	-	-	1,515,100	1,515,100
Allocation of (loss) income	-	(800,860)	305,581	(495,279)
Dividends paid	-	(64,000)	-	(64,000)
As at March 31, 2017 (Note 25)	200	(355,036)	1,820,681	1,465,845
Allocation of income	-	(146,049)	(481,276)	(627,325)
Non-controlling interest acquired in re-organization	1,339,405	-	(1,339,405)	-
Shares issued as part of re- organization	3,606,655	-	-	3,606,655
Normal course shares issued	2,646,000	-	-	2,646,000
Shares issued to settle outstanding preferred shares	2,850,000	-	-	2,850,000
Shares issued to settle debt to minority shareholders	1,535,000	-	-	1,535,000
As at March 31, 2018	\$ 11,977,260	\$ (501,085)	\$ -	\$ 11,476,175

WOLVERINE ENERGY AND INFRASTRUCTURE INC.**Consolidated Statement of Cash Flows****Years Ended March 31, 2018 and 2017**

	2018	2017 (Note 25)
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:		
OPERATING ACTIVITIES		
Net loss	\$ (146,049)	\$ (800,860)
Items not affecting cash:		
Depreciation	5,088,580	3,174,784
Deferred income taxes	(55,000)	(441,000)
(Gain) loss on disposal of equipment	(26,241)	78,420
Non-controlling interest	(481,276)	305,581
Accrued interest included in long-term debt	110,194	179,881
Amortization of deferred finance charges	43,847	235,238
	<u>4,534,055</u>	<u>2,732,044</u>
Changes in non-cash working capital:		
Accounts receivable	(6,942,697)	(4,063,574)
Inventory	(2,213)	(364,367)
Prepaid expenses	256,809	(366,996)
Accounts payable and accrued liabilities	1,085,724	2,608,929
Income taxes payable	(73,352)	73,352
Acquired on business acquisitions (Note 6)	-	(2,740,427)
	<u>(5,675,729)</u>	<u>(4,853,083)</u>
	<u>(1,141,674)</u>	<u>(2,121,039)</u>
INVESTING ACTIVITIES		
Purchase of equipment	(17,987,997)	(968,227)
Proceeds on disposal of equipment	155,677	1,022,599
Business acquisitions (Note 6)	-	(7,634,796)
	<u>(17,832,320)</u>	<u>(7,580,424)</u>
FINANCING ACTIVITIES		
Proceeds from debt financing	16,842,306	19,162,875
Proceeds from common shares issued	2,646,000	-
Advances from shareholders	1,041,277	316,448
Repayment of debt	(2,854,986)	(10,134,334)
Payment of financing charges	(147,973)	(219,234)
Proceeds from preferred share issued	-	200,000
Dividends paid	-	(64,000)
	<u>17,526,624</u>	<u>9,261,755</u>
INCREASE IN SHORT-TERM BORROWINGS	(1,447,370)	(439,708)
SHORT-TERM BORROWINGS - BEGINNING OF YEAR	(3,417,000)	(2,977,292)
SHORT-TERM BORROWINGS - END OF YEAR	\$ (4,864,370)	\$ (3,417,000)
SHORT-TERM BORROWINGS ARE COMPRISED OF:		
Line of credit	\$ (5,473,259)	\$ (4,086,211)
Cash in bank accounts	608,889	669,211
	<u>\$ (4,864,370)</u>	<u>\$ (3,417,000)</u>

WOLVERINE ENERGY AND INFRASTRUCTURE INC.

Notes to Consolidated Financial Statements

Years Ended March 31, 2018 and 2017

1. DESCRIPTION OF THE BUSINESS

Wolverine Energy and Infrastructure Inc. (the "Company") is incorporated provincially under the Business Corporations Act of Alberta. The Company provides construction, heavy equipment and transport services to the oilfield and mining industries in Western Canada through its wholly-owned subsidiaries, Wolverine Equipment Inc., Wolverine Construction Inc., Bearing Transport Inc., Bearing Oilfield Services Ltd., HD Energy Rentals Ltd., HD Northern Equipment Sales and Rentals Inc. and BHW Employment Services Inc. (the "Subsidiaries"). The Company's principal office is located at 9515 62 Ave NW, Edmonton, Alberta, Canada.

2. BASIS OF PRESENTATION

The Company has begun a reorganization transaction with its parent company, Wolverine Management Services Inc. (the "Parent"), that will be effective March 31, 2018 under which all the pre-existing subsidiaries owned by a wholly-owned subsidiary of the Parent, Wolverine Group Inc. ("Group"), and minority shareholders will be transferred in exchange for an equivalent interest in the Company, on a tax deferred basis under Section 85 of the Income Tax Act (Canada). As a result, the net assets and the business of the Parent and Group will be transferred to the Company with the exception of deferred tax assets of \$262,000, a prepaid expense of \$150,000, preferred shares totaling \$1,000,000, shareholder loans of \$1,947,195 and debt obligations of \$2,141,267. Senior lender debt of the Parent amounting to \$35,825,407 will be assumed by the Company as partial consideration for the net assets being transferred. Senior lenders are aware of the presentation of the debt in these statements and subsequent to year-end released the Parent from its obligations and formalized the assignment of the debt to the Company. The debt reflected in these statements mirrors terms and conditions of the debt of the senior lenders.

Minority shareholders of the Subsidiaries exchanged their interests in the Subsidiaries for common shares of the Company. Refer to Note 17 for details of the reorganization transaction. Prior to March 31, 2018, the Company was wholly owned by the Parent. Subsequent to March 31, 2018, the Company will be owned by the Parent and minority shareholders of the Subsidiaries transferred under the reorganization transaction.

Management has determined that IFRS 3, Business Combinations, does not apply to the reorganization transaction as the Company is ultimately controlled by the same parties before and after the reorganization and there has been no substantive change in ownership. Instead, management has applied the continuity of interests method whereby the assets and liabilities of the entities included in the reorganization are recorded at their existing carrying values rather than fair value and no goodwill is recorded. Aside from the assets and liabilities mentioned above, the Company has taken the Parent's position for the purpose of reporting results of operations prior to the reorganization, including all comparative information presented herein.

Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). These consolidated financial statements were approved by the Board of Directors on November 8, 2018.

Transition to IFRS

These consolidated financial statements are the first annual financial statements of the Company to be prepared in accordance with IFRS. Previous financial statements were prepared in accordance with Canadian Accounting Standards for Private Enterprises ("ASPE"). These consolidated financial statements have been prepared as described in Notes 2 and 3, and all accounting policies have been applied consistently throughout the periods presented herein.

The Company has applied IFRS 1 First-time adoption of International Financial Reporting Standards in preparing these annual consolidated financial statements. The impact of applying IFRS 1 is presented in Note 25.

WOLVERINE ENERGY AND INFRASTRUCTURE INC.

Notes to Consolidated Financial Statements

Years Ended March 31, 2018 and 2017

2. BASIS OF PRESENTATION *(continued)*

Transition to IFRS (continued)

These consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at amortized cost using the effective interest method. The amounts throughout are expressed in Canadian dollars, unless otherwise stated.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and the entities it controls. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the Subsidiaries and has the ability to affect those returns through its power over the Subsidiaries. Subsidiaries are consolidated from the date control is obtained and deconsolidated from the date control ceases. All intercompany transactions, balances, income and expenses are eliminated on consolidation.

Use of estimates and judgments

The preparation of the Company's consolidated financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates. Areas of significant judgment and estimation are discussed in Note 5.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Business combinations

Business combinations, except for transactions between entities under common control, are accounted for using the acquisition method. Under this method, consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Company, liabilities assumed by the Company and equity interests issued in exchange for control of the acquired company. Acquisition-related costs are generally recognized in profit or loss as incurred.

(b) Financial instruments

i) Classification and measurement of financial assets and liabilities

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of a financial instrument or non-financial derivative contract.

All financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets are subsequently measured at amortized cost where a financial asset is held within a business model with the objective to collect contractual cash flows and the contractual cash flows arise on specified dates and are payments that consist solely of principal and interest on the principal amount outstanding. All other financial assets and equity investments are subsequently measured at fair value through profit or loss.

Financial liabilities are classified as fair value through profit and loss when the financial liability is held for trading. Financial liabilities at fair value through profit and loss are stated at fair value, with any gains or losses arising on re-measurement recognized in profit or loss. All other financial liabilities are subsequently measured at amortized cost.

WOLVERINE ENERGY AND INFRASTRUCTURE INC.

Notes to Consolidated Financial Statements

Years Ended March 31, 2018 and 2017

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

i) Classification and measurement of financial assets and liabilities (continued)

The Company recognizes and measures existing financial instruments as follows:

Accounts receivable	Amortized cost
Note receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Short-term borrowings	Amortized cost
Long-term debt	Amortized cost
Preferred shares	Amortized cost

ii) Impairment of financial assets

The Company assesses the expected credit loss for trade receivables, contract assets and note receivables based on historical data adjusted for forward-looking information. The Company groups similar financial assets based on their nature, past-due status, size or industry of counterparty or geographic location. Management of the Company regularly reviews groupings to ensure the constituents of each group continue to share similar credit risk characteristics. The Company recognizes impairment gains or losses for all financial instruments with a corresponding adjustment to their carrying amount through a separate loss allowance account.

iii) Derecognition of financial assets and liabilities

The Company derecognizes a financial asset only when the contractual right to the cash flows from the asset expires, or when it transfers the financial asset and substantially all risks and rewards associated with the asset to another party. On derecognition of a financial asset measured at amortized cost, the difference between the carrying amount and the sum of the consideration receivable is recognized in profit or loss.

The Company derecognizes financial liabilities only when all obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, is recognized in profit or loss.

(c) Cash and cash equivalents

Cash consists of cash on deposit at financial institutions other than the short-term lender.

Short-term borrowings consist of amounts drawn on an operating line of credit, net of cash on deposit with the short-term lender.

(d) Inventory

Inventory is measured at the lower of cost and net realizable value. The cost of inventory is determined on a weighted average cost basis.

(e) Equipment

Equipment is recorded at historical cost less any accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to acquiring the asset and bringing it to the location and condition necessary for it to operate in the manner intended.

The cost of replacing a component of equipment is recognized in the carrying amount of the asset if it is probable that future benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. When a replacement component is recognized, the carrying amount of the corresponding item being replaced is derecognized from the financial statements. Repairs and maintenance expenditures that do not extend the useful life or improve the efficiency of the asset are expensed.

WOLVERINE ENERGY AND INFRASTRUCTURE INC.

Notes to Consolidated Financial Statements

Years Ended March 31, 2018 and 2017

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(e) Equipment (continued)

Equipment is depreciated from the initial cost over its estimated useful life using the following methods and rates:

Heavy equipment	15%	declining balance
Automotive	4 years	straight-line
Shop tools and other equipment	15%	declining balance
Service equipment	10%	declining balance
Rental tools	10%	declining balance
Drill pipe	10%	declining balance
Laydown equipment	10%	declining balance
Leasehold improvements	5 years	straight-line

Useful lives and depreciation methods are reviewed on an annual basis. During 2018 the Company revised its estimate of useful life and as a result, an additional \$445,314 of depreciation was recorded. Equipment is derecognized when it is either disposed of or when it is determined that no further economic benefit is expected from the items future use. Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in other expenses.

(f) Leases of equipment and property

The Company enters into leases for equipment and property. A lease is classified as a finance lease if it transfers substantially all of the risks and rewards incidental to ownership to the Company. All other leases are classified as operating leases.

On initial recognition of a finance lease, the leased asset is measured at an amount equal to the lower of its fair value and the present value of minimum lease payments. Subsequent to initial recording, the leased asset is accounted for in accordance with the accounting policy applicable to the asset. Lease payments made under finance leases are allocated between the finance cost and the reduction of the outstanding liability. Finance costs are allocated to each period during the lease term so as to produce a constant rate of interest on the remaining liability.

Lease payments under an operating lease, excluding costs for service such as insurance and maintenance, net of any incentive from the lessor, are recognized as an expense on a straight-line basis over the lease term.

(g) Goodwill

The excess cost of assets acquired over the fair value of identifiable assets acquired and liabilities assumed in a business combination is recorded as goodwill. Goodwill is measured at historical cost less any impairment losses. Goodwill is not amortized, but is tested for impairment annually, or earlier if there is an indication of impairment.

(h) Impairment

All non-financial assets are reviewed at the end of each reporting period to determine whether the carrying amount may not be recoverable. If indicators of impairment are identified, the asset is tested for impairment.

For purposes of impairment testing, if an asset does not generate cash inflows that are largely independent of the cash inflows from other assets or groups of assets, it is grouped with other assets to create a Cash Generating Unit ("CGU"), which is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the business combination.

WOLVERINE ENERGY AND INFRASTRUCTURE INC.

Notes to Consolidated Financial Statements

Years Ended March 31, 2018 and 2017

3. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(h) Impairment (continued)

The recoverable amount of an asset or a CGU is the higher of its fair value less costs to sell and its value in use. Value in use is determined on the basis of profit or loss projections over its useful life using management's forecast tools (for the five first years) and an estimate over the subsequent years based on long-term market trends for the asset or CGU involved. The calculation takes into account net cash flows to be received on disposal of the asset or CGU at the end of its useful life based on the growth and profitability profile of each asset or CGU.

An impairment loss is recognized when the carrying amount of any asset or its CGU exceeds its estimated recoverable amount. Impairment losses are allocated to first reduce the carrying amount of any goodwill allocated to the CGU and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Moreover, when goodwill and another asset (or asset group) of a CGU are tested for impairment at the same time, the other asset (or asset group) is tested for impairment before goodwill. When the other asset (or asset group) is impaired, the impairment loss is recognized prior to goodwill being tested for impairment. Impairment is determined for goodwill by assessing the recoverable amount of each group of CGUs to which goodwill relates. The groups of CGUs represent the lowest level within the Company at which goodwill is monitored for internal management purposes and are not larger than an operating segment. When the recoverable amount of a group of CGUs is less than its carrying amount, an impairment loss is recognized.

(i) Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

(j) Contract revenues

The Company provides services based on contracts with customers that include fixed or determinable rates for hourly, daily or monthly services, as well as recoverable costs. Revenues from such services are recognized as a performance obligation is satisfied over time.

Revenue is measured based on consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. Contracts are generally short-term in nature and are not considered to have a significant financing component.

Where the right to consideration from a customer corresponds with the value of the Company's performance to date to a customer, revenue is recognized as the Company becomes entitled to invoice. Otherwise, revenues are recognized on the basis of the Company's efforts including costs incurred or labour hours expended.

In all cases, revenue is recognized only when collection is reasonably assured.

(k) Contract costs

Using the practical expedient set out in of IFRS 15, the Company recognizes the incremental costs of obtaining a contract as an expense when incurred if the amortization period of the assets that the Company otherwise would have recognized is one year or less. During the year, there were no costs of obtaining a contract covering a period greater than one year.

(l) Income taxes

The Company uses the deferred tax method of accounting for income taxes.

Current tax assets and liabilities are obligations or claims for the current and prior periods to be recovered from (or paid to) taxation authorities that are outstanding at the end of the reporting period. Current tax is computed on the basis of tax profit which differs from net profit or loss.

Deferred tax is recognized based on temporary differences between the tax basis of an asset or liability and its carrying amount on the statement of financial position. Any changes in the net amount of deferred tax assets and liabilities are included in profit or loss based on enacted or substantively enacted tax rates and laws. Deferred tax assets are recognized only when it is likely they will be realized.

WOLVERINE ENERGY AND INFRASTRUCTURE INC.

Notes to Consolidated Financial Statements

Years Ended March 31, 2018 and 2017

4. APPLICATION OF NEW AND AMENDED IFRS

- a) Adoption of new or amended IFRS effective for periods on or after January 1, 2018

During its transition to IFRS, the Company has adopted all new and amended standards effective for reporting periods beginning on or after January 1, 2018, including early adoption of IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers, and has applied the policies consistently for all comparative periods presented herein.

- b) Future changes in accounting policies

IFRS 16 Leases

IFRS 16 was issued by the International Accounting Standards Board in January 2016. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both the lessee and the lessor. The new standard introduces a single lessee accounting model that requires the recognition of all assets and liabilities arising from a lease.

The new standard supersedes the requirements in IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC 15 Operating Leases – Incentives and SIC 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

The main features of the new standard are as follows:

- i) An entity identifies as a lease a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration;
- ii) A lessee recognizes an asset representing the right to use the leased asset, and a liability for its obligation to make lease payments. Exceptions are permitted for short-term leases and leases of low-value assets;
- iii) A lease asset is initially measured at cost, and is then depreciated similar to equipment. A lease liability is initially measured at the present value of unpaid lease payments;
- iv) A lessee represents interest expense on the lease liability separately from depreciation of the right-of-use asset in the statement of profit or loss and other comprehensive income;
- v) A lessor continues to classify its leases as operating leases or finance leases, and to account for them accordingly; and
- vi) A lessor provides enhanced disclosures about its risk exposure, particularly exposure to residual-value risk.

The new standard is effective for annual periods beginning on or after January 1, 2019. The Company is currently evaluating the impact of the standard on its financial statements.

5. SIGNIFICANT JUDGMENTS AND ESTIMATES

The following are critical judgments and estimates in applying accounting policies that management has made in the process of applying IFRS and that have the most significant effect on the amounts recognized in the consolidated financial statements.

Judgment in determining the timing of revenue recognition

Revenues from equipment rentals are recognized when the Company becomes entitled to invoice a customer based on contractual rates and the satisfaction of performance obligations over time. A contract with a customer defines the billing rates for each project. Performance obligations are considered satisfied as services are rendered. The Company submits time records and receives approval on a frequent basis.

WOLVERINE ENERGY AND INFRASTRUCTURE INC.

Notes to Consolidated Financial Statements

Years Ended March 31, 2018 and 2017

5. SIGNIFICANT JUDGMENTS AND ESTIMATES *(continued)*

Judgment in determining the timing of revenue recognition (continued)

In making their judgment, management considered the detailed criteria for the recognition of revenue set out in IFRS 15 and, in particular, whether the value of the invoicing over time would be equal to the value of the performance completed to date. Management is satisfied that value of the performance completed is consistent with the entitlement to invoice and that recognition of revenue in the year is therefore appropriate.

Judgment in identifying impairment indicators and assessing for impairment

The review and assessment of non-financial assets for impairment requirements the application of judgment and the use of external and internal sources of information. Impairment exists when the carrying value of an asset or CGU exceeds its recoverable amount. The determination of fair value and calculation of value-in-use are areas of estimation based on external and internal factors subject to uncertainty.

Selection of depreciation method and useful life

Subsequent to initial measurement, the carrying value of equipment is impacted by the determination of an appropriate depreciation method and the estimation of the useful life of equipment.

Management reviews the depreciation method and salvage value for each category of equipment on an annual basis to ensure that selections are consistent with the characteristics of the underlying assets. In making this judgment, management considers historical experience with similar assets as well as new technology and market trends.

Allowance for doubtful accounts

The Company establishes an allowance for estimated losses for uncollectable accounts. The allowance is determined based on customer credit-worthiness, current economic trends, and past experience.

6. BUSINESS COMBINATIONS

On June 29, 2016, the Company acquired assets and shares of HD Energy Rentals Group for total consideration of \$13,438,250. The cost of the investment exceeded fair value of the tangible assets acquired by \$594,390, which has been allocated to goodwill. Acquisitions costs associated with this business acquisition of \$147,801 have been expensed. The goodwill recognized as part of the acquisition is mainly attributed to the revenue growth, future market development and synergies from integration of HD Energy Rentals Group into the existing operations of the Company.

On June 30, 2016, the Company acquired all of the issued and outstanding common shares of Bearing Oilfield Services Ltd. for total consideration of \$1,397,728. The cost of the investment exceed the fair value of the tangible assets acquired by \$369,000, which has been allocated to goodwill. Acquisition costs associated with this business acquisition of \$107,037 have been expensed. The goodwill recognized as part of the acquisition is mainly attributed to the revenue growth, future market development and synergies from integration of Bearing Oilfield Services Ltd. into the existing operations of the Company.

WOLVERINE ENERGY AND INFRASTRUCTURE INC.**Notes to Consolidated Financial Statements****Years Ended March 31, 2018 and 2017****6. BUSINESS COMBINATIONS (continued)**

The consideration transferred and net assets acquired with respect to the 2017 acquisitions is as follows:

	HD Energy Rentals Ltd.	Bearing Oilfield Services Ltd.	2017 Total
Consideration transferred			
Cash	\$ 7,282,157	\$ 352,639	\$ 7,634,796
Seller notes	2,500,000	950,000	3,450,000
Shares issued	-	200,000	200,000
Total consideration transferred	<u>\$ 9,782,157</u>	<u>\$ 1,502,639</u>	<u>\$ 11,284,796</u>
Fair value of net assets acquired			
Accounts receivable	\$ 683,513	\$ 186,089	\$ 869,602
Prepaid expenses	58,714	7,984	66,698
Equipment	15,510,460	2,550,000	18,060,460
Goodwill	594,390	369,000	963,390
Accounts payable	(2,211,747)	(55,942)	(2,267,689)
Income taxes payable	(1,460,173)	51,135	(1,409,038)
Long-term debt	-	(1,236,627)	(1,236,627)
Deferred income taxes	(543,000)	(369,000)	(912,000)
Preferred shares	(2,850,000)	-	(2,850,000)
Net assets acquired	<u>\$ 9,782,157</u>	<u>\$ 1,502,639</u>	<u>\$ 11,284,796</u>

The best estimate at the acquisition date of the contractual cash flows for which collection is uncertain is nil. None of the goodwill acquired is deductible for tax purposes.

	HD Energy Rentals Ltd.	Bearing Oilfield Services Ltd.	2017 Total
The impact of the acquisitions on revenues and net income (loss) is as follows:			
Revenues	\$ 8,147,394	\$ 3,529,433	\$ 11,676,827
Net income (loss)	611,162	(463,952)	147,210

The impact of the acquisition on revenues and net income (loss), as if the acquisition had taken place on April 1, 2016 is as follows:

Revenues	\$ 10,019,589	\$ 4,025,379	\$ 14,044,968
Net income (loss)	713,281	(478,193)	235,088

The supplementary pro forma information is based on estimates and assumptions that are deemed reasonable. The supplementary pro forma information is not necessarily representative of the Company's future consolidated profit or loss that would have been achieved if the business acquisition had taken place on April 1, 2016.

WOLVERINE ENERGY AND INFRASTRUCTURE INC.**Notes to Consolidated Financial Statements****Years Ended March 31, 2018 and 2017****7. ACCOUNTS RECEIVABLE**

	<u>2018</u>	<u>2017</u>
Trade receivables	\$ 14,437,991	\$ 7,162,030
Other receivables	1,939,059	857,671
Less allowance	<u>(1,414,652)</u>	<u>-</u>
	<u>\$ 14,962,398</u>	<u>\$ 8,019,701</u>

During 2018 the Company acted as subcontractor on a project for a major municipality. The general contractor for the project became insolvent. Prior to the insolvency, the Company registered a lien on the project. Despite the lien, management feels that a portion will not be collectible and has therefore allowed for an appropriate amount being the majority of the allowance above.

The following table details the aging of trade receivables:

<30 days outstanding	\$ 6,392,498	\$ 2,822,182
31-60 days outstanding	4,316,696	2,377,677
61-90 days outstanding	2,214,105	1,492,722
>90 days outstanding	<u>1,514,692</u>	<u>469,449</u>
	<u>\$ 14,437,991</u>	<u>\$ 7,162,030</u>

8. INVENTORY

	<u>2018</u>	<u>2017</u>
Parts	\$ 2,548,695	\$ 2,705,343
Consumables	<u>262,090</u>	<u>103,229</u>
	<u>\$ 2,810,785</u>	<u>\$ 2,808,572</u>

During 2018 the Company recognized \$3,113,798 (2017 - \$1,890,425) of inventories in direct costs as an expense.

9. NOTE RECEIVABLE

The note receivable was due from a minority shareholder, earned interest at 4.5% and was settled in the corporate reorganization. (Note 17)

WOLVERINE ENERGY AND INFRASTRUCTURE INC.

Notes to Consolidated Financial Statements

Years Ended March 31, 2018 and 2017

10. EQUIPMENT

	Heavy Equipment	Automotive	Shop Tools and Other Equipment	Service Equipment	Rental Tools	Drill Pipe	Laydown Equipment	Leasehold Improvements	Total
Cost									
As at April 1, 2016	\$ 7,450,903	\$ 4,099,126	\$ 1,900,857	\$ 2,929,853	\$ 723,253	\$ 2,260,960	\$ 1,131,958	\$ 150,930	\$ 20,647,840
Additions	12,928,454	2,231,070	2,186,589	17,694	1,609,631	8,526	-	-	18,981,964
Disposals	(1,000,000)	(46,973)	-	-	-	-	-	-	(1,046,973)
As at March 31, 2017	19,379,357	6,283,223	4,087,446	2,947,547	2,332,884	2,269,486	1,131,958	150,930	38,582,831
Additions	15,789,880	1,771,846	1,378,847	38,397	4,676	-	-	-	18,983,646
Disposals	(49,630)	(206,656)	(28,063)	-	-	-	-	-	(284,349)
Transfers	1,230,773	(1,230,773)	-	-	-	-	-	-	-
As at March 31, 2018	\$ 36,350,380	\$ 6,617,640	\$ 5,438,230	\$ 2,985,944	\$ 2,337,560	\$ 2,269,486	\$ 1,131,958	\$ 150,930	\$ 57,282,128
Accumulated depreciation									
As at April 1, 2016	\$ 5,696,438	\$ 3,060,968	\$ 1,108,618	\$ 579,690	\$ 253,501	\$ 473,735	\$ 326,575	\$ 58,159	\$ 11,557,684
Depreciation	1,241,689	811,229	193,661	314,671	244,155	206,421	132,772	30,186	3,174,784
Disposals	-	(17,652)	-	-	-	-	-	-	(17,652)
As at March 31, 2017	6,938,127	3,854,545	1,302,279	894,361	497,656	680,156	459,347	88,345	14,714,816
Depreciation	3,217,147	703,721	520,337	207,238	183,757	158,933	67,261	30,186	5,088,580
Disposals	(33,132)	(116,126)	(21,614)	-	-	-	-	-	(170,872)
Transfers	61,340	(61,340)	-	-	-	-	-	-	-
As at March 31, 2018	\$ 10,183,482	\$ 4,380,800	\$ 1,801,002	\$ 1,101,599	\$ 681,413	\$ 839,089	\$ 526,608	\$ 118,531	\$ 19,632,524
Carrying value									
As at April 1, 2016	\$ 1,754,465	\$ 1,038,158	\$ 792,239	\$ 2,350,163	\$ 469,752	\$ 1,787,225	\$ 805,383	\$ 92,771	\$ 9,090,156
As at March 31, 2017	\$ 12,441,230	\$ 2,428,678	\$ 2,785,167	\$ 2,053,186	\$ 1,835,228	\$ 1,589,330	\$ 672,611	\$ 62,585	\$ 23,868,015
As at March 31, 2018	\$ 26,166,898	\$ 2,236,840	\$ 3,637,228	\$ 1,884,345	\$ 1,656,147	\$ 1,430,397	\$ 605,350	\$ 32,399	\$ 37,649,604

Amounts above include heavy equipment under finance leases with a net carrying value of \$977,009 (\$20,164 in 2017).

WOLVERINE ENERGY AND INFRASTRUCTURE INC.

Notes to Consolidated Financial Statements

Years Ended March 31, 2018 and 2017

11. GOODWILL

	<u>2018</u>	<u>2017</u>
Opening balance	\$ 3,521,184	\$ 2,325,861
Adjustments	30,492	231,933
Acquisitions through business combination (Note 6)	-	963,390
Ending goodwill	<u>\$ 3,551,676</u>	<u>\$ 3,521,184</u>

Adjustments that become known during the measurement period of a business acquisition are included above as adjustments.

Goodwill from a business combination is allocated to the Cash Generating Unit ("CGU") or groups of CGUs expected to benefit from the business combination. The carrying amount of goodwill is allocated to the following CGUs:

	<u>2018</u>	<u>2017</u>
Construction	\$ 1,309,389	\$ 1,278,897
Heavy equipment rentals	1,278,897	1,278,897
Oilfield rentals	594,390	594,390
Transportation	369,000	369,000
	<u>\$ 3,551,676</u>	<u>\$ 3,521,184</u>

Goodwill is tested for impairment annually and did not result in an impairment. The impairment test for CGUs to which goodwill is allocated is based on the value-in-use of each CGU, determined in accordance with the expected cash flow approach. The calculation is based primarily on assumptions used to estimate future cash flows, the cash flow growth rate and the discount rate used. Management references its strategic plans to determine future cash flows. These strategic plans cover a period of 5 years and use average growth rates of 9 - 20% over that period of time. A ten percent decrease in expected cash flows under these plans would result in an impairment of \$1,050,000. A one percent decrease in the growth rate would not result in an impairment. The rate used to discount future cash flows was 22.4%. A one percent increase in the discount rate would result in an impairment of \$465,000.

12. SHORT-TERM BORROWINGS

The Company has access to a line of credit with a limit of \$7,500,000. The line of credit bears interest at the bank's prime lending rate plus 1.25%. The line of credit is secured by a general security agreement, a first charge on certain equipment, a guarantee of a Director and assignment of life insurance.

13. ACCOUNTS PAYABLE

	<u>2018</u>	<u>2017</u>
Trade payables	\$ 2,104,062	\$ 1,332,262
Accrued liabilities	1,803,546	1,145,066
Priority payables	695,636	1,040,190
Total accounts payable	<u>\$ 4,603,244</u>	<u>\$ 3,517,518</u>

WOLVERINE ENERGY AND INFRASTRUCTURE INC.**Notes to Consolidated Financial Statements****Years Ended March 31, 2018 and 2017****14. INCOME TAXES**

	<u>2018</u>	<u>2017</u>
The components of the deferred tax liabilities are as follows:		
Equipment	\$ 2,702,000	\$ 1,930,000
Loss carry forwards	(1,170,000)	(786,000)
Leases	(186,000)	(6,000)
Other	6,000	7,000
	<u>6,000</u>	<u>7,000</u>
Total deferred tax liability	<u>\$ 1,352,000</u>	<u>\$ 1,145,000</u>

The statutory tax rate applied by the Company as of the end of the year was 27% (2017 - 27%). A reconciliation of the expected tax recovery at these rates versus the actual recovery is as follows:

Reconciliation of effective tax rate:		
Loss before income tax	\$ (677,846)	\$ (842,822)
Permanent differences		
Non-deductible for tax purposes	177,788	91,933
Taxable capital transactions	286,200	-
	<u>(213,858)</u>	<u>(750,889)</u>
Expected expense at 27% (2017 - 27%)	(57,742)	(202,740)
Increase (decrease) in income taxes resulting from reassessments and assessment differences	7,491	(55,784)
Acquisition accounting differences	-	(89,019)
	<u>7,491</u>	<u>(89,019)</u>
Combined income tax expense (recovery)	<u>\$ (50,251)</u>	<u>\$ (347,543)</u>

Change in the deferred tax liability for the year is as follows:		
Opening balance	\$ 1,145,000	\$ 674,000
Deferred income tax recovery	(55,000)	(441,000)
Deferred tax asset retained in reorganization (Note 2)	262,000	-
Assumed in business acquisition	-	912,000
	<u>-</u>	<u>912,000</u>
Ending balance	<u>\$ 1,352,000</u>	<u>\$ 1,145,000</u>

WOLVERINE ENERGY AND INFRASTRUCTURE INC.**Notes to Consolidated Financial Statements****Years Ended March 31, 2018 and 2017****15. DEBT**

	<u>2018</u>	<u>2017</u>
Term debt bearing interest at 6.85%, repayable in blended monthly payments of \$367,033 and maturing July 2026. The loan is secured by a general security agreement, a pledge of equity interests from the Company's subsidiaries and personal guarantees from Directors. The loan is net of deferred financing costs (net of accumulated amortization) of \$279,513 (2017 - \$175,387).	\$ 27,756,950	\$ 17,983,724
Equipment loan bearing interest at 4.89%, repayable in blended monthly instalments of \$73,371, secured by specific equipment with a net book value of \$4,276,275, maturing June 2021.	2,793,842	-
Revolving demand debt bearing interest at prime plus 1.75%, repayable in monthly fixed principal plus interest payments of \$54,486, secured by specific equipment with a net book value of \$1,186,535, maturing between March 2019 and December 2020. The debt is also secured by a general security agreement and a guarantee of a Director.	1,889,242	-
Equipment finance contracts bearing interest between 1.93% and 7.95%, repayable in total blended monthly instalments of \$41,964, secured by specific equipment with a net book value of \$1,857,180, maturing between November 2019 and May 2020.	927,285	1,093,872
Vendor take back agreement bearing interest at 6.00%, repayable in annual principal plus interest payments of \$200,000 in 2019, \$300,000 in 2020, and \$400,000 in 2021. The debt is subordinated to the senior lender and is secured by a guarantee of a Director and a general security agreement.	900,000	1,000,000
Capital lease contracts bearing interest between 8.75% and 8.95%, repayable in total blended monthly instalments of \$23,281, secured by specific equipment with a net book value of \$977,009, maturing between July 2018 and April 2021.	688,225	22,655
Vendor take back agreement bearing interest at prime plus 7.00%, settled in the corporate reorganization. (Note 17)	-	1,500,000
Vendor take back agreement bearing interest at 6.00%, assumed by parent company. (Note 2)	-	1,095,000
Vendor take back agreement bearing interest at prime plus 4.00%, assumed by parent company. (Note 2)	-	1,046,267
Vendor take back agreement bearing interest at 8.00%, settled in the corporate reorganization. (Note 17)	-	950,000
	34,955,544	24,691,518
Less current portion of debt	(4,959,031)	(3,471,849)
Demand debt due beyond one year	(1,235,414)	-
	\$ 28,761,099	\$ 21,219,669

WOLVERINE ENERGY AND INFRASTRUCTURE INC.**Notes to Consolidated Financial Statements****Years Ended March 31, 2018 and 2017****15. DEBT (continued)**

Principal repayment terms are approximately:

2019	\$	4,959,031
2020		5,102,470
2021		4,926,411
2022		3,346,142
2023		3,337,770
Thereafter		13,283,720
		<u>\$ 34,955,544</u>

Certain debt facilities contain financial covenants which, if breached, could result in accelerated repayment. These covenants include the requirement to maintain a total funded debt to EBITDA ratio less than 3.5:1, a debt service coverage ratio greater than 1.75:1, a working capital ratio of greater than 1.25:1, a debt to tangible net worth ratio less than 3:1 and an orderly liquidation ratio greater than 1.25:1. As a result of significant asset acquisitions and related debt financing, the Company was not in compliance with the debt to tangible net worth covenant. Subsequent to year-end, the Company's banker amended the terms of the facility such that the Company would have been in compliance and senior lenders are working with management on additional funding.

16. DUE TO SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

Amounts due to shareholders bear interest at rates determined from time to time by the directors, with no set terms of repayment but are postponed to the senior lenders.

During the year, \$1,292,110 (2017 - \$NIL) of management and consulting fees were paid to corporate shareholders and \$308,169 (2017 - \$40,000) of finance costs were paid to corporate shareholders.

Key management consists of Directors, the President and CEO and the CFO. Compensation paid to key management consists only of remuneration for services. There are no long-term employee benefits, post employment benefits or stock-based compensation programs. Total compensation paid to key management during the year was \$480,000 (2017 - \$371,000).

17. SHARE CAPITAL

Authorized:

- Unlimited Class A voting common shares
- Unlimited Class B non-voting common shares
- Unlimited Class C voting non-cumulative redeemable preferred shares
- Unlimited Class D & E non-voting non-cumulative redeemable preferred shares

	<u>2018</u>	<u>2017</u>
Issued:		
61,473,100 (2017 - 100) Class A voting common shares	<u>\$ 11,977,260</u>	<u>\$ 200</u>
- (2017 - 200,000) Class D non-voting preferred shares redeemable for \$200,000	\$ -	\$ 200,000
- (2017 - 800,000) Class F non-voting preferred shares redeemable for \$800,000	-	800,000
- (2017 - 2,850,000) Class Q non-voting preferred shares redeemable for \$2,850,000	-	2,850,000
	<u>\$ -</u>	<u>\$ 3,850,000</u>

WOLVERINE ENERGY AND INFRASTRUCTURE INC.

Notes to Consolidated Financial Statements

Years Ended March 31, 2018 and 2017

17. SHARE CAPITAL *(continued)*

At March 31, 2018, the Company began a reorganization (Note 2). As a result, of the reorganization, 50,099,000 class A common shares were issued to the majority shareholder which was previously the parent company, the class D and class F preferred shares were assumed by the majority shareholder and 1,326,622 class A common shares were issued to former minority shareholders of subsidiary companies. In addition, the Company issued 7,401,378 class A common shares to settle vendor take back debt and preferred shares of a subsidiary company. The Company also issued 2,646,000 class A common shares in a normal course share subscription.

18. PROVISIONS AND COMMITMENTS

- i) The Company has not recognized any provisions at the end of the reporting period.
- ii) The Company has entered into various lease commitments for vehicles, equipment and real estate that require the following minimum lease payments over the next five years:

	<u>2018</u>	<u>2017</u>
No later than 1 year	\$ 1,242,799	\$ 1,711,614
Later than 1 year and no later than 5 years	<u>1,516,394</u>	<u>2,107,385</u>
	<u>\$ 2,759,193</u>	<u>\$ 3,818,999</u>

- iii) From time to time the Company is subject to claims and lawsuits arising in the ordinary course of operations. In the opinion of management, the ultimate resolution of such pending legal proceedings will not have a material adverse effect on the Company's financial position.

19. DIRECT COSTS

Direct costs during the periods were comprised of the following:

	<u>2018</u>	<u>2017</u>
Personnel costs	\$ 10,753,448	\$ 5,958,707
Fuel and supplies	3,443,751	1,789,460
Maintenance and repairs	2,215,440	1,501,641
Subcontractor expense	1,988,286	1,195,834
Subrental	<u>1,944,997</u>	<u>197,927</u>
	<u>\$ 20,345,922</u>	<u>\$ 10,643,569</u>

20. FINANCE COSTS

Finance costs during the periods are as follows:

	<u>2018</u>	<u>2017</u>
Interest on long-term debt	\$ 2,285,594	\$ 1,627,664
Interest on short-term borrowings	<u>293,927</u>	<u>80,187</u>
	<u>\$ 2,579,521</u>	<u>\$ 1,707,851</u>

WOLVERINE ENERGY AND INFRASTRUCTURE INC.

Notes to Consolidated Financial Statements

Years Ended March 31, 2018 and 2017

21. FINANCIAL INSTRUMENTS

Classification of financial instruments

	<u>2018</u>	<u>2017</u>
Financial assets		
Recorded at amortized cost		
Accounts receivable	\$ 14,962,398	\$ 8,019,701
Note receivable	-	1,315,000
	<u>\$ 14,962,398</u>	<u>\$ 9,334,701</u>
Financial Liabilities		
Recorded at amortized cost		
Short-term borrowings	\$ 5,473,259	\$ 4,086,211
Accounts payable and accrued liabilities	4,603,244	3,517,468
Long-term debt	34,955,544	24,691,518
Preferred shares	-	3,850,000
	<u>\$ 45,032,047</u>	<u>\$ 36,145,197</u>

IFRS 7 "Financial Instruments: Disclosures" sets out a fair value hierarchy based on three levels of inputs used in the measurement of fair value as follows: Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities; Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly and measurement is based mainly on a market approach using observable inputs, such as prices; and Level 3 - Inputs that are not based on observable market data. The Company concluded that its fair value of financial instruments are determined using Level 2 inputs. The Company has determined that its financial instruments classified above approximate fair value based on the short-term maturity or market rates associated with them.

22. FINANCIAL RISKS

The Company is exposed to financial risks that are managed as follows:

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities. The Company's cash needs are met with cash generated by operations, financing provided by short-term borrowings (Note 12) and long-term debt (Note 15). At the end of the year, the Company had an additional \$2,026,741 (2017 - \$1,913,789) available through short-term borrowing facilities.

WOLVERINE ENERGY AND INFRASTRUCTURE INC.**Notes to Consolidated Financial Statements****Years Ended March 31, 2018 and 2017****22. FINANCIAL RISKS (continued)**

The following are undiscounted contractual maturities of financial liabilities, including estimated interest:

	Carrying Amount	Less Than 1 Year	2 to 3 Years	4 to 5 Years	Beyond 5 Years	Total
March 31, 2018						
Short term borrowings	\$ 5,473,259	\$ 5,473,259	\$ -	\$ -	\$ -	\$ 5,473,259
Accounts payable and accrued liabilities	4,603,244	4,603,244	-	-	-	4,603,244
Long-term debt	34,955,544	7,101,741	13,394,053	8,980,040	14,924,440	44,400,274
	<u>\$ 45,032,047</u>	<u>\$ 17,178,244</u>	<u>\$ 13,394,053</u>	<u>\$ 8,980,040</u>	<u>\$ 14,924,440</u>	<u>\$ 54,476,777</u>
March 31, 2017						
Short term borrowings	\$ 4,086,211	\$ 4,086,211	\$ -	\$ -	\$ -	\$ 4,086,211
Accounts payable and accrued liabilities	3,517,518	3,517,518	-	-	-	3,517,518
Long-term debt	24,691,518	5,070,833	7,447,718	6,994,120	13,187,888	32,700,559
Preferred shares	3,850,000	3,850,000	-	-	-	3,850,000
	<u>\$ 36,145,247</u>	<u>\$ 16,524,562</u>	<u>\$ 7,447,718</u>	<u>\$ 6,994,120</u>	<u>\$ 13,187,888</u>	<u>\$ 44,154,288</u>

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Company manages exposure through its normal operating and financing activities. The Company is exposed to interest rate risk primarily through short-term and long-term borrowings with floating interest rates. At the end of the reporting period, the Company held \$7,362,501 (2017 - \$6,632,478) in borrowings with floating rates. A one percent change in interest rates would have had a \$73,625 (2017 - \$66,325) impact on finance costs during the year.

Other borrowings have fixed interest rates, however would be subject to interest rate fluctuations as refinancing is required.

Commodity risk

The Company's customer base is primarily involved in the oil and gas sector in Western Canada and as such the Company's revenues are exposed to fluctuations in prices for natural gas, crude oil and natural gas liquids. Commodity prices are affected by many factors including supply, demand and the Canadian and U.S. dollar exchange rate. The Company had no financial hedges in place at the end of the reporting period.

Credit risk

The Company is primarily exposed to credit risk from customers. The maximum exposure to credit risk is equal to the carrying value of the accounts receivable and note receivable. In order to reduce credit risk, the Company reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. Monitoring procedures are in place to ensure that follow up action is taken to recover overdue amounts. The Company reviews receivables on a regular basis to ensure that an adequate loss allowance is made. Management considers risk to be normal for the industry. At year-end, one (2017 - two) customer accounted for 16% (2017 - 28%) of accounts receivable.

Insurance

The Company purchases discretionary insurance to cover property damage, business interruption and liability risk of loss exposure.

WOLVERINE ENERGY AND INFRASTRUCTURE INC.

Notes to Consolidated Financial Statements

Years Ended March 31, 2018 and 2017

23. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to:

- i) Ensure the Company has the financial capacity to execute on its strategy to increase market share through organic growth or strategic acquisitions;
- ii) Maintain financial flexibility in order to meet financial commitments and maintain the confidence of shareholders, creditors and the market; and
- iii) Optimize the use of capital to provide an appropriate return on investment to shareholders.

The overall capitalization of the Company at the end of the reporting period is as follows:

	2018	2017
Short-term borrowings	\$ 5,473,259	\$ 4,086,211
Long-term debt	<u>34,955,544</u>	<u>24,691,518</u>
	40,428,803	28,777,729
Shareholders' equity	<u>11,476,175</u>	<u>1,466,845</u>
	<u>\$ 51,904,978</u>	<u>\$ 30,244,574</u>

The Company has established criteria for sound financial management and manages the capital structure based on current economic conditions, risk characteristics of underlying assets and planned capital requirements. Total capitalization is maintained or adjusted by drawing on existing credit facilities or issuing new debt or equity securities and through the disposal of underperforming assets when required.

24. SUBSEQUENT EVENTS

Subsequent to year-end, the Company signed a conditional letter of intent to purchase all of the issued and outstanding shares of a Company engaged in international oil and gas production and whose shares are publicly traded on the TSX Venture Exchange for \$8,500,000. The purchase price is to be settled by the issuance of common shares of the Company and is anticipated to constitute a Reverse Takeover resulting in the combined business being a publicly traded entity. In conjunction with this transaction, a concurrent financing arrangement will take place to raise \$6,000,000 of capital through this issuance of common shares.

Subsequent to year-end, the Company acquired three Western Canadian businesses engaged in the oil and gas service sector for combined consideration of \$37,735,000, of which \$13,145,000 was settled with the issuance of common shares.

Subsequent to year-end, the term debt was increased by \$23,000,000, under the same terms and conditions as described in Note 15.

25. TRANSITION TO IFRS

The date of IFRS adoption by the Company is April 1, 2017 and the end of the reporting period for these consolidated financial statements is March 31, 2018. However, the Company's date of transition to IFRS is April 1, 2016 (the date of the earliest comparative period).

In preparing its first IFRS consolidated financial statements in accordance with IFRS 1, the Company elected to use some of the exemptions related to retrospective application of certain IFRSs, while taking into account exceptions to retrospective application of other IFRSs.

WOLVERINE ENERGY AND INFRASTRUCTURE INC.

Notes to Consolidated Financial Statements

Years Ended March 31, 2018 and 2017

25. TRANSITION TO IFRS *(continued)*

- a) Exemptions from full retrospective application elected by the Company

Business combinations

The Company applied the exemption provided for and, as a result, business combinations made before April 1, 2016 (date of transition) were not restated.

Notwithstanding this exemption, at the date of transition, the Company was required to determine whether the assets acquired and liabilities assumed complied with IFRS recognition criteria, and whether there were any assets acquired and liabilities assumed that were not recognized under ASPE that should be accounted for under IFRSs. The IFRS requirements were therefore applied to assets acquired and liabilities assumed from the date of acquisition to the date of transition. Applying this exemption did not give rise to any adjustment as at April 1, 2016 with respect to the transition to IFRSs. Also, consistent with the exemption respecting business combinations, the Company tested goodwill for impairment at the date of transition and determined that the carrying amount of goodwill was not impaired at that time.

Revaluation of equipment

The Company applied the election to use a previous revaluation on transition as the deemed cost of equipment. The previous revaluation at transition to ASPE was completed on April 1, 2014 and is considered comparable to fair value. At the transition date, the carrying value of equipment recorded was consistent with the results of the revaluation.

Arrangements containing leases

The Company applied the exemption to determine whether arrangements contain leases based on facts and circumstances at the transition date. No additional agreements were determined to contain leases at the transition date.

- b) Mandatory exceptions under IFRS

Estimates

The estimates previously made by the Company under ASPE were not changed to take into account IFRS, except where it was necessary to reflect a difference in accounting policy.

- c) Effects of the transition to IFRS

No changes in classification or measurement were made as a result of the transition to IFRS.

- d) Reconciliations between IFRS and ASPE

The transition to IFRS has had no material impact on the Company's consolidated statements of financial position, net income (loss) and comprehensive income (loss), shareholders' equity and cash flows.

WOLVERINE ENERGY AND INFRASTRUCTURE INC.
Condensed Consolidated Interim Financial Statements
For the Three Months Ended June 30, 2018
(Unaudited)

WOLVERINE ENERGY AND INFRASTRUCTURE INC.**Consolidated Interim Statement of Financial Position***(Unaudited)*

	June 30, 2018	March 31, 2018
ASSETS		
CURRENT		
Cash	\$ 691,104	\$ 618,225
Accounts receivable	10,866,676	14,962,398
Inventory	3,052,085	2,810,785
Prepaid expenses	372,899	215,450
	<u>14,982,764</u>	18,606,858
EQUIPMENT (Note 4)	35,294,354	37,649,604
GOODWILL	<u>3,551,676</u>	3,551,676
	<u>\$ 53,828,794</u>	<u>\$ 59,808,138</u>
LIABILITIES		
CURRENT		
Short-term borrowings (Note 5)	\$ 4,182,777	\$ 5,482,595
Accounts payable and accrued liabilities	3,255,293	4,603,244
Current portion of debt (Note 5)	4,994,891	4,959,031
Demand debt due beyond one year (Note 5)	1,071,957	1,235,414
Due to shareholders	1,818,580	1,938,580
	<u>15,323,498</u>	18,218,864
LONG-TERM DEBT (Note 5)	27,460,890	28,761,099
DEFERRED INCOME TAX LIABILITY	<u>872,000</u>	1,352,000
	<u>43,656,388</u>	48,331,963
COMMITMENTS (Note 12)		
SHAREHOLDERS' EQUITY		
Share capital (Note 6)	11,977,260	11,977,260
Deficit	<u>(1,804,854)</u>	<u>(501,085)</u>
	<u>10,172,406</u>	11,476,175
	<u>\$ 53,828,794</u>	<u>\$ 59,808,138</u>

ON BEHALF OF THE BOARD

_____ *signed "Jesse Douglas"* Director

_____ *signed "John Carvalho"* Officer

WOLVERINE ENERGY AND INFRASTRUCTURE INC.**Consolidated Interim Statement of Operations and Comprehensive Loss***(Unaudited)*

	June 30, 2018 <i>(3 months)</i>	June 30, 2017 <i>(3 months)</i>
REVENUE	\$ 8,593,626	\$ 6,538,754
DIRECT COSTS (Note 7)	<u>5,239,334</u>	<u>6,032,587</u>
GROSS PROFIT	<u>3,354,292</u>	<u>506,167</u>
EXPENSES		
Depreciation	1,412,559	1,106,531
Salaries and wages	1,335,404	901,010
Finance costs (Note 8)	729,104	389,645
Rental	609,340	582,714
Equipment leases	321,293	243,750
Loss on disposal of equipment	313,448	-
Insurance	188,156	116,144
Office	128,736	310,886
Advertising and promotion	59,363	72,498
Professional and consulting fees	<u>40,658</u>	<u>13,415</u>
	<u>5,138,061</u>	<u>3,736,593</u>
LOSS BEFORE INCOME TAXES	(1,783,769)	(3,230,426)
DEFERRED INCOME TAXES RECOVERED	<u>(480,000)</u>	<u>(869,000)</u>
LOSS BEFORE NON-CONTROLLING INTEREST	(1,303,769)	(2,361,426)
NON-CONTROLLING INTEREST	<u>-</u>	<u>(899,727)</u>
NET LOSS AND COMPREHENSIVE LOSS	<u>\$ (1,303,769)</u>	<u>\$ (1,461,699)</u>

WOLVERINE ENERGY AND INFRASTRUCTURE INC.**Consolidated Interim Statement of Equity****For the Three Months Ended June 30, 2018 and 2017*****(Unaudited)***

	Share capital	Deficit	Non-controlling Interest	Total
As at March 31, 2017	\$ 200	\$ (355,036)	\$ 1,820,681	\$ 1,465,845
Allocation of loss (3 months)	-	(2,023,699)	(899,727)	(2,923,426)
As at June 30, 2017	<u>\$ 200</u>	<u>\$ (2,378,735)</u>	<u>\$ 920,954</u>	<u>\$ (1,457,581)</u>
As at March 31, 2018	\$ 11,977,260	\$ (501,085)	\$ -	\$ 11,476,175
Allocation of loss (3 months)	-	(1,303,769)	-	(1,303,769)
As at June 30, 2018	<u>\$ 11,977,260</u>	<u>\$ (1,804,854)</u>	<u>\$ -</u>	<u>\$ 10,172,406</u>

WOLVERINE ENERGY AND INFRASTRUCTURE INC.**Consolidated Interim Statement of Cash Flows***(Unaudited)*

	June 30, 2018	June 30, 2017
	(3 months)	(3 months)
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:		
OPERATING ACTIVITIES		
Net loss	\$ (1,303,769)	\$ (1,461,699)
Items not affecting cash:		
Depreciation	1,412,559	1,106,531
Loss on disposal of assets	313,448	-
Non-controlling interest	-	(899,727)
Future income taxes	(480,000)	(869,000)
	<u>(57,762)</u>	<u>(2,123,895)</u>
Changes in non-cash working capital:		
Accounts receivable	4,095,722	(2,259,427)
Inventory	(241,300)	(233)
Accounts payable and accrued liabilities	(1,347,951)	538,843
Income taxes payable	-	(73,352)
Prepaid expenses	(157,449)	367,844
	<u>2,349,022</u>	<u>(1,426,325)</u>
	<u>2,291,260</u>	<u>(3,550,220)</u>
INVESTING ACTIVITIES		
Proceeds on disposal of equipment	1,475,042	-
Purchase of equipment	(845,800)	(676,863)
	<u>629,242</u>	<u>(676,863)</u>
FINANCING ACTIVITIES		
Repayment of long term debt	(1,427,805)	(792,790)
Advances to shareholders	(120,000)	-
Proceeds from long term financing	-	4,000,000
	<u>(1,547,805)</u>	<u>3,207,210</u>
INCREASE (DECREASE) IN CASH FLOW	1,372,697	(1,019,873)
SHORT-TERM BORROWINGS - BEGINNING OF PERIOD	(4,864,370)	(3,417,000)
SHORT-TERM BORROWINGS - END OF PERIOD	(3,491,673)	(4,436,873)
CASH CONSISTS OF:		
Line of credit	\$ (4,182,777)	\$ (5,315,274)
Cash in bank accounts	691,104	878,401
	<u>\$ (3,491,673)</u>	<u>\$ (4,436,873)</u>

WOLVERINE ENERGY AND INFRASTRUCTURE INC.

Notes to Condensed Consolidated Interim Financial Statements

For the Three Months Ended June 30, 2018 and 2017

(Unaudited)

1. DESCRIPTION OF THE BUSINESS

Wolverine Energy and Infrastructure Inc. (the "Company") is incorporated provincially under the Business Corporations Act of Alberta. The Company provides construction, heavy equipment and transport services to the oilfield and mining industries in Western Canada through its wholly-owned subsidiaries, Wolverine Equipment Inc., Wolverine Construction Inc., Bearing Transport Inc., Bearing Oilfield Services Ltd., HD Energy Rentals Ltd., HD Northern Equipment Sales and Rentals Inc. and BHW Employment Services Inc. (the "Subsidiaries"). The Company's principal office is located at 9515 62 Ave NW, Edmonton, Alberta, Canada.

The Company's revenue and profits are impacted by seasonality. Activity peaks in the third and fourth fiscal quarters.

2. BASIS OF PRESENTATION

The Company has begun a reorganization transaction with its parent company, Wolverine Management Services Inc. (the "Parent"), that will be effective March 31, 2018 under which all the pre-existing subsidiaries owned by a wholly-owned subsidiary of the Parent, Wolverine Group Inc. ("Group"), and minority shareholders will be transferred in exchange for an equivalent interest in the Company, on a tax deferred basis under Section 85 of the Income Tax Act (Canada). As a result, the net assets and the business of the Parent and Group will be transferred to the Company with the exception of deferred tax assets of \$262,000, a prepaid expense of \$150,000, preferred shares totaling \$1,000,000, shareholder loans of \$1,947,195 and debt obligations of \$2,141,267. Senior lender debt of the Parent amounting to \$35,825,407 will be assumed by the Company as partial consideration for the net assets being transferred. Senior lenders are aware of the presentation of the debt in these statements and are working with management to release the Parent from its obligations and formalize the assignment of the debt to the Company. The debt reflected in these financial statements mirrors terms and conditions of the debt of the senior lenders. Should the senior lenders not formalize the assignment of debt, the statement of financial position of the Company would be materially different than presented in these financial statements.

Management has determined that IFRS 3, Business Combinations, does not apply to the reorganization transaction as the Company is ultimately controlled by the same parties before and after the reorganization and there has been no substantive change in ownership. Instead, management has applied the continuity of interests method whereby the assets and liabilities of the entities included in the reorganization are recorded at their existing carrying values rather than fair value and no goodwill is recorded. Aside from the assets and liabilities mentioned above, the Company has taken the Parent's position for the purpose of reporting results of operations prior to the reorganization, including all comparative information presented herein.

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and are in compliance with International Accounting Standard ("IAS") 34: Interim Financial Reporting. These consolidated financial statements were approved by the Board of Directors on September 10, 2018.

Basis of consolidation

The condensed consolidated interim financial statements comprise the financial statements of the Company and the entities it controls. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the Subsidiaries and has the ability to affect those returns through its power over the Subsidiaries. Subsidiaries are consolidated from the date control is obtained and deconsolidated from the date control ceases. All intercompany transactions, balances, income and expenses are eliminated on consolidation.

WOLVERINE ENERGY AND INFRASTRUCTURE INC.

Notes to Condensed Consolidated Interim Financial Statements

For the Three Months Ended June 30, 2018 and 2017

(Unaudited)

2. BASIS OF PRESENTATION *(continued)*

Use of estimates and judgments

The preparation of the Company's consolidated financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

The following are critical judgments and estimates in applying accounting policies that management has made in the process of applying IFRS and that have the most significant effect on the amounts recognized in the condensed consolidated interim financial statements.

i) *Determining the timing of revenue recognition*

Revenues from equipment rentals are recognized when the Company becomes entitled to invoice a customer based on contractual rates and the satisfaction of performance obligations over time. A contract with a customer defines the billing rates for each project. Performance obligations are considered satisfied as services are rendered. The Company submits time records and receives approval on a frequent basis.

In making their judgment, management considered the detailed criteria for the recognition of revenue set out in IFRS 15 and, in particular, whether the value of the invoicing over time would be equal to the value of the performance completed to date. Management is satisfied that value of the performance completed is consistent with the entitlement to invoice and that recognition of revenue in the year is therefore appropriate.

ii) *Identifying impairment indicators and assessing for impairment*

The review and assessment of non-financial assets for impairment requirements the application of judgment and the use of external and internal sources of information. Impairment exists when the carrying value of an asset or Cash Generating Unit ("CGU") exceeds its recoverable amount. The determination of fair value and calculation of value-in-use are areas of estimation based on external and internal factors subject to uncertainty.

iii) *Selection of depreciation method and useful life*

Subsequent to initial measurement, the carrying value of equipment is impacted by the determination of an appropriate depreciation method and the estimation of the useful life of equipment.

Management reviews the depreciation method and salvage value for each category of equipment on an annual basis to ensure that selections are consistent with the characteristics of the underlying assets. In making this judgment, management considers historical experience with similar assets as well as new technology and market trends.

iv) *Allowance for doubtful accounts*

The Company establishes an allowance for estimated losses for uncollectable accounts. The allowance is determined based on customer credit-worthiness, current economic trends, and past experience.

WOLVERINE ENERGY AND INFRASTRUCTURE INC.

Notes to Condensed Consolidated Interim Financial Statements

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(Unaudited)

3. SIGNIFICANT ACCOUNTING POLICIES

These condensed interim consolidated financial statements ("interim financial statements") have been prepared in accordance with IAS 34: Interim Financial Reporting. Accordingly, certain information and footnote disclosures normally included in annual consolidated financial statements prepared in accordance with IFRS have been omitted or condensed. Accordingly, the interim financial statements should be read in conjunction with the Company's audited consolidated financial statements and notes thereto for the year ended March 31, 2018. These interim financial statements follow the same accounting policies and methods of computations as the most recent annual consolidated financial statements.

These interim financial statements have been prepared on a historical cost basis.

Future changes in accounting policies

IFRS 16 Leases

IFRS 16 was issued by the International Accounting Standards Board in January 2016. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both the lessee and the lessor. The new standard introduces a single lessee accounting model that requires the recognition of all assets and liabilities arising from a lease.

The new standard supersedes the requirements in IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC 15 Operating Leases – Incentives and SIC 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

The main features of the new standard are as follows:

- i) An entity identifies as a lease a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration;
- ii) A lessee recognizes an asset representing the right to use the leased asset, and a liability for its obligation to make lease payments. Exceptions are permitted for short-term leases and leases of low-value assets;
- iii) A lease asset is initially measured at cost, and is then depreciated similar to equipment. A lease liability is initially measured at the present value of unpaid lease payments;
- iv) A lessee represents interest expense on the lease liability separately from depreciation of the right-of-use asset in the statement of profit or loss and other comprehensive income;
- v) A lessor continues to classify its leases as operating leases or finance leases, and to account for them accordingly; and
- vi) A lessor provides enhanced disclosures about its risk exposure, particularly exposure to residual-value risk.

The new standard is effective for annual periods beginning on or after January 1, 2019. The Company is currently evaluating the impact of the standard on its financial statements.

WOLVERINE ENERGY AND INFRASTRUCTURE INC.
Notes to Condensed Consolidated Interim Financial Statements
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(Unaudited)

4. EQUIPMENT

	<u>June 30, 2018</u>	<u>March 31, 2018</u>
Total cost	\$ 55,817,598	\$ 57,282,128
Total accumulated depreciation	<u>(20,523,244)</u>	<u>(19,632,524)</u>
	<u>\$ 35,294,354</u>	<u>\$ 37,649,604</u>

The Company's equipment consists of heavy equipment, automotive equipment, shop tools, service equipment, rental tools, drill pipe, laydown equipment and leasehold improvements.

5. SHORT-TERM BORROWINGS AND DEBT

The Company has access to a line of credit with a limit of \$7,500,000. The line of credit bears interest at the bank's prime lending rate plus 1.25%.

Certain debt facilities contain financial covenants which, if breached, could result in accelerated repayment. These covenants include the requirement to maintain a total funded debt to EBITDA ratio less than 3.5:1, a debt service coverage ratio greater than 1.75:1, a working capital ratio of greater than 1.25:1, a debt to tangible net worth ratio less than 3:1 and an orderly liquidation ratio greater than 1.25:1. As a result of significant asset acquisitions and related debt financing, the Company was not in compliance with the debt to tangible net worth covenant. Subsequent to the period-end, the Company's banker amended the terms of the facility such that the Company would have been and continues to be in compliance and senior lenders are working with management on additional funding.

6. SHARE CAPITAL

Authorized:

- Unlimited Class A voting common shares
- Unlimited Class B non-voting common shares
- Unlimited Class C voting non-cumulative redeemable preferred shares
- Unlimited Class D & E non-voting non-cumulative redeemable preferred shares

Issued:

61,473,100 (March 31, 2018 - 61,473,100) Class A voting common shares	<u>\$ 11,977,260</u>	<u>\$ 11,977,260</u>
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7. DIRECT COSTS

Direct costs during the periods were comprised of the following:

	<u>June 30, 2018</u>	<u>June 30, 2017</u>
Personnel costs	\$ 1,960,781	\$ 2,234,246
Subrental	1,073,892	2,250,925
Subcontractor expense	911,506	487,671
Maintenance and repairs	769,321	577,954
Fuel and supplies	<u>523,834</u>	<u>481,791</u>
	<u>\$ 5,239,334</u>	<u>\$ 6,032,587</u>

WOLVERINE ENERGY AND INFRASTRUCTURE INC.
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8. FINANCE COSTS

Finance costs during the periods are as follows:

	<u>June 30, 2018</u>	June 30, 2017
Interest on long-term debt	\$ 619,210	\$ 333,020
Finance and re-organization costs	100,000	-
Interest on short-term borrowings	9,894	56,625
	<u>\$ 729,104</u>	<u>\$ 389,645</u>

9. FINANCIAL INSTRUMENTS

Classification of financial instruments

	<u>June 30, 2018</u>	March, 31, 2018
Financial assets		
Recorded at amortized cost		
Cash	\$ 691,104	\$ 618,225
Accounts receivable	10,866,676	14,962,398
	<u>\$ 11,557,780</u>	<u>\$ 11,557,780</u>
Financial Liabilities		
Recorded at amortized cost		
Short-term borrowings	\$ 4,182,777	\$ 5,482,595
Accounts payable and accrued liabilities	3,255,293	4,603,244
Long-term debt	33,527,738	34,955,544
	<u>\$ 52,523,588</u>	<u>\$ 56,599,163</u>

IFRS 7 "Financial Instruments: Disclosures" sets out a fair value hierarchy based on three levels of inputs used in the measurement of fair value as follows: Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities; Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly and measurement is based mainly on a market approach using observable inputs, such as prices; and Level 3 - Inputs that are not based on observable market data. The Company concluded that its fair value of financial instruments are determined using Level 2 inputs. The Company has determined that its financial instruments classified above approximate fair value based on the short-term maturity or market rates associated with them.

WOLVERINE ENERGY AND INFRASTRUCTURE INC.

Notes to Condensed Consolidated Interim Financial Statements

For the Three Months Ended June 30, 2018 and 2017

(Unaudited)

10. FINANCIAL RISKS

The Company is exposed to financial risks that are managed as follows:

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities. The Company's cash needs are met with cash generated by operations, financing provided by short-term borrowing and long-term debt. At the end of the reporting period, the Company had an additional \$3,287,822 (March 31, 2018 - \$2,026,741) available through short-term borrowing facilities.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Company manages exposure through its normal operating and financing activities. The Company is exposed to interest rate risk primarily through short-term and long-term borrowings with floating interest rates. At the end of the reporting period, the Company held \$6,107,847 (March 31, 2018 - \$7,362,501) in borrowings with floating rates. A one percent change in interest rates would have had a \$61,078 (March 31, 2018 - \$73,625) impact on finance costs during the year.

Other borrowings have fixed interest rates and would be subject to interest rate fluctuations as refinancing is required.

Commodity risk

The Company's customer base is primarily involved in the oil and gas sector in Western Canada and as such the Company's revenues are exposed to fluctuations in prices for natural gas, crude oil and natural gas liquids. Commodity prices are affected by many factors including supply, demand and the Canadian and U.S. dollar exchange rate. The Company had no financial hedges in place at the end of the reporting period.

Credit risk

The Company is primarily exposed to credit risk from customers. The maximum exposure to credit risk is equal to the carrying value of the accounts receivable and note receivable. In order to reduce credit risk, the Company reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. Monitoring procedures are in place to ensure that follow up action is taken to recover overdue amounts. The Company reviews receivables on a regular basis to ensure that an adequate loss allowance is made. Management considers risk to be normal for the industry. At end of the reporting period, two (March 31, 2018 - one) customers accounted for 36% (March 31, 2018 - 16%) of accounts receivable.

Insurance

The Company purchases discretionary insurance to cover property damage, business interruption and liability risk of loss exposure.

WOLVERINE ENERGY AND INFRASTRUCTURE INC.
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(Unaudited)

11. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to:

- i) Ensure the Company has the financial capacity to execute on its strategy to increase market share through organic growth or strategic acquisitions;
- ii) Maintain financial flexibility in order to meet financial commitments and maintain the confidence of shareholders, creditors and the market; and
- iii) Optimize the use of capital to provide an appropriate return on investment to shareholders.

The overall capitalization of the Company at the end of the reporting period is as follows:

	June 30, 2018	March 31, 2018
Short-term borrowings	\$ 4,182,777	\$ 5,482,595
Long-term debt	<u>33,527,738</u>	<u>34,955,544</u>
	37,710,515	40,438,139
Shareholders' equity	<u>10,172,406</u>	<u>11,476,175</u>
	\$ 47,882,921	\$ 51,914,314

The Company has established criteria for sound financial management and manages the capital structure based on current economic conditions, risk characteristics of underlying assets and planned capital requirements. Total capitalization is maintained or adjusted by drawing on existing credit facilities or issuing new debt or equity securities and through the disposal of underperforming assets when required.

12. COMMITMENTS

The Company has signed a conditional letter of intent to purchase all of the issued and outstanding shares of a Company engaged in international oil and gas production and whose shares are publicly traded on the TSX Venture Exchange for \$9,000,000. The purchase price is to be settled by the issuance of common shares of the Company and is anticipated to constitute a Reverse Takeover resulting in the combined business being a publicly traded entity.

The Company has signed conditional letters of intent for the purchase of three Western Canadian businesses engaged in the oil and gas service sector for combined consideration of \$31,760,000, of which \$18,240,000 is to be settled with the issuance of common shares.

SCHEDULE "H" – MD&A OF WOLVERINE ENERGY AND INFRASTRUCTURE INC.**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEARS ENDED MARCH 31, 2018 and 2017**

*This discussion and analysis of financial condition and results of operations for the years ended March 31, 2018 and 2017 should be read in conjunction with the audited financial statements of Wolverine Energy and Infrastructure Inc. ("**Wolverine**" or the "**Company**") as at and for the years ended March 31, 2018 and 2017, together with the notes thereto.*

This Management's Discussion and Analysis is dated as of September 1, 2018. Unless otherwise indicated, all dollar amounts presented herein are in Canadian dollars. This Management's Discussion and Analysis includes forward-looking statements and assumptions. See "8.0 *Forward Looking Information*" for more details.

1.0 Overview

Wolverine is a diversified energy and infrastructure services provider headquartered in Nisku, Alberta having over 70 years of operating history. Wolverine commenced active business through a predecessor entity, Rig Services Ltd., in 1952 as an oilfield service provider. Over the course of its history, the Wolverine group of companies pursued a strategy combining organic growth and strategic acquisitions. Today, Wolverine is a full-service, diversified energy and infrastructure services provider operating five primary service lines: (i) Oilfield/Energy Rentals, (ii) Heavy Equipment Sales and Rentals, (iii) Transportation and Trailer Rentals, (iv) Civil/Infrastructure Construction, and (v) Water Management. For financial reporting purposes, Wolverine has only one operating segment. Wolverine's operations are based in Western Canada, servicing customers primarily in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, the Northwest Territories and the Yukon, in Canada; and Colorado and North Dakota, in the United States.

Wolverine was incorporated under the ABCA on December 29, 2017, prior to which Wolverine's operations were carried out by its predecessors in business, Wolverine Management Service Inc. ("**WMS**") and Wolverine Group Inc. ("**WGI**"). Effective March 31, 2018, Wolverine completed an internal reorganization (the "**2018 Reorganization**") with WMS, WGI and other of its affiliates whereby all of the assets and liabilities of WMS and WGI were transferred and assumed by Wolverine (with the exception of certain deferred tax assets, prepaid expenses, preferred shares, shareholder loans and debt obligations). The 2018 Reorganization was completed to consolidated ownership of the Wolverine group of companies under Wolverine. Among other things, as a result of the 2018 Reorganization, former minority shareholders of subsidiaries within the Wolverine group received common shares of Wolverine in exchange for their holdings in such subsidiaries.

The address of the Company's registered office is 300 – 10335 172 Street NW, Edmonton, Alberta.

1.1 Non-GAAP Financial Measures

Throughout this Management's Discussion and Analysis, Wolverine has used the term Adjusted earnings before interest, taxes, depreciation and amortization ("**EBITDA**"), which term is not defined under Canadian generally accepted accounting principles ("**GAAP**"), but is used by management to evaluate the Company's performance and its business. Non-GAAP measures do not have standardized meaning

prescribed by GAAP and therefore are unlikely to be comparable to similar measures presented by other companies. Non-GAAP measures should not be considered in isolation or used in substitute for measures of performance prepared in accordance with *International Financial Reporting Standards* ("IFRS").

2.0 Operational Highlights

Wolverine finished the fiscal year of 2018 strongly, achieving another year of over 100% year over year EBITDA growth. Fiscal fourth quarter of 2018 results benefitted from increased economic activity in Western Canada, which has expanded into our fiscal year 2019. Drilling activity continues to increase in key liquids rich basins, including the Montney and Duvernay, where Wolverine is strongly positioned to benefit from increased activity levels.

Fiscal 2018 for Wolverine was focused on integrating previous acquisitions and further cross selling initiatives, organic growth and new client development, and negotiating accretive, complementary acquisitions.

Wolverine's focus on return on capital deployed, and both customer and service diversification, has enabled the company to see significant benefits in each operating division. In addition, Wolverine continues to evaluate and execute strategic acquisitions in an opportunistic market due to the difficult operating environment in Western Canada since 2015.

3.0 Financial Highlights

	Year ended	Year ended	Percentage Change
(\$000s, except per share amounts and per share data)	31-Mar-18	31-Mar-17	
Revenue	\$39,951	\$22,155	80%
Gross margin	49%	52%	
Total EBITDA	\$9,071	\$5,853	55%
Total Adjusted EBITDA	\$12,721	\$5,547	129%
Percentage of revenue	32%	25%	
Net earnings	(\$146)	(\$801)	82%
Funds from operations	\$4,534	\$2,732	66%
Capital expenditures	\$17,988	\$968	1758%
Total assets	\$59,799	\$40,674	47%
Total liabilities	\$48,323	\$39,208	23%
Shares outstanding as at March 31	61,473,000	100	

3.1 Revenue

Revenue increased by 80% or \$17.8 million, from \$22.2 million during the year ended March 31, 2017, to \$40.0 million during year ended March 31, 2018. The increase in revenue was related to an increase in utilization of equipment, reduction in pricing pressure and organic growth as Wolverine integrated its previous acquisitions operations and implemented its cross-selling strategies between the business units. In addition, 2018 operating environment has significantly improved from 2017, due to increased commodity prices.

	Year ended	Year ended	Percentage
(\$000s)	31-Mar-18	31-Mar-17	

			Change
Total Sales	\$39,951	\$22,155	80%

3.2 *Gross Profit*

Gross profit for the year increased by 70% or \$8.1 million, from \$11.5 million in 2017 to \$19.6 million in 2018. As a percentage of revenue, Gross Profit Margin remained relatively inline with the previous year at 49% in 2018, which compares to 52% in 2017. The slight decrease in Gross Profit Margin is due to increased labour and fuel costs, partially offset by decreasing pricing pressures and an increase in construction activity which has a slightly lower margin than rentals. Wolverine expects pricing pressures to further decrease throughout fiscal 2019.

(\$000s)	Year ended 31-Mar-18	Year ended 31-Mar-17	Percentage Change
Gross profit	\$19,605	\$11,512	70%
Gross profit as a percentage of revenue	49%	52%	

3.3 *General and Administrative Expenditures*

G&A increased by 60% or \$4.2 million, from \$7.0 million in 2017 to \$11.3 million in 2018. The increase was a result of full year costs for additional operating divisions and administrative personnel related to the two strategic acquisitions completed in the previous year. As a percent of revenue, General and Administrative costs decreased from 32% of total revenue to 28%, due to management's focus on minimizing its fixed cost structure. With Wolverine's existing cost structure and staffing levels, limited personnel additions will be required in the future to support revenue growth.

(\$000s)	Year ended 31-Mar-18	Year ended 31-Mar-17	Percentage Change
General expenses	\$11,253	\$7,035	60%
General expenses as a percentage of revenue	28%	32%	

3.4 *EBITDA and Adjusted EBITDA*

Total Adjusted EBITDA increased by 129% or \$7.2 million, from \$5.5 million in 2017 to \$12.7 million in 2018. The increase was a result of increased industry activity following increased commodity prices, previous acquisition integration and synergies, and organic growth in 2018. The positive developments were slightly offset by increased labour and fuel prices. Wolverine's focus on consistent 100% year over year EBITDA growth rates continue to drive industry leading EBITDA margins.

Of note, in 2018 Wolverine expensed \$1.3 million in bad debt expenditures and canceled a further invoice of \$0.9 million, of which all costs had been incurred, related to previous matters of an acquisition. In

addition, Wolverine realized re-organization payments and non-controlling interest payments due to corporate restructuring initiatives to go public, which are non-reoccurring costs.

Due to the structure of leases as a private company, fiscal 2018 results reflect equipment lease costs, which the Company would typically include in finance costs.

(\$000s)	Year ended 31-Mar-18	Year ended 31-Mar-17	Percentage Change
Net earnings (loss) and comprehensive earnings (loss) for the period	(\$146)	(\$801)	82%
Add:			
Acquisition costs	\$49	\$358	86%
Depreciation	5,089	3,175	60%
Equipment Leases	2,057	1,376	49%
Finance costs	2,580	1,708	51%
(Gain) loss on disposal of equipment	(26)	78	-133%
Income taxes (recovered)	(51)	(348)	85%
Non-controlling interest	(481)	306	-257%
Total EBITDA	\$9,071	\$5,853	55%
Bad debts	1,339	-	
Re-Organization Payments	930	-	
Non-controlling interest (Tax Structure)	481	306	
Project write-down	900	-	
Total ADJUSTED EBITDA	\$12,721	\$5,547	129%

3.5 Depreciation and Finance Costs

Depreciation increased by 60% or \$1.9 million, from \$3.2 million in 2017 to \$5.1 million for 2018. In addition, Finance costs increased by \$0.9 million in 2018. Both increases are a result of additional growth capital expenditures incurred in fiscal 2018.

Of note, Wolverine's focus on profitability and return on capital deployed has resulted in the company historically incurring depreciation expense at an above average industry standard. On average, Wolverine's depreciation model is expected to be greater than 20% of its real depreciation expense due to its strategic, industry leading, maintenance programs.

(\$000s)	Year ended 31-Mar-18	Year ended 31-Mar-17	Percentage Change
Depreciation	\$5,089	\$3,175	60%
Finance Costs	\$2,580	\$1,708	51%

3.6 Stock Based Compensation

Wolverine does not issue stock-based compensation and has no stock options outstanding as of March 31, 2018.

3.7 *Net Earnings and Comprehensive Loss for the Period*

(\$000s)	Year ended 31-Mar-18	Year ended 31-Mar-17	Percentage Change
Total net and comprehensive earnings (loss)	(\$146)	(\$801)	82%

4.0 **Industry Outlook**

Fiscal 2018 resulted in significant increase in industry activity, due to the strengthening of commodity prices, in key Western Canadian liquids rich basins including the Montney and Duvernay. Entering Fiscal 2019, Wolverine has seen the recent uptick in industry activity maintained. Although breakup has been longer and with a more intense reduction on spending than the previous year, management is optimistic that spending will be meaningfully higher in 2019 than 2018.

Moving forward, Western Canada has multiple industry catalysts including: long term egress solutions for both crude oil and natural gas (resulting in decreased commodity price differentials in Canada and increased drilling activity), strengthening commodity prices, and potential long-term natural gas export opportunities (British Columbia LNG).

Wolverine's focus on providing top quality services, with diverse product lines and blue-chip customer base, enabled the company to remain profitable (positive EBITDA) throughout the downturn and has strongly positioned the company as industry activity increases.

The Company's strong financial position, long term strategic financial lenders and diverse long-term customer base enables Wolverine to be an industry leader in consolidating the highly fragmented energy services space in Western Canada and take advantage of strategic, synergistic, acquisition opportunities.

5.0 **Liquidity and Capital Management**

Wolverine expects to generate sufficient cash flows from operations to meet all organic growth initiatives and maintenance capital expenditures. Due to the Company's low fixed cost base and focus on profitable business ventures, the Company expects to generate Free Cash Flow through its operations, net of maintenance capital expenditures, on an annual basis.

In addition, due to its long term, strategic, financial partners, Wolverine has access to additional funding to enable the Company to execute its business strategy of consolidating the highly fragmented energy services market in Western Canada.

(\$000s)	Year ended 31-Mar-18	Year ended 31-Mar-17
Cash (used in) provided by operating activities	\$4,534	2,732
Cash (used in) provided by investing activities	(\$17,832)	(\$7,580)
Cash provided by (used in) financing activities	\$17,527	\$9,262

5.1 *Cash Generated from Operating Activities*

Cash flow from operating activities before non-cash working capital items was \$4.5 million during 2018, an increase of \$1.8 million from \$2.7 million during 2017, due to improved economic activity, integration of previous acquisitions and continued focus on the cost structure of the business.

5.2 *Cash Used in Investing Activities*

Cash used in investing activities was \$17.8 million during 2018, an increase of \$10.2 million from the cash used by in investing activities of \$7.6 million during 2017.

In 2018, Wolverine used \$18.0 million in cash to complete organic growth capex (0 acquisitions), which compares to 2017 of \$7.6 million from acquisition activity (2 acquisitions). Of note, in fiscal 2018 Wolverine added approximately \$14.0 million of assets in February 2018.

5.3 *Cash Used in Financing Activities*

Cash provided by financing activities was \$17.5 million during 2018, an increase of \$8.3 million from the cash used in financing activities of \$9.3 million during the 2017. The increase in cash provided by financing activities resulted from the Company dramatically increasing capex spend in fiscal 2018 and an increase in draws on its operating line to fund working capital requirements from increased operating activities.

5.4 *Working Capital*

(\$000s)	Year ended 31-Mar-18	Year ended 31-Mar-17
Current assets	\$18,598	\$11,970
Current liabilities	\$18,210	\$12,993
Working capital	\$388	(\$1,024)

5.5 *Credit Facilities*

In July 2016, Wolverine entered into an agreement with Integrated Asset Management ("IAM") for a debt facility of \$19.0 million and increased by \$8.0 million through to the end fiscal 2018. The debt is bearing interest at 6.85%, repayable in blended monthly payments of \$367,033 and maturing July 2026. The loan is secured by a general security agreement, a pledge of equity interests from the Company's subsidiaries, postponement of shareholder loans and personal guarantees from the Company's shareholders. The loan is net of deferred financing costs (net of accumulated depreciation) of \$279,513. Wolverine strongly believes the financing arrangement and long-term financial partnership will provide the Company with strategic advantages in executing both organic and acquisition opportunities as they arise, while maintaining a conservative approach to leverage.

In addition, on August 15, 2017, Wolverine entered into an agreement with Canadian Western Bank ("CWB") for a \$9.5 million revolving operating line bearing interest at prime plus 1.75% repayable

monthly. The debt is also secured by a general security agreement, postponement of shareholder loans, and a guarantee of a principal shareholder.

Debt Covenants

As of March 31, 2018, the Company was in compliance with the terms and covenants of its lending agreements. Wolverine is required to have EBITDA to IAM and CWB Debt Service of >1.75x and IAM and CWB Debt to EBITDA of <3.75x, both of which were well within the required levels as of March 31, 2018.

5.6 *Commitments and Contingencies*

As part of the Company's normal operations, it often enters into contracts, such as leases and purchase contracts, which obligate the Company to make disbursements in the future. The following table summarizes these future payments required in respect to the Company's contractual obligations:

	Due within one year	Due between one and five years	Total
Accounts payable and accrued liabilities	\$4,603,244	-	\$4,603,244
Operating loan	653,828	1,235,414	1,889,242
Bank and financing loans	454,417	472,868	927,285
Senior debt	2,489,069	25,267,881	27,756,950
Subordinated debt	-	-	-
Lease liabilities	240,182	448,043	688,225
Onerous leases	-	-	-
Contingent deferred payment	-	-	-
Acquisition obligation	-	-	-
Long-term financial liabilities	3,837,497	27,424,206	31,261,703

5.7 *Capital Expenditures*

Wolverine's diligent focus on return on capital deployed allows the company to be a first mover into or out of industries when pricing pressure or operating costs changes. All acquisitions are based off an orderly liquidation asset value to minimize any integration or market risks.

Due to the Company's focus on profitability, Wolverine's strategic maintenance programs typically result in maintenance expenditures being expensed versus capitalized. In fiscal 2018, Wolverine purchased \$18.0 million in equipment, which included approximately \$2.0 million of capitalized maintenance capital expenditures. The maintenance and growth capital expenditures are not committed for or required if factors related to economics, industrial and customer spending plans change or destabilize.

5.8 *Credit Risk*

The Company's revenues come from a diverse customer base, which includes the energy, oil and gas midstream / infrastructure, real estate, utilities and mining industries in Western Canada. The Company believes that there is no unusual exposure associated with the collection of accounts receivable outside of the normal risk associated with contract audits and normal trade terms common in the oil and gas industry. The Company performs regular credit assessments of its customers and provides allowances for

potentially uncollectible accounts receivable. For the quarter ended March 31, 2018, the Company had one customer that accounted for ~14% of the consolidated sales. Wolverine targets no individual customer accounting for greater than 10% of the consolidated sales.

5.9 Outstanding Share Data

As of March 31, 2018, the Company had 61,473,000 Common Shares outstanding. As of the same date, the Company had outstanding stock options of 0 and warrants of 0.

5.10 Transactions with Related Parties

All related party transactions are provided in the normal course of business, materially under the same commercial terms and conditions as transactions with unrelated companies and are recorded at the exchange amount. Related party transactions include transactions with other private companies that are owned or controlled by a director.

6.0 Critical Accounting Judgments, Estimates and Accounting Policy Developments

6.1 Critical Judgments in Applying the Company's Accounting Policies

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period, as well as the disclosures of contingent assets and liabilities. Accordingly, actual results could differ from these estimates and judgments. Estimates and judgments are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Percentage Completion

Judgment used to determine percentage of completion for construction contracts, specifically related to estimated costs to complete, include the various construction projects. Given that the expected period of contract revenue is based on judgment, future results could be affected if management's current assessment of its estimated costs to complete differ from actual performance. Wolverine has very few lump sum contracts that require this methodology and typically these do not have long completion times where these estimates have increased risk.

Property and Equipment

As part of the capitalization process, management must estimate the expected period of benefit over which capitalized costs should be depreciated. The considerations for estimated useful lives include the timing of technological obsolescence and competitive pressures, as well as historical experience and internal business plans for the projected use of related assets. Given that the expected period of benefit is an estimate, future results could be affected if management's current assessment of its property and equipment's useful lives differs from actual performance.

Cash-Generating Units ("CGUs")

For the purpose of assessing impairment of non-financial assets, the Company must determine its CGUs. Assets and liabilities are grouped into CGUs at the lowest level of separately identified cash flows. Determination of what constitutes a CGU is subject to management judgment. The asset composition of a

CGU can directly impact the recoverability of assets included within the CGU. Management has determined that the business has similar risks throughout all operations and therefore all results are presented on a consolidated basis.

Provisions and Contingencies

The determination of provisions and contingencies is a complex process that involves judgment about the outcome of future events, estimates of timing and amount of future expenditures, and discount rates. The amount recognized as a provision is management's best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

6.2 Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimating uncertainty at the statement of financial position date that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial period are discussed below:

6.3 Changes in Accounting Policies

In preparing its first IFRS consolidated financial statements in accordance with IFRS 1, the Company elected to use some of the exemptions related to retrospective application of certain IFRSs, while taking into account exceptions to retrospective application of other IFRSs.

(a) Exemptions from full retrospective application elected by the Company

Business combinations

The Company applied the exemption provided for and, as a result, business combinations made before April 1, 2016 (date of transition) were not restated.

Notwithstanding this exemption, at the date of transition, the Company was required to determine whether the assets acquired, and liabilities assumed complied with IFRS recognition criteria, and whether there were any assets acquired and liabilities assumed that were not recognized under ASPE that should be accounted for under IFRSs. The IFRS requirements were therefore applied to assets acquired and liabilities assumed from the date of acquisition to the date of transition. Applying this exemption did not give rise to any adjustment as at April 1, 2016 with respect to the transition to IFRSs. Also, consistent with the exemption respecting business combinations, the Company tested goodwill for impairment at the date of transition and determined that the carrying amount of goodwill was not impaired at that time.

Revaluation of equipment

The Company applied the election to use a previous revaluation on transition as the deemed cost of equipment. The previous revaluation at transition to ASPE was completed on April 1, 2014 and is considered comparable to fair value. At the transition date, the carrying value of equipment recorded was consistent with the results of the revaluation.

Arrangements containing leases

The Company applied the exemption to determine whether arrangements contain leases based on facts and circumstances at the transition date. No additional agreements were determined to contain leases at the transition date.

(b) Mandatory exceptions under IFRS

Estimates

The estimates previously made by the Company under ASPE were not changed to take into account IFRS, except where it was necessary to reflect a difference in accounting policy.

(c) Effects of the transition to IFRS

No changes in classification or measurement were made as a result of the transition to IFRS.

(d) Reconciliations between IFRS and ASPE

The transition to IFRS has had no material impact on the Company's consolidated statements of financial position, net income (loss) and comprehensive income (loss), shareholders' equity and cash flows.

6.4 Financial Instruments

Classification of financial instruments

Financial assets	2018	2017
Recorded at amortized cost		
Accounts receivable	\$14,962,398	\$8,019,701
Note receivable	-	1,315,000
	<u>\$14,962,398</u>	<u>\$9,334,701</u>
Financial liabilities	2018	2017
Recorded at amortized cost		
Short-term borrowings	\$5,473,259	\$4,086,211
Accounts payable and accrued liabilities	4,603,244	3,517,468
Long-term debt	34,955,544	24,691,518
Preferred shares	-	3,850,000
	<u>\$45,032,047</u>	<u>\$36,145,197</u>

IFRS 7 "Financial Instruments: Disclosures" sets out a fair value hierarchy based on three levels of inputs used in the measurement of fair value as follows: Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities; Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly and measurement is based mainly on a market approach using observable inputs, such as prices; and Level 3 - Inputs that are not based on observable market data. The Company concluded that its fair value of financial instruments are determined using Level 2 inputs. The Company has determined that its financial instruments classified above approximate fair value based on the short-term maturity or market rates associated with them.

6.5 Non-IFRS Measures

Management believes that EBITDA (earnings before interest, taxes, depreciation and depreciation) is a useful measure because it gives an indication of the results from the Company's primary business

activities prior to consideration of how such activities are financed and the impact of taxation and non-cash depreciation and depreciation charges. Reconciliation of this non-IFRS measure to net income (loss) is set forth below.

(\$000s)	Year ended 31-Mar-18	Year ended 31-Mar-17	Percentage Change
Net earnings (loss) and comprehensive earnings (loss) for the period	(\$146)	(\$801)	82%
Add:			
Acquisition costs	\$49	\$358	86%
Depreciation	5,089	3,175	60%
Equipment Leases	2,057	1,376	49%
Finance costs	2,580	1,708	51%
(Gain) loss on disposal of equipment	(26)	78	-133%
Income taxes (recovered)	(51)	(348)	85%
Non-controlling interest	(481)	306	-257%
Total EBITDA	\$9,071	\$5,853	55%
Bad debts	1,339	-	
Re-Organization Payments	930	-	
Non-controlling interest (Tax Structure)	481	-306	
Project write-down	900	-	
Total ADJUSTED EBITDA	\$12,721	\$5,547	129%

7.0 Additional Information

Additional information is available on the Corporation's website at www.wnrgi.com

8.0 Forward-Looking Information

Certain statements contained in this document constitute "forward-looking information". When used in this document or by any of the Company's management, the words "may", "would", "will", "intend", "plan", "propose", "anticipate" and "believe" are intended to identify forward-looking information. Such statements reflect the Company's forecasts, estimates and expectations, as they relate to the Company's current views based on its experience and expertise with respect to future events, and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company's actual results, performance or achievements to be materially different from any expected future results, performance or achievement that may be expressed or implied by such forward-looking statements.

The forward-looking information and statements contained in this document reflect several material factors and expectations and assumptions of the Company, including, without limitation: that the Company will continue to conduct its operations in a manner consistent with past operations; the general continuance of current or, where applicable, assumed industry conditions; the continuance of existing tax, royalty and regulatory regimes; the impact of seasonal weather conditions; and certain cost assumptions.

The forward-looking information and statements included in this document are not guarantees of future performance and should not be unduly relied upon. Such information and statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially

from those anticipated in such forward-looking information or statements, including, without limitation: changes in the demand for or supply of the Company's services; unanticipated operating results; changes in tax or environmental laws, or other regulatory matters; changes in the development plans of third parties; increased debt levels or debt service requirements; increased costs; the impact of competitors; reliance on industry partners; and attracting and retaining skilled personnel.

Wolverine's business is subject to a number of risks and uncertainties. Readers are encouraged to review and carefully consider the risk factors described in the financial statements, which risk factors are specifically incorporated by reference herein. The forward-looking statements contained in this Management's Discussion and Analysis are expressly qualified in their entirety by this cautionary statement.

The forward-looking statements included in this Management's Discussion and Analysis are made as of the date of this Management's Discussion and Analysis. The Company does not intend and does not assume any obligation to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments, unless required by law.

WOLVERINE ENERGY AND INFRASTRUCTURE INC.**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED JUNE 30, 2018**

*This discussion and analysis of financial condition and results of operations for the three months ended June 30, 2018 should be read in conjunction with the unaudited interim financial statements of Wolverine Energy and Infrastructure Inc. ("**Wolverine**" or the "**Company**") as at and for the three months ended June 30, 2018, together with the notes thereto, as well as the audited financial statements of Wolverine as at and for the years ended March 31, 2018 and 2017, the notes thereto, and the accompanying Management's Discussion and Analysis.*

This Management's Discussion and Analysis is dated as of September 1, 2018. Unless otherwise indicated, all dollar amounts presented herein are in Canadian dollars. This Management's Discussion and Analysis includes forward-looking statements and assumptions. See "8.0 Forward Looking Information" for more details.

1.0 Overview

Wolverine is a diversified energy and infrastructure services provider headquartered in Nisku, Alberta having over 70 years of operating history. Wolverine commenced active business through a predecessor entity, Rig Services Ltd., in 1952 as an oilfield service provider. Over the course of its history, the Wolverine group of companies pursued a strategy combining organic growth and strategic acquisitions. Today, Wolverine is a full-service, diversified energy and infrastructure services provider operating five primary service lines: (i) Oilfield/Energy Rentals, (ii) Heavy Equipment Sales and Rentals, (iii) Transportation and Trailer Rentals, (iv) Civil/Infrastructure Construction, and (v) Water Management. For financial reporting purposes, Wolverine has only one operating segment. Wolverine's operations are based in Western Canada, servicing customers primarily in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, the Northwest Territories and the Yukon, in Canada; and Colorado and North Dakota, in the United States.

Wolverine was incorporated under the ABCA on December 29, 2017, prior to which Wolverine's operations were carried out by its predecessors in business, Wolverine Management Service Inc. ("**WMS**") and Wolverine Group Inc. ("**WGI**"). Effective March 31, 2018, Wolverine completed an internal reorganization (the "**2018 Reorganization**") with WMS, WGI and other of its affiliates whereby all of the assets and liabilities of WMS and WGI were transferred and assumed by Wolverine (with the exception of certain deferred tax assets, prepaid expenses, preferred shares, shareholder loans and debt obligations). The 2018 Reorganization was completed to consolidated ownership of the Wolverine group of companies under Wolverine. Among other things, as a result of the 2018 Reorganization, former minority shareholders of subsidiaries within the Wolverine group received common shares of Wolverine in exchange for their holdings in such subsidiaries.

The address of the Company's registered office is 300 – 10335 172 Street NW, Edmonton, Alberta.

1.1 Non-GAAP Financial Measures

Throughout this Management's Discussion and Analysis, Wolverine has used the term Adjusted earnings before interest, taxes, depreciation and amortization ("**EBITDA**"), which term is not defined under Canadian generally accepted accounting principles ("**GAAP**"), but is used by management to evaluate the Company's performance and its business. Non-GAAP measures do not have standardized meaning prescribed by GAAP and therefore are unlikely to be comparable to similar measures presented by other

companies. Non-GAAP measures should not be considered in isolation or used in substitute for measures of performance prepared in accordance with *International Financial Reporting Standards* ("IFRS").

2.0 Operational Highlights

Wolverine finished the fiscal first quarter ending June 30, 2018 strongly, achieving another quarter of over 100% year over year EBITDA growth. Fiscal first quarter of 2019 results benefitted from both internal and external business activities, including an increased asset base following asset acquisitions in Wolverine's fiscal fourth quarter and increased economic activity in Western Canada. Drilling activity continues to increase in key liquids rich basins, including the Montney and Duvernay, where Wolverine is strongly positioned to benefit from increased activity levels.

Fiscal first quarter of 2019 for Wolverine continued to focus on integrating previous acquisitions and further cross-selling initiatives, organic growth and new client development, and negotiating accretive, complementary acquisitions.

Wolverine's focus on return on capital deployed, and both customer and service diversification, has enabled the company to see significant benefits in all service lines. In addition, Wolverine continues to evaluate and execute strategic acquisitions in an opportunistic market due to the difficult operating environment in Western Canada since 2015.

3.0 Financial Highlights

(\$000s, except per share amounts and per share data)	Three Months ended 30-Jun-18	Three Months ended 30-Jun-17	Percentage Change
Revenue	\$8,594	\$6,539	31%
Gross margin	39%	8%	
Total EBITDA	\$993	(\$1,491)	167%
Percentage of revenue	12%	-23%	
Net earnings	(\$1,304)	(\$1,462)	11%
Funds from operations	\$2,291	(\$3,550)	165%
Capital expenditures	(\$846)	\$677	-25%
Total assets	\$53,829	\$42,010	28%
Total liabilities	\$43,656	\$37,954	15%
Shares outstanding as at June 30	61,473,000	100	

3.1 Revenue

Revenue increased by 31% or \$2.1 million, from \$6.5 million for the three months ended June 30, 2017, to \$8.6 million for the three months ended June 30, 2018. The increase in revenue was related to an increase in utilization of additional assets purchased at the end of the fourth fiscal quarter, reduction in pricing pressure and organic growth as Wolverine integrated its previous acquisitions operations and implemented its cross-selling strategies between the business units. In addition, 2018 operating environment has significantly improved from 2017, due to increased commodity prices.

Three Months	Three Months
-------------------------	-------------------------

(\$000s)	ended 30-Jun-18	ended 30-Jun-17	Percentage Change
Total Sales	\$8,594	\$6,539	31%

3.2 *Gross Profit*

Gross profit for the quarter increased by 563% or \$2.8 million, from \$0.5 million for the three months ended June 30, 2017 to \$3.4 million for the three months ended June 30, 2018. As a percentage of revenue, gross profit margin increased significantly from the previous year at 39% in 2018, which compares to 8% in 2017. The major increase in gross profit margin is due to decreasing pricing pressures and an increase in construction activity and rentals. Margins were slightly offset by higher fuel and labour costs. Wolverine expects pricing pressures to further decrease throughout fiscal 2019.

(\$000s)	Three Months ended 30-Jun-18	Three Months ended 30-Jun-17	Percentage Change
Gross profit	\$3,354	\$506	563%
Gross profit as a percentage of revenue	39%	8%	

3.3 *General and Administrative Expenditures*

General and administrative expenditures increased by 38% or \$1.4 million, from \$3.7 million in the three months ended June 30, 2017 to \$5.1 million in the three months ended June 30, 2018. The increase was a result of full costs for additional service lines and administrative personnel related to the two strategic acquisitions completed in the previous year. As a percent of revenue, general and administrative costs went up to 60% up from the previous year at 57% of revenue. With Wolverine's existing cost structure and staffing levels, limited personnel additions will be required in the future to support revenue growth.

(\$000s)	Three Months ended 30-Jun-18	Three Months Ended 30-Jun-17	Percentage Change
General expenses	\$5,138	\$3,737	38%
General expenses as a percentage of revenue	60%	57%	

3.4 *EBITDA and Adjusted EBITDA*

Total EBITDA increased by 167% or \$2.5 million, from a \$1.5 million loss in the three months ended June 30, 2017 to \$1.0 million in the three months ended June 30, 2018. The increase was a result of increased industry activity following increased commodity prices, previous acquisition integration and synergies, and organic growth in 2018. Wolverine's focus on consistent 100% year over year EBITDA growth rates continue to drive industry leading EBITDA margins.

(\$000s)	Three Months ended 30-Jun-18	Three Months ended 30-Jun-17	Percentage Change
Net earnings (loss) and comprehensive earnings (loss) for the period	(\$1,304)	(\$1,462)	11%
Add:			
Acquisition costs	\$ -	\$ -	- %
Depreciation	1,413	1,107	28%
Equipment Leases	321	244	32%
Finance costs	729	390	87%
(Gain) loss on disposal of equipment	313	-	- %
Income taxes (recovered)	(480)	(869)	45%
Non-controlling interest	-	(900)	- %
Total EBITDA	\$993	(\$1,491)	167%

3.5 Depreciation and Finance Costs

Depreciation increased by 28% or \$0.3 million, from \$1.1 million in the three months ended June 30, 2017 to \$1.4 million for the three months ended June 30, 2018. In addition, finance costs increased by \$0.3 million in the three months ended June 30, 2018.

Of note, Wolverine's focus on profitability and return on capital deployed has resulted in the company historically incurring depreciation expense at an above average industry stand. On average, Wolverine's depreciation model is expected to be greater than 20% of its real depreciation expense due to its strategic, industry leading, maintenance programs.

(\$000s)	Three Months ended 30-Jun-18	Three Months ended 30-Jun-17	Percentage Change
Depreciation	\$1,413	\$1,107	28%
Finance costs	\$729	\$390	87%

3.6 Stock Based Compensation

Wolverine does not issue stock based compensation and has no stock options outstanding as of June 30, 2018.

3.7 Net Earnings and Comprehensive Loss for the Period

(\$000s)	Three Months ended 30-Jun-18	Three Months ended 30-Jun-17	Percentage Change
Total net and comprehensive earnings (loss)	(\$1,304)	(\$1,462)	11%

4.0 Industry Outlook

Wolverine's industry saw an increase in activity in 2018, due to the strengthening of commodity prices in key Western Canadian, liquids-rich basins, including the Montney and Duvernay. However, spring breakup realized a more intense reduction on spending than the previous years. Exiting breakup, Wolverine has seen the uptick in industry activity return in key liquids rich basins, which management believes will continue throughout the companies fiscal 2019.

Moving forward, Western Canada has multiple industry catalysts including: long term egress solutions for both crude oil and natural gas (resulting in decreased commodity price differentials in Canada and increased drilling activity), strengthening commodity prices, and potential long term natural gas export opportunities (British Columbia LNG).

Wolverine's focus on providing top quality services, with diverse product lines and blue-chip customer base, enabled the company to remain profitable (positive EBITDA) throughout the downturn and has strongly positioned the company as industry activity increases.

The Company's strong financial position, long term strategic financial lenders and diverse long term customer base enables Wolverine to be an industry leader in consolidating the highly fragmented energy services space in Western Canada and take advantage of strategic, synergistic, acquisition opportunities.

5.0 Liquidity and Capital Management

Wolverine expects to generate sufficient cash flows from operations to meet all organic growth initiatives and maintenance capital expenditures. Due to the Company's low fixed cost base and focus on profitable business ventures, the Company expects to generate free cash flow through its operations, net of maintenance capital expenditures, on an annual basis.

Wolverine has access to additional funding, through its relationship with existing lenders, to enable the Company to execute its business strategy of consolidating the highly fragmented energy services market in Western Canada.

(\$000s)	Three Months ended 30-Jun-18	Three Months ended 30-Jun-17
Cash (used in) provided by operating activities	(\$58)	(\$2,123)
Cash (used in) provided by investing activities	\$629	(\$677)
Cash provided by (used in) financing activities	(\$1,548)	\$3,207

5.1 Cash Generated from Operating Activities

Cash flow from operating activities before non-cash working capital items was (\$0.0) million in the three months ended June 30, 2018, an increase of \$2.1 million from (\$2.1) million during the same three months in 2017, due to improved economic activity, integration of previous acquisitions and continued focus on the cost structure of the business.

5.2 Cash Used in Investing Activities

Cash from investing activities was \$0.6 million during the three months ended June 30, 2018, an increase of \$1.3 million from the cash used by in investing activities of \$0.7 million during the same three months in 2017.

In the first fiscal quarter of 2019, Wolverine disposed of \$1.5 million of equipment, which compares to \$0.8 million used to purchase additional equipment.

5.3 Cash Used in Financing Activities

Cash used by financing activities was \$1.5 million during the three months ended June 30, 2018, an increase of \$4.8 million from the cash provided in financing activities of \$3.2 million during the same three months in 2017. The decrease in cash provided by financing activities resulted from the Company ongoing cost management and asset management focus.

5.4 Working Capital

(\$000s)	Three Months ended 30-Jun-18	Three Months ended 30-Jun-17
Current assets	\$14,982	\$12,003
Current liabilities	\$15,323	\$9,728
Working capital	(\$341)	\$2,275

5.5 Credit Facilities

In July 2016, Wolverine entered into an agreement with Integrated Asset Management ("**IAM**") for a debt facility of \$19.0 million and increased by \$8.0 million through to the end fiscal 2018. The debt is bearing interest at 6.85%, repayable in blended monthly payments of \$367,033 and maturing July 2026. The loan is secured by a general security agreement, a pledge of equity interests from the Company's subsidiaries, postponement of shareholder loans and personal guarantees from the Company's shareholders. The loan is net of deferred financing costs (net of accumulated depreciation) of \$279,513. Wolverine strongly believes the financing arrangement and long term financial partnership will provide the Company with strategic advantages in executing both organic and acquisition opportunities as they arise, while maintaining a conservative approach to leverage.

In addition, on August 15th 2017, Wolverine entered into an agreement with Canadian Western Bank ("**CWB**") for a \$9.5 million revolving operating line bearing interest at prime plus 1.75% repayable monthly. The debt is also secured by a general security agreement, postponement of shareholder loans, and a guarantee of a principal shareholder.

Debt Covenants

As of June 30, 2018, the Company was in compliance with the terms and covenants of its lending agreements. Wolverine is required to have EBITDA to IAM and CWB Debt Service of >1.75x and IAM and CWB Debt to EBITDA of <3.75x, both of which were well within the required levels as of June 30, 2018.

5.6 Capital Expenditures

Wolverine's diligent focus on return on capital deployed allows the company to be a first mover into or out of industries when pricing pressure or operating costs changes. All acquisitions are based off an orderly liquidation asset value to minimize any integration or market risks.

During the first fiscal quarter of 2019, Wolverine divested \$1.5 million dollars of equipment, which compares to \$nil in the same period in the prior year.

Due to the Company's focus on profitability, Wolverine's strategic maintenance programs typically result in maintenance expenditures being expensed versus capitalized. In the first fiscal quarter of 2019, Wolverine purchased \$0.8 million in equipment, which included approximately \$0.2 million of capitalized maintenance capital expenditures. The maintenance and growth capital expenditures are not committed for or required if factors related to economics, industrial and customer spending plans change or destabilize.

5.7 Credit Risk

The Company's revenues come from a diverse customer base, which includes the energy, oil and gas midstream / infrastructure, real estate, utilities and mining industries in Western Canada. The Company believes that there is no unusual exposure associated with the collection of accounts receivable outside of the normal risk associated with contract audits and normal trade terms common in the oil and gas industry. The Company performs regular credit assessments of its customers and provides allowances for potentially uncollectible accounts receivable. For the three months ended June 30, 2018, the Company had one customer that accounted for approximately 14% of its consolidated sales. Wolverine targets no individual customer accounting for greater than 10% of the consolidated sales.

5.8 Outstanding Share Data

As of June 30, 2018, the Company had 61,473,100 Common Shares, Series 1 outstanding. As of the same date, the Company had outstanding stock options of 0 and warrants of 0.

5.9 Transactions with Related Parties

All related party transactions are provided in the normal course of business, materially under the same commercial terms and conditions as transactions with unrelated companies, and are recorded at the exchange amount. Related party transactions include transactions with other private companies that are owned or controlled by a director.

6.0 Critical Accounting Judgments, Estimates and Accounting Policy Developments

6.1 Critical Judgments in Applying the Company's Accounting Policies

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Percentage Completion

Judgment used to determine percentage of completion for construction contracts, specifically related to estimated costs to complete, include the various construction projects. Given that the expected period of contract revenue is based on judgment, future results could be affected if management's current assessment of its estimated costs to complete differ from actual performance. Wolverine has very few lump sum contracts that require this methodology and typically these do not have long completion times where these estimates have increased risk.

Property and Equipment

As part of the capitalization process, management must estimate the expected period of benefit over which capitalized costs should be depreciated. The considerations for estimated useful lives include the timing of technological obsolescence and competitive pressures, as well as historical experience and internal business plans for the projected use of related assets. Given that the expected period of benefit is an estimate, future results could be affected if management's current assessment of its property and equipment's useful lives differs from actual performance.

Cash-Generating Units ("CGUs")

For the purpose of assessing impairment of non-financial assets, the Company must determine its CGUs. Assets and liabilities are grouped into CGUs at the lowest level of separately identified cash flows. Determination of what constitutes a CGU is subject to management judgment. The asset composition of a CGU can directly impact the recoverability of assets included within the CGU. Management has determined that the business has similar risks throughout all operations and therefore all results are presented on a consolidated basis.

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The determination of provisions and contingencies is a complex process that involves judgment about the outcome of future events, estimates of timing and amount of future expenditures, and discount rates. The amount recognized as a provision is management's best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

6.2 Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimating uncertainty at the statement of financial position date that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial period are discussed below:

7.0 Additional Information

Additional information is available on the Corporation's website at www.wnrgi.com

8.0 Forward-Looking Information

Certain statements contained in this document constitute "forward-looking information". When used in this document or by any of the Company's management, the words "may", "would", "will", "intend", "plan", "propose", "anticipate" and "believe" are intended to identify forward-looking information. Such statements reflect the Company's forecasts, estimates and expectations, as they relate to the Company's

current views based on its experience and expertise with respect to future events, and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company's actual results, performance or achievements to be materially different from any expected future results, performance or achievement that may be expressed or implied by such forward-looking statements.

The forward-looking information and statements contained in this document reflect several material factors and expectations and assumptions of the Company, including, without limitation: that the Company will continue to conduct its operations in a manner consistent with past operations; the general continuance of current or, where applicable, assumed industry conditions; the continuance of existing tax, royalty and regulatory regimes; the impact of seasonal weather conditions; and certain cost assumptions.

The forward-looking information and statements included in this document are not guarantees of future performance and should not be unduly relied upon. Such information and statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information or statements, including, without limitation: changes in the demand for or supply of the Company's services; unanticipated operating results; changes in tax or environmental laws, or other regulatory matters; changes in the development plans of third parties; increased debt levels or debt service requirements; increased costs; the impact of competitors; reliance on industry partners; and attracting and retaining skilled personnel.

Wolverine's business is subject to a number of risks and uncertainties. Readers are encouraged to review and carefully consider the risk factors described in the financial statements, which risk factors are specifically incorporated by reference herein. The forward-looking statements contained in this Management's Discussion and Analysis are expressly qualified in their entirety by this cautionary statement.

The forward-looking statements included in this Management's Discussion and Analysis are made as of the date of this Management's Discussion and Analysis. The Company does not intend and does not assume any obligation to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments, unless required by law.

SCHEDULE "I" – PRO FORMA FINANCIAL STATEMENTS

See attached.

**Wolverine Energy and Infrastructure Inc.
(In Canadian Dollars)**

Pro Forma Consolidated Statement of Financial Position

As at June 30, 2018

(Unaudited)

Wolverine Energy and Infrastructure Inc.
Pro Forma Consolidated Statement of Financial Position
(unaudited)

As at June 30, 2018	Wolverine Energy and Infrastructure Inc.	PetroMaroc Corporation	Proforma Adjustments	Notes	Proforma Consolidated
ASSETS					
Current Assets					
Cash and cash equivalents	\$ 691,104	\$ 3,343,812	\$ 5,000,000	2(b)	
			(500,000)	2(c)	
			(400,000)	2(d)	\$ 8,134,916
Trade and other receivables	10,866,676	-			10,866,676
Other current assets	-	45,134			45,134
Inventory	3,052,085	-			3,052,085
Prepaid expenses and deposits	372,899	-			372,899
	<u>14,982,764</u>	<u>3,388,946</u>			<u>22,471,710</u>
Non-Current Assets					
Equipment	35,294,354	-			35,294,354
Intangibles	-	-	5,750,000	2(a)	5,750,000
Goodwill	3,551,676	-			3,551,676
	<u>38,846,030</u>	<u>-</u>			<u>44,596,030</u>
Total Assets	\$ 53,828,794	\$ 3,388,946			\$ 67,067,740
LIABILITIES AND EQUITY					
Current Liabilities					
Short-term borrowings	\$ 4,182,777	\$ -			\$ 4,182,777
Trade and other payables	3,255,293	961,108	(159,000)	2(a)	4,057,401
Current portion of debt	4,994,891	-			4,994,891
Demand debt due beyond one year	1,071,957	-			1,071,957
Due to shareholders	1,818,580	-			1,818,580
	<u>15,323,498</u>	<u>961,108</u>			<u>16,125,606</u>
Non-Current Liabilities					
Long-term debt	27,460,890	-			27,460,890
Convertible debenture	-	-	5,000,000	2(b)	5,000,000
Deferred income tax liability	872,000	-			872,000
Total Liabilities	<u>43,656,388</u>	<u>961,108</u>			<u>49,458,496</u>
Equity					
Share capital	11,977,260	77,357,624	(77,357,624)	2(a)	
			8,250,000	2(a)	20,227,260
Share based payment reserve	-	7,120,974	(7,120,974)	2(a)	-
			71,695	2(a)	71,695
Deficit	(1,804,854)	(78,861,254)	78,861,254	2(a)	
			15,143	2(a)	
			(500,000)	2(c)	
			(400,000)	2(d)	(2,689,711)
Accumulated comprehensive loss	-	(3,189,506)	3,189,506		-
	<u>10,172,406</u>	<u>2,427,838</u>			<u>17,609,244</u>
Total Liabilities and Shareholders Equity	\$ 53,828,794	\$ 3,388,946			\$ 67,067,740

Wolverine Energy and Infrastructure Inc.
Notes to the Pro Forma Consolidated Statement of Financial Position
(unaudited)

1. Basis of Presentation

The accompanying unaudited pro forma consolidated statement of financial position as at June 30, 2018 (the "pro forma statements") has been prepared to reflect the proposed plan of arrangement (the "Transaction") involving, amongst other things, the acquisition of PetroMaroc Corporation ("PetroMaroc") by Wolverine Energy and Infrastructure Inc. ("Wolverine" or the "Company") who will be the resulting issuer (the "Resulting Issuer") and a brokered private placement conducted by Wolverine of subscription receipts ("Subscription Receipts"), at a price of \$1,000 per Subscription Receipt, for expected aggregate gross proceeds of \$5,000,000 (the "Private Placement"). On the closing of the Transaction, all of the issued and outstanding PetroMaroc Shares will be exchanged for 0.052942 of a common share of Wolverine ("Wolverine Share"). The Resulting Issuer will continue under the name of Wolverine Energy and Infrastructure Inc. The effective corporate tax rate of the resulting issuer will be 27%. Each Subscription Receipt will represent a right to receive one \$1,000 principal amount convertible unsecured subordinated debenture of Wolverine (a "Debenture"), without further payment or action on the part of the holder. The Debentures will mature on December 31, 2021 and will bear interest at a rate of 9.0% per annum, payable semi-annually on June 30th and December 31st of each year commencing on June 30, 2019. The Debentures will be convertible into common shares of Wolverine at a price of \$1.00 per Wolverine Share.

The pro forma statements have been prepared from information derived from and should be read in conjunction with:

- 1) the audited consolidated financial statements of Wolverine as at and for the years ended March 31, 2018 and March 31, 2017 included in the Management Information Circular dated November 14, 2018 (the "Information Circular");
- 2) the audited consolidated financial statements of PetroMaroc (formerly PetroMaroc Corporation plc) for the year ended December 31, 2017 included in the Information Circular;
- 3) the unaudited condensed consolidated interim financial statements of Wolverine as at and for the three month period ended June 30, 2018 included in the Information Circular; and
- 4) the unaudited condensed consolidated interim financial statements of PetroMaroc as at June 30, 2018 and for the three and six month periods ended June 30, 2018 and 2017 included in the Information Circular.

The pro forma statements have been derived from the financial statements above which are prepared in accordance with accounting policies that are compliant with International Financial Reporting Standards ("IFRS") or International Accounting Standards for Interim Reporting ("IAS 34"). The unaudited pro forma consolidated statement of financial position gives effect to the assumed transactions and assumptions described in Note 2 as if the transactions occurred as of June 30, 2018. The unaudited pro forma consolidated statement of financial position may not be indicative of the results that actually would have occurred if the events reflected herein had been in effect on the dates indicated or of the results that may be obtained in the future.

Accounting policies used in preparation of the unaudited pro forma consolidated statement of financial position are in accordance and consistent with those disclosed in PetroMaroc's December 31, 2017 audited consolidated financial statements and the unaudited condensed consolidated interim financial statements as at June 30, 2018 and for the three and six month periods ended June 30, 2018 and 2017 and disclosed in Wolverine's March 31, 2018 audited consolidated financial statements and the unaudited condensed consolidated interim financial statements as at and for the three months ended June 30, 2018.

No significant differences in accounting policies were identified.

All currency amounts are expressed in Canadian Dollars (\$) unless otherwise noted.

Wolverine Energy and Infrastructure Inc.
Notes to the Pro Forma Consolidated Statement of Financial Position
(unaudited)

2. Pro Forma Transactions and Assumptions

As per the terms and conditions of the Arrangement Agreement dated September 7, 2018, as amended on November 14 2018 (the "Arrangement Agreement") between Wolverine and PetroMaroc, as amended, Wolverine will acquire all of the issued and outstanding PetroMaroc Shares via a plan of arrangement under the *Canada Business Corporations Act*. A condition in the Arrangement Agreement is the completion of the Private Placement.

As a result of the Arrangement Agreement, the shareholders of Wolverine will own approximately 90.04% of the outstanding shares of the Resulting Issuer on a non-diluted basis. The Transaction does not constitute a business combination, as PetroMaroc does not meet the definition of a business under IFRS 3, Business Combinations. As a result, the Transaction is accounted for as a capital transaction with Wolverine being identified as the acquirer and the equity consideration accounted for in accordance with IFRS 2, Share-based Payment, measured at fair value. The resulting consolidated statement of financial position is presented as a continuance of Wolverine.

Under the terms of the Arrangement Agreement, 4,060,000 out of the money stock options and 610,000 in the money stock options under the PetroMaroc stock option plan will be cancelled and 9,470,000 options will be exchanged for 501,361 Wolverine options based on an exchange ratio of 0.052942.

The proposed Transaction is subject to several conditions, including the TSX Venture Exchange approval, shareholder approval from the PetroMaroc shareholders, and the completion of the Private Placement. There can be no assurance that the Transaction will close as described.

The adjustments required to the pro forma consolidated statement of financial position are as follows:

- (a) In accordance with the Arrangement Agreement between PetroMaroc and Wolverine, the Company will acquire all of the outstanding PetroMaroc Shares via the issuance of 0.052942 of a Wolverine Share for every one PetroMaroc Share held (155,830,864 PetroMaroc shares divided by an aggregate consideration of \$8,250,000) with the fair value of each Wolverine Share being \$1.00 based on the debenture conversion price in the Subscription Receipt offering (Note 2(b)). The acquisition of PetroMaroc has been accounted for as a capital transaction as the acquisition of PetroMaroc does not constitute a business combination for accounting purposes. As such, Wolverine will be the continuing entity for accounting purposes. For the purpose of the pro forma financial statements the fair value of the net assets of PetroMaroc acquired have been estimated to approximate their respective carrying value:

Net assets acquired:	
Cash	\$ 3,343,812
Other current assets	45,134
Intangible Asset (net profit interest)	5,750,000
Accounts payable and accrued liabilities (i)	<u>(802,108)</u>
Fair value of the net assets acquired	<u>\$ 8,336,838</u>
Consideration:	
8,250,000 common shares	\$ 8,250,000
Replacement options (ii)	<u>71,695</u>
	8,321,695
Excess of net assets acquired over consideration (bargain purchase gain) recorded as an increase to the deficit	<u>\$ 15,143</u>

Wolverine Energy and Infrastructure Inc.
Notes to the Pro Forma Consolidated Statement of Financial Position
(unaudited)

2. Pro Forma Transactions and Assumptions (continued)

- (i) *The accounts payable and accrued liabilities have been adjusted by \$884,000 to fair value, which includes revision of the accrued payable estimate relating to the Zag license to \$Nil due to a "force majeure" event resulting in the default of work commitments, and creditor settlements. In addition, PetroMaroc will incur pre-tax estimated costs of \$525,000 for professional fees and \$200,000 for a finder's fee (to be adjusted by the effective corporate tax rate of the resulting issuer which is 27%).*
- (ii) *The Company will issue 501,361 replacement options exercisable at \$0.95. The weighted average fair market value per replacement option of approximately \$0.143 was estimated using the Black-Scholes option pricing model with the following assumptions: dividend yield – nil, expected volatility 70%, risk free rate – 0.4%, expected life – 0.16 years and an estimated forfeiture rate – Nil%.*

The above amounts are estimates, which have been made by the management of Wolverine for the transaction, based on information available, and are subject to change once the Transaction closes. The total consideration amount for the acquisition of PetroMaroc has been estimated based on a share price of \$1.00, however the final amount will be based on the share price of Wolverine on the closing date of the transaction. A lower Wolverine share price will decrease the excess of fair value of the net assets acquired over the consideration, and a higher share price will increase the excess consideration over the fair value of the net assets acquired. Under IFRS, the excess consideration over the fair value of the net assets acquired is recorded in the current period in the statement of operations and comprehensive loss.

- (b) To record the \$5,000,000 Wolverine brokered Subscription Receipt financing. Each Subscription Receipt will represent a right to receive one \$1,000 principal amount convertible unsecured subordinated debenture of Wolverine without further payment or action on the part of the holder.
- (c) The estimated Subscription Receipt issuance fees and expenses (pre-tax) associated with the financing (Note 2(b)) are \$500,000, with a corresponding reduction in cash and cash equivalents. (to be adjusted by the effective corporate tax rate of the resulting issuer which is 27%).
- (d) To record Wolverine's \$400,000 of (pre-tax) estimated transaction costs (Note 2(a)) to the deficit as they are one-time costs directly related to the acquisition (to be adjusted by the effective corporate tax rate of the resulting issuer which is 27%).
-

Wolverine Energy and Infrastructure Inc.
Notes to the Pro Forma Consolidated Statement of Financial Position
(unaudited)

3. Share Capital

(a) Authorized Share Capital
Unlimited number of common shares without nominal or par value and an unlimited number of preferred shares, issuable in series

(b) Subsequent to the Transaction, the Resulting Issuer will have issued and outstanding:

	Number	Amount
Common shares		
Balance as at June 30, 2018	61,473,100	\$ 11,977,260
Common shares issued in the Transaction (Note 2(a))	8,250,000	8,250,000
The total common shares outstanding subsequent to the transactions	<u>69,723,100</u>	<u>\$ 20,227,260</u>

SCHEDULE "J" – DISSENT RIGHTS UNDER THE CBCA

Right to dissent

190 (1) Subject to sections 191 and 241, a holder of shares of any class of a corporation may dissent if the corporation is subject to an order under paragraph 192(4)(d) that affects the holder or if the corporation resolves to

- (a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue, transfer or ownership of shares of that class;
- (b) amend its articles under section 173 to add, change or remove any restriction on the business or businesses that the corporation may carry on;
- (c) amalgamate otherwise than under section 184;
- (d) be continued under section 188;
- (e) sell, lease or exchange all or substantially all its property under subsection 189(3); or
- (f) carry out a going-private transaction or a squeeze-out transaction.

Further right

(2) A holder of shares of any class or series of shares entitled to vote under section 176 may dissent if the corporation resolves to amend its articles in a manner described in that section.

If one class of shares

(2.1) The right to dissent described in subsection (2) applies even if there is only one class of shares.

Payment for shares

(3) In addition to any other right the shareholder may have, but subject to subsection (26), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents or an order made under subsection 192(4) becomes effective, to be paid by the corporation the fair value of the shares in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted or the order was made.

No partial dissent

(4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

Objection

(5) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting and of their right to dissent.

Notice of resolution

(6) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (5) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn their objection.

Demand for payment

(7) A dissenting shareholder shall, within twenty days after receiving a notice under subsection (6) or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing

- (a) the shareholder's name and address;
- (b) the number and class of shares in respect of which the shareholder dissents; and
- (c) a demand for payment of the fair value of such shares.

Share certificate

(8) A dissenting shareholder shall, within thirty days after sending a notice under subsection (7), send the certificates representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent.

Forfeiture

(9) A dissenting shareholder who fails to comply with subsection (8) has no right to make a claim under this section.

Endorsing certificate

(10) A corporation or its transfer agent shall endorse on any share certificate received under subsection (8) a notice that the holder is a dissenting shareholder under this section and shall forthwith return the share certificates to the dissenting shareholder.

Suspension of rights

(11) On sending a notice under subsection (7), a dissenting shareholder ceases to have any rights as a shareholder other than to be paid the fair value of their shares as determined under this section except where

- (a) the shareholder withdraws that notice before the corporation makes an offer under subsection (12),
- (b) the corporation fails to make an offer in accordance with subsection (12) and the shareholder withdraws the notice, or
- (c) the directors revoke a resolution to amend the articles under subsection 173(2) or 174(5), terminate an amalgamation agreement under subsection 183(6) or an application for continuance under subsection 188(6), or abandon a sale, lease or exchange under subsection 189(9),

in which case the shareholder's rights are reinstated as of the date the notice was sent.

Offer to pay

(12) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (7), send to each dissenting shareholder who has sent such notice

(a) a written offer to pay for their shares in an amount considered by the directors of the corporation to be the fair value, accompanied by a statement showing how the fair value was determined; or

(b) if subsection (26) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.

Same terms

(13) Every offer made under subsection (12) for shares of the same class or series shall be on the same terms.

Payment

(14) Subject to subsection (26), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (12) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made.

Corporation may apply to court

(15) Where a corporation fails to make an offer under subsection (12), or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as a court may allow, apply to a court to fix a fair value for the shares of any dissenting shareholder.

Shareholder application to court

(16) If a corporation fails to apply to a court under subsection (15), a dissenting shareholder may apply to a court for the same purpose within a further period of twenty days or within such further period as a court may allow.

Venue

(17) An application under subsection (15) or (16) shall be made to a court having jurisdiction in the place where the corporation has its registered office or in the province where the dissenting shareholder resides if the corporation carries on business in that province.

No security for costs

(18) A dissenting shareholder is not required to give security for costs in an application made under subsection (15) or (16).

Parties

(19) On an application to a court under subsection (15) or (16),

(a) all dissenting shareholders whose shares have not been purchased by the corporation shall be joined as parties and are bound by the decision of the court; and

(b) the corporation shall notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to appear and be heard in person or by counsel.

Powers of court

(20) On an application to a court under subsection (15) or (16), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall then fix a fair value for the shares of all dissenting shareholders.

Appraisers

(21) A court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders.

Final order

(22) The final order of a court shall be rendered against the corporation in favour of each dissenting shareholder and for the amount of the shares as fixed by the court.

Interest

(23) A court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment.

Notice that subsection (26) applies

(24) If subsection (26) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (22), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

Effect where subsection (26) applies

(25) If subsection (26) applies, a dissenting shareholder, by written notice delivered to the corporation within thirty days after receiving a notice under subsection (24), may

(a) withdraw their notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to their full rights as a shareholder; or

(b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

Limitation

(26) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that

(a) the corporation is or would after the payment be unable to pay its liabilities as they become due;
or

(b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities.

R.S., 1985, c. C-44, s. 190; 1994, c. 24, s. 23; 2001, c. 14, ss. 94, 134(F), 135(E); 2011, c. 21, s. 60(F).

SCHEDULE "K" – AUDIT COMMITTEE CHARTER OF PETROMAROC

1. Establishment of Audit Committee

The Board of Directors (the "**Board**") of PetroMaroc Corporation (the "**Company**") hereby establishes a committee to be called the Audit Committee (the "**Committee**"). The mandate of the Committee is as described below.

2. Composition of the Committee

The membership of the Committee shall be as follows:

- (a) the Committee shall consist of a minimum of three directors of the Company;
- (b) unless agreed upon by the Board, a majority of the members of the Committee shall be "independent", as such term is defined for the purpose of audit committees in National Instrument 52-110 Audit Committees ("NI 52-110");
- (c) all members of the Committee shall be "financially literate" within the meaning of NI 52-110;
- (d) members of the Committee shall be appointed annually by the Board from among directors of the Company;
- (e) the Chair of the Committee and Audit Committee members shall be appointed by the Board;
- (f) a member of the Committee shall ipso facto cease to be a member of the Committee upon ceasing to be a director of the Company; and
- (g) any member of the Committee may be removed or replaced at any time by resolution of the directors of the Company. If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all its powers so long as a quorum remains.

3. Objectives of the Committee

The Committee's primary purpose is to assist the Board in fulfilling its oversight responsibilities for the Company's financial reporting process, including: (a) the integrity of annual and quarterly financial statements any other financial information relating to the Company to be provided to shareholders and regulatory bodies; (b) compliance with accounting and finance based legal and regulatory requirements; (c) the independent auditor's qualifications and independence; (d) the system of internal accounting and financial reporting controls that management has established; and (e) performance of the audit process and of the independent auditor.

4. Duties and Responsibilities of the Committee

Audit Process

The Committee shall:

- (a) review the audit plan with the Company's external auditors and with management;

- (b) discuss with management and the external auditors any proposed significant changes to or any new or pending developments in accounting principles, policies or principles, the presentation and impact of significant risks and uncertainties and key estimates and judgements of management that may be material to financial reporting;
- (c) review with management and with the external auditors significant financial reporting issues arising during the most recent fiscal period and the resolution or proposed resolution of such issues;
- (d) review any problems experienced or concerns expressed by the external auditors in performing an audit, including any restrictions imposed by management or significant accounting issues on which there was a disagreement with management;
- (e) review with senior management the process of identifying, monitoring and reporting the principal risks that could affect financial reporting;
- (f) review audited annual financial statements and related documents in conjunction with the report of the external auditors and obtain an explanation from management of all significant variances between comparative reporting periods; and
- (g) review and approve the Company's hiring policies regarding partners, employees, former partners and former employees of the present and former external auditors.

Internal Controls

The Committee shall:

- (a) review with management and the external auditors, the adequacy and effectiveness of the internal controls over financial reporting and disclosing controls and procedures, any material weaknesses or deficiencies and subsequent follow-up to any identified weaknesses; and
- (b) ensure the preparation and filing of the annual and interim certifications of the Chief Executive Officer and Chief Financial Officer in accordance with NI 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*.

Disclosure

The Committee shall:

- (a) review with financial management (and the external auditors, if applicable) the quarterly unaudited financial statements and management discussion and analysis before release to the public; and
- (b) before release, review and if appropriate, recommend for approval by the Board, all public disclosure documents containing audited or unaudited financial information, including any prospectuses, annual reports, annual information forms, management discussion and analysis and press releases, which review should include discussions with management, the internal auditors and the external auditors of significant issues regarding accounting principles, practices and judgments.

Relationship with External Auditors

The Committee shall:

- (a) evaluate the independence and performance of the external auditors and annually recommend to the Board the appointment of the external auditor or the discharge of the external auditor when circumstances are warranted;
- (b) ensure compliance by the Company's external auditor with the requirements set forth in National Instrument 52-108 *Auditor Oversight*;
- (c) recommend to the Board the compensation of the external auditor;
- (d) pre-approve all material non-audit services to be provided to the Company or its subsidiary entities by its external auditors', or the external auditors of the Company's subsidiary entities;
- (e) approve the engagement letter for material non-audit services to be provided by the external auditors or affiliates, together with estimated fees, and considering the potential impact of such services on the independence of the external auditors;
- (f) when there is to be a change of external auditors, review all issues and provide documentation related to the change, including the information to be included in the Notice of Change of Auditors and documentation required pursuant to National Instrument 51-102 *Continuous Disclosure Obligations* and the planned steps for an orderly transition period; and
- (g) review all reportable events, including disagreements, unresolved issues and consultations, as defined by applicable securities policies, on a routine basis, whether or not there is to be a change of external auditors.

Risk Management

The Committee shall:

- (a) discuss guidelines and policies with respect to risk assessment and risk management, including the processes management uses to assess and manage the Company's risk;
- (b) discuss major financial risk exposures and steps management has taken to monitor and control such exposures; and
- (c) review reports from management with respect to risk assessment, risk management and major financial risk exposures.

Other Committee Responsibilities

- (a) The Committee shall oversee the financial affairs of the Company, its subsidiaries or affiliates, and, if deemed appropriate, make recommendations to the Board, external auditors or management.
- (b) The Committee shall review the amount and terms of any insurance to be obtained or maintained by the Company with respect to risks inherent in its operations and potential

liabilities incurred by the directors or officers in the discharge of their duties and responsibilities.

- (c) The Committee shall enquire into and determine the appropriate resolution of any conflict of interest in respect of audit or financial matters, which are directed to the Committee by any member of the Board, a shareholder of the Company, the external auditors or management.
- (d) The Committee shall periodically review with management the need for an internal audit control/procedural function.
- (e) The Committee shall review the Company's accounting and reporting of environmental costs, liabilities and contingencies.
- (f) The Committee shall establish and maintain procedures for:
 - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting controls, or auditing matters; and
 - (ii) the confidential, anonymous submission by employees of the Company or concerns regarding questionable accounting or auditing matters.
- (h) The Committee shall review and submit for approval of the Board, the Company's whistleblowing procedures.
- (i) The Committee shall review the appointments of the Chief Financial Officer and any key financial managers who are involved in the financial reporting process.
- (j) The Committee shall review and approve the Company's hiring policies regarding partners, employees, former partners and former employees of the present and former external auditors.
- (k) The Committee shall review with the Company's legal counsel, as and when appropriate, any legal matter that could have a significant impact on the Company's financial statements, and any enquiries received from regulators, or government agencies.

Reporting to the Board

The Committee shall, at the earliest opportunity after each meeting, report to the Board the results of its activities and any reviews undertaken and make recommendations to the Board as deemed appropriate.

Authority of the Committee

The Committee shall have the authority to:

- (a) inspect any and all of the books and records of the Company, its subsidiaries and affiliates;
- (b) discuss with the management and employees of the Company, its subsidiaries and affiliates, any affected party and the external auditors, such accounts, records and other matters as any member of the Committee considers necessary and appropriate;

- (c) engage independent counsel and other advisors as it determines necessary to carry out its duties; and
- (d) to set and pay the compensation for any advisors employed by the Committee in (c) above.

The Committee shall be provided with resources and support to carry out its duties and responsibilities delegated to it by the Board, including administrative support.

Other

The Committee shall:

- (a) have the authority to make non-material and technical amendments to this Mandate to honour the spirit and intent of applicable law as it evolves, which proposed amendments must be reported to the Board prior to adoption thereof; and
- (b) assess, on an annual basis, the adequacy of this Mandate and the performance of the Committee.

Meetings of the Committee

- (a) Subject to the following requirements, the Committee may determine its own meeting procedures.
- (b) The Committee shall meet at least four times each year, with scheduled meetings to correspond with the review of the year-end and quarterly financial statements. The Chair of the Committee may call additional meetings as required. In addition, a meeting may be called by the Chairman of the Board, the Board or the external auditors.
- (c) Notice of each meeting of the Committee shall be given to each member of the Committee. The external auditors, may attend any meeting upon the request of the Committee.
- (d) Notice of a meeting of the Committee shall: (i) be in writing, (ii) state the nature of the business to be transacted at the meeting in reasonable detail; (iii) to the extent practicable, be accompanied by copies of documentation to be considered at the meeting; and (iv) be given at least two business days prior to the time stipulated for the meeting or such shorter period as the members of the Committee may permit.
- (e) A quorum for the transaction of business at a meeting of the Committee shall consist of a majority of the members of the Committee.
- (f) A member or members of the Committee may participate in a meeting of the Committee by means of telephone or other communication facilities as permits all persons participating in the meeting to communicate adequately with each other. A member participating in such a meeting by any such means is deemed to be present at the meeting.
- (g) The Chair of the Committee shall preside at all meetings of the Committee. In the absence of the Chair of the Committee, the members of the Committee shall choose one

of the members present to be Chair of the meeting. In addition, the members of the Committee shall choose one of the persons present to be the Secretary of the meeting.

- (h) The Chairman of the Board, senior management of the Company and other parties may attend meetings of the Committee if invited by the Chairman of the Audit Committee; however, the Committee (i) shall meet with the external auditors independent of management, and (ii) may meet separately with management.
- (i) The Committee shall meet in a separate, non-management, in camera session at each meeting. The Committee may invite such officers, directors and employees of the Company or affiliates as it sees fit from time to time to attend meetings of the Committee and to assist thereat in the discussion of matters being considered by the Committee.

Minutes shall be kept of all meetings of the Committee and shall be signed by the Chair and the Secretary of the meeting. In-camera sessions will not be minuted

SCHEDULE "L" – AUDIT COMMITTEE CHARTER OF WOLVERINE

OVERALL ROLE AND RESPONSIBILITY

The Audit Committee of the Board of Directors (the "**Board**") of Wolverine Energy and Infrastructure Inc. (the "**Corporation**") shall:

- (a) assist the Board in its oversight role with respect to:
 - the quality and integrity of financial information;
 - the independent auditor's performance, qualifications and independence;
 - the performance of the Corporation's internal audit function, if applicable; and
 - the Corporation's compliance with legal and regulatory requirements and
- (b) prepare such reports of the Audit Committee required to be included in the Proxy Circular in accordance with applicable laws or the rules of applicable securities regulatory authorities.

MEMBERSHIP AND MEETINGS

The Audit Committee shall consist of three or more directors appointed by the Board. The members of the Audit Committee shall satisfy the applicable independence and financial literacy requirements of the laws governing the Corporation, the applicable stock exchanges on which the Corporation's securities are listed and applicable securities regulatory authorities.

The Board shall designate one member of the Audit Committee as Chair.

STRUCTURE AND OPERATIONS

The affirmative vote of a majority of the members of the Audit Committee participating in any meeting of the Audit Committee is necessary for the adoption of any resolution.

The Audit Committee shall meet as often as it determines, but not less frequently than quarterly. The Audit Committee shall report to the Board on its activities after each of its meetings at which time minutes of the prior committee meeting shall be tabled for the Board.

The Audit Committee shall review and assess the adequacy of this Charter periodically and, where necessary, will recommend changes to the Board for approval.

The Audit Committee is expected to establish and maintain free and open communication with management and the independent auditor and shall periodically meet separately with each of them.

SPECIFIC DUTIES

Oversight of the Independent Auditor

- Make recommendations to the Board for the appointment and replacement of the independent auditor.

- Responsible for the compensation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor shall report directly to the Audit Committee.
- Authority to pre-approve all audit services and permitted non-audit services (including the fees, terms and conditions for the performance of such services) to be performed by the independent auditor.
- Evaluate the qualifications, performance and independence of the independent auditor, including (i) reviewing and evaluating the lead partner on the independent auditor's engagement with the Corporation, and (ii) considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence.
- Review with management and the independent auditor, the adequacy and effectiveness of the internal controls over financial reporting and disclosure controls and procedures, any material weaknesses or deficiencies and subsequent follow up to any identified weaknesses, and ensure the preparation and filing of annual and interim certifications of the Chief Executive Officer and the Chief Financial Officer in accordance with National Instrument 51-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*.
- Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law.

Financial Reporting

- Review and discuss with management and the independent auditor:
 - prior to the annual audit the scope, planning and staffing of the annual audit,
 - the annual audited financial statements,
 - the Corporation's annual and quarterly disclosures made in management's discussion and analysis,
 - approve any reports for inclusion in the Corporation's annual financial statements, as required by applicable legislation,
 - the Corporation's quarterly financial statements, including, if applicable, the results of the independent auditor's review of the quarterly financial statements and any matters required to be communicated by the independent auditor under applicable review standards,
 - significant financial reporting issues and judgments made in connection with the preparation of the Corporation's financial statements,
 - any significant changes in the Corporation's selection or application of accounting principles,
 - any major issues as to the adequacy of the Corporation's internal controls and any special

steps adopted in light of material control deficiencies, and

- other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.
- Discuss with the independent auditor matters relating to the conduct of the audit, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information and any significant disagreements with management.

AUDIT COMMITTEE'S ROLE

The Audit Committee has the oversight role set out in this Charter. Management, the Board, the independent auditor and the internal auditor (if any) all play important roles in respect of compliance and the preparation and presentation of financial information. Management is responsible for compliance and the preparation of financial statements and periodic reports. Management is responsible for ensuring the Corporation's financial statements and disclosures are complete, accurate, and in accordance with generally accepted accounting principles and applicable laws. The Board in its oversight role is responsible for ensuring that management fulfills its responsibilities. The independent auditor, following the completion of its annual audit, opines on the presentation, in all material respects, of the financial position and results of operations of the Corporation in accordance with Canadian generally accepted accounting principles.

FUNDING FOR THE INDEPENDENT AUDITOR AND RETENTION OF OTHER INDEPENDENT ADVISORS

The Corporation shall provide for appropriate funding, as determined by the Audit Committee, for payment of compensation to the independent auditor for the purpose of issuing an audit report and to any advisors retained by the Audit Committee. The Audit Committee shall also have the authority to retain such other independent advisors as it may from time to time deem necessary or advisable for its purposes and the payment of compensation therefor shall also be funded by the Corporation.

APPROVAL OF AUDIT AND PERMITTED NON-AUDIT SERVICES PROVIDED BY EXTERNAL AUDITORS

Over the course of any year there will be two levels of approvals that will be provided. The first is the existing annual Audit Committee approval of the audit engagement and identifiable permitted non-audit services for the coming year. The second is in-year Audit Committee pre-approvals of proposed audit and permitted non-audit services as they arise.

Any proposed audit and permitted non-audit services to be provided by the external auditor to the Corporation or its subsidiaries must receive prior approval from the Audit Committee, in accordance with this Charter. The Chief Financial Officer shall act as the primary contact to receive and assess any proposed engagements from the external auditor.

Following receipt and initial review for eligibility by the primary contacts, a proposal would then be forwarded to the Audit Committee for review and confirmation that a proposed engagement is permitted.

In the majority of such instances, proposals may be received and considered by the Chair of the Audit Committee (or such other member of the Audit Committee who may be delegated authority to approve audit and permitted non-audit services), for approval of the proposal on behalf of the Audit Committee. The Audit Committee Chair will then inform the Audit Committee of any approvals granted at the next

scheduled meeting.