



Notice of Meeting

and

Information Circular

in respect of a

**SPECIAL AND ANNUAL MEETING
OF SHAREHOLDERS**

to be held on October 8, 2013

ANTERRA ENERGY INC.
NOTICE OF MEETING OF SHAREHOLDERS

to be held on October 8, 2013

TO THE SHAREHOLDERS

NOTICE IS HEREBY GIVEN that a Special and Annual Meeting (the "Meeting") of shareholders of Anterra Energy Inc. (the "Corporation") will be held at the office of Norton Rose Fulbright Canada LLP at 3700 Devon Tower, 400 Third Avenue S.W., Calgary, Alberta on Tuesday, October 8, 2013 at 10:00 a.m. (Calgary time) for the following purposes:

1. To receive the audited financial statements for the year ended December 31, 2012 and the report of the auditors thereon.
2. To elect the directors of the Corporation for the ensuing year.
3. To appoint the auditors of the Corporation for the ensuing year and to authorize the directors to fix the remuneration to be paid to the auditors.
4. To approve an amended and restated stock option plan.
5. To transact such other business as may properly be brought before the Meeting or any adjournment or adjournments thereof.

Shareholders are referred to the Information Circular for more detailed information with respect to the matters to be considered at the Meeting.

If you are a *registered shareholder* of the Corporation 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 Olympia Trust Company, registrar and transfer agent of the Corporation, at 2300, 125 - 9th Avenue S.E., Calgary, Alberta T2G 0P6 by no later than 4:30 p.m. (Calgary time) on October 7, 2013.

If you are an *unregistered shareholder* of the Corporation 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.

The directors of the Corporation have fixed August 19, 2013 as the record date. Holders of Class A shares of record at the close of business on August 19, 2013 are entitled to notice of the Meeting and to vote thereat or at any adjournment(s) thereof. The transfer books will not be closed.

BY ORDER OF THE BOARD OF DIRECTORS

(signed)
Gang Fang
President and Chief Executive Officer

Calgary, Alberta
August 30, 2013

ANTERRA ENERGY INC.

INFORMATION CIRCULAR

**FOR THE SPECIAL AND ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD ON OCTOBER 8, 2013**

PURPOSE OF SOLICITATION

This Information Circular is furnished in connection with the solicitation of proxies by the management of Anterra Energy Inc (the "Corporation") for use at the Special and Annual Meeting (the "Meeting") of the shareholders of the Corporation. The Meeting will be held at the office of Norton Rose Fulbright Canada LLP at, 3700 Devon Tower, 400 Third Avenue S.W., Calgary, Alberta, on Tuesday, October 8, 2013 at 10:00 a.m. (Calgary time), and at any adjournments thereof for the purposes set forth in the Notice of Meeting of Shareholders accompanying this Information Circular. Information contained herein is given as of August 30, 2013 unless otherwise specifically stated.

Solicitation of proxies will be primarily by mail but may also be by telephone, facsimile or in person by directors, officers and employees of the Corporation who will not be additionally compensated therefore. Brokers, nominees or other persons holding shares in their names for others shall be reimbursed for their reasonable charges and expenses in forwarding proxies and proxy material to the beneficial owners of such shares. The costs of soliciting proxies will be borne by the Corporation.

APPOINTMENT AND REVOCATION OF PROXIES

Enclosed herewith is a form of proxy for use at the Meeting. The persons named in the form of proxy are directors and officers of the Corporation. **A shareholder submitting a proxy has the right to appoint a nominee (who need not be a shareholder) to represent him at the Meeting other than the persons designated in the enclosed proxy form by inserting the name of his chosen nominee in the space provided for that purpose on the form and by striking out the printed names.**

A form of proxy will not be valid for the Meeting or any adjournment thereof unless it is signed by the shareholder or by the shareholder's attorney authorized in writing or, if the shareholder is a corporation, it must be executed by a duly authorized officer or attorney thereof. The proxy, to be acted upon, must be deposited with the Registrar and Transfer Agent of the Corporation, Olympia Trust Company ("Olympia Trust"), 2300, 125-9th Avenue S.E., Calgary, Alberta T2G 0P6 4:30 p.m. (Calgary time) on the last business day preceding the day of the Meeting or any adjournment(s) thereof, or with the chairman of the Meeting on the day of the Meeting or any adjournment(s) thereof.

A shareholder who has given a proxy may revoke it prior to its use, in any manner permitted by law, including by instrument in writing executed by the shareholder or by his attorney authorized in writing or, if the shareholder is a corporation, executed by a duly authorized officer or attorney thereof and deposited at the office of Olympia Trust at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or with the chairman of the Meeting on the day of the Meeting or any adjournment thereof.

ADVICE TO BENEFICIAL HOLDERS OF CLASS A SHARES

The Information set forth in this section is of significant importance to many shareholders of the Corporation, as a substantial number of shareholders do not hold shares in their own name. Shareholders who do not hold their shares in their own name (referred to in this Information Circular as "Beneficial Shareholders") should note that only proxies deposited by shareholders whose names appear on the records of the Corporation as the registered holders of Class A shares in the capital of the Corporation (the "Common Shares") can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Corporation. Such Common Shares will more likely be registered under the names of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). Shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person.**

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the form of proxy provided to registered shareholders by the Corporation. However, its purpose is limited to instructing the registered shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("Broadridge"). Broadridge typically asks Beneficial Shareholders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder receiving a Broadridge proxy cannot use that proxy to vote Common Shares directly at the Meeting - the proxy must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.**

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

VOTING OF PROXIES

All shares represented at the Meeting by properly executed proxies will be voted on any ballot that may be called for and, where a choice with respect to any matter to be acted upon has been specified in the accompanying form of proxy, the shares represented by the proxy will be voted in accordance with such instructions. **In the absence of any such instruction, the persons whose names appear on the printed form of proxy will vote in favour of all the matters set out thereon. The enclosed form of proxy**

confers discretionary authority upon the persons named therein. If any other business or amendments or variations to matters identified in the Notice of Meeting properly comes before the Meeting, then discretionary authority is conferred upon the person appointed in the proxy to vote in the manner they see fit, in accordance with their best judgment.

At the time of printing of this Information Circular, the management of the Corporation knows of no such amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Meeting.

INFORMATION CONCERNING THE CORPORATION

Voting Shares and Principal Holders Thereof

The directors of the Corporation have fixed August 19, 2013 as the record date. Holders of Common Shares at the close of business on August 19, 2013, are entitled to receive notice of the Meeting and to vote thereat or at any adjournments thereof on the basis of one vote for each Common Share held, except to the extent that (i) a registered shareholder has transferred the ownership of any shares, subsequent to August 19, 2013 and (ii) the transferee of those shares produces properly endorsed share certificates, or otherwise establishes that he or she owns the shares and demands, not later than ten days before the Meeting, that his or her name be included on the shareholder list before the Meeting, in which case, the transferee shall be entitled to vote his or her shares at the Meeting. The transfer books will not be closed.

As of August 30, 2013, 496,871,120 Common Shares were issued and outstanding as fully paid and non-assessable shares.

To the knowledge of the directors and senior officers of the Corporation, no persons, firms or corporations beneficially own directly or indirectly, or exercise control or direction over ten percent (10%) or more of the issued and outstanding Common Shares of the Corporation, except as set forth below.

Name of Shareholder	Number of Common Shares	Percentage
Alliance Success Holding Group Limited	188,000,000	37.8%
LandOcean Resources Investment Canada Co. Ltd.	107,692,308	21.7%
Huisheng Group Co. Ltd.	107,360,606	21.6%

Indebtedness of Directors and Senior Officers

None of the directors or senior officers of the Corporation, nominees for election or associates or affiliates of such persons have been indebted to the Corporation at any time since the beginning of the last fiscal period.

Compensation Discussion and Analysis

The Corporation's compensation program for Named Executive Officers or NEOs (as hereinafter defined) includes a base salary, an annual incentive scheme and option based awards. Each year the Corporation reviews industry compensation data to determine the equivalent market rate for executives with similar technical background and years of experience as each of the NEOs. Together, these three components support the long-term growth strategy of the Corporation and are designed to address the following key objectives of Anterra's compensation program:

- align executive compensation with shareholders' interests;
- attract and retain highly qualified management;
- focus performance by linking incentive compensation to the achievement of objectives and financial results; and
- encourage retention of key executives for leadership succession.

Elements of Executive Compensation

All NEO compensation amounts are proposed by the Chairman to the Compensation Committee and, based on the recommendation of the Compensation Committee, approved by the Board of Directors.

Base Salaries

The base salary component is intended to provide a fixed level of pay that reflects each NEO's primary duties and responsibilities. The base salary for each NEO is established at a level relative to each of the other NEOs of the Corporation, but at a level that is lower than the average equivalent market rate. An annual incentive scheme has historically been in place to augment base salary (see below).

In setting base compensation levels for executive officers, consideration is given to objective factors such as level of responsibility, experience and expertise as well as subjective factors such as leadership.

Base salaries for executive officers of the Corporation are reviewed annually by the Compensation and Governance Committee to ensure they are appropriate so as to protect the ability of the Corporation to hire and retain key personnel. The base salaries of the NEOs of the Corporation are included in the "Summary Compensation Table" below.

Annual Incentive Scheme

The annual incentive scheme is based on a graduated percentage of the Corporation's funds flow from operations (before changes in non-cash operating working capital) during the year and is set with the objective of bringing the NEOs' paid compensation for the year up to the average equivalent market rate as the Corporation's budgeted annual funds flow from operations (as established by the Board of Directors) is achieved. If the budget is exceeded, the NEO will receive more than the market equivalent rate. For each of 2010, 2011 and 2012, no award was approved by the Board of Directors.

Option Based Awards - Options

The NEOs receive option based awards at the discretion of the Board of Directors to provide upside to the NEO if the Corporation is successful and to further align the NEO's interests with the interests of shareholders. Option based awards are generally awarded at the discretion of the Board of Directors, in a larger amount on commencing with the Corporation and with a smaller annual amount in subsequent years.

Options to acquire Common Shares ("**Options**") are granted to directors, officers, employees and consultants or advisors to the Corporation and its subsidiaries and are intended to align such individuals' and shareholders' interests by attempting to create a direct link between compensation and shareholder return. Options are granted pursuant to individual stock option agreements entered into by the Corporation with each optionee. The Board of Directors has the authority to establish the quantity of

Options granted (subject to the restriction that the aggregate number of Common Shares issuable upon exercise of Options granted thereunder shall not exceed 10% of outstanding Common Shares), as well as the exercise price, vesting terms and the expiry date thereof, with input from the Compensation and Governance Committee. See "*Stock Option Plan*".

Given the Corporation's size and the current stage of its development, the Corporation has not established any policy restricting the ability of a NEO or director to purchase financial instruments that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

For information on Options held by the NEOs and directors of the Corporation, see "*Summary Compensation Table*" and "*Compensation of Directors*" below.

Benefits

The NEOs are eligible to participate in the same benefits as offered to all full-time employees. The Corporation does not view these benefits as a significant element of its compensation structure but does believe that they can be used in conjunction with base salary to attract, motivate and retain individuals in a competitive environment. In addition, each NEO receives minor perquisites including parking which, unless otherwise noted in the table below, total less than 10% of the total compensation.

Summary Compensation Table

The Corporation has three NEOs. The following table discloses, for the three most recently completed financial years, total compensation received by the following executive officers: (i) those who acted as the Corporation's Chief Executive Officer during the most recently completed financial year; (ii) those who acted as the Chief Financial Officer during the most recently completed financial year; and (iii) each of the three highest paid executive officers whose total compensation exceeded \$150,000 during the most recently completed financial year (collectively, the "Named Executive Officers" or "NEOs").

Name and Principal Position	Year	Salary (\$)	Share-Based awards (\$)	Option-Based awards ⁽¹⁾ (\$)	Non equity incentive Plan compensation (\$)		Pension Value (\$)	All other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plan	Long-term Incentive Plans			
Gang Fang President & CEO ⁽²⁾	2012	132,000	Nil	Nil	Nil	Nil	Nil	78,360 ⁽³⁾	210,360
	2011	80,000	Nil	197,279	Nil	Nil	Nil	101,440 ⁽⁴⁾	378,719
	2010	Nil	Nil	73,215	Nil	Nil	Nil	60,000	133,215
Qiping Men ⁽⁵⁾ VP Finance & CFO	2012	88,000	Nil	Nil	Nil	Nil	Nil	16,625	104,625
	2011	80,000	Nil	142,133	Nil	Nil	Nil	- ⁽⁶⁾	222,133
Robert McCuaig Executive Vice President	2012	143,484	Nil	Nil	Nil	Nil	Nil	-	143,484
	2011	120,000	Nil	80,487	Nil	Nil	Nil	- ⁽⁶⁾	200,487
	2010	120,000	Nil	31,526	Nil	Nil	Nil	-	151,526

Notes:

- (1) This figure does not represent cash paid to the NEO. The calculation of option based awards is based on the number of options granted priced at the grant date fair value of the award. The formula used to calculate the grant date fair value is the same as used for accounting purposes, estimated using the Black-Scholes option pricing model with a volatility rate of 75%, a risk free rate of return based on grant date interest rates and an estimated weighted average life of 5 years. The entire calculated value has been attributed to the covered financial year.
- (2) Dr. Fang was appointed CEO of the Corporation on July 13, 2010.
- (3) \$77,160 was paid to a consulting company for the services of Dr. Fang.
- (4) This amount was paid to a consulting company for the services of Dr. Fang.
- (5) Mr. Men was appointed CFO of the Corporation on April 26, 2011.
- (6) The aggregate value of the benefits received was less than 10% of the indicated salary.

Stock Option Plan

The Corporation established a stock option plan (the "Plan") for directors, officers, employees and consultants or advisors to the Corporation and its subsidiaries, which plan was last approved by the shareholders of the Corporation on November 30, 2012. The Board of Directors may designate which directors, officers, employees and other key personnel of the Corporation or its subsidiaries are to be granted options to acquire Common Shares, subject to the restriction that the aggregate number of Common Shares issuable upon the exercise of options granted thereunder shall not exceed 10% of outstanding Common Shares. The directors, in compliance with the requirements of the stock exchange or exchanges on which the Common Shares are listed, determine the exercise price associated with any options granted under the Plan. The options vest on a date set by the directors and expire at a time set by the directors, being not more than five years from the date of grant, provided that any outstanding options will expire on a date not exceeding 90 days following the date of termination of employment or service or within a period of 30 days following the effective date of resignation in the case of an optionee who is engaged in investor relations activities. In the event of the death of the optionee, any outstanding options will expire on a date not to exceed 180 days from the date of death of the optionee. Options granted under the Plan are non-assignable and non-transferable. Outstanding options granted under the Plan may be adjusted in certain events, as to exercise price and number of Common Shares, to prevent dilution or enlargement. The Plan provides for immediate vesting in the event of a change of control.

At the Meeting, an amended and restated stock option plan is being put forth for approval by Shareholders, to conform to recent amendments to TSX Venture Exchange policies. Details regarding the amendments to be considered by Shareholders are outlined under "*Special Meeting Matters*".

Outstanding share-based awards and option based awards

Outstanding Share-Based and Option-Based Awards - Named Executive Officers

The following table sets forth information with respect to the outstanding awards granted under the Plan issued to the Named Executive Officers as at December 31, 2012.

Name	Option-Based Awards			Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options (\$) ⁽¹⁾	Number of Shares or Units of Shares that Have Not Vested (#)	Market or Payout Value of Share-Based Awards that Have not Vested (\$)
Gang Fang	3,500,000	0.10	July 13, 2015	Nil	Nil	Nil
	1,000,000	0.255	March 30, 2016	Nil	Nil	Nil
Qiping Men	1,000,000	0.255	March 30, 2016	Nil	Nil	Nil
Robert McCuaig	1,500,000	0.10	July 13, 2015	Nil	Nil	Nil
	400,000	0.255	March 30, 2016	Nil	Nil	Nil

Note:

- (1) Calculated based on the difference between the market value of the Common Shares at November 16, 2012 (the last day during 2012 on which the Common Shares were traded), which was \$0.045 and the exercise price of the option. The calculation includes unvested options.

Incentive Plan Awards – value vested or earned during the year – Named Executive Officers

The following table sets forth information in respect of the value of awards granted pursuant to the Plan to the Named Executive Officers of the Corporation that vested during the period ending December 31, 2012.

Name	Option-Based Awards - Value Vested During Year ⁽¹⁾ (\$)	Share-Based Awards - Value Vested During Year (\$)	Non-Equity Incentive Plan Compensation- Value Earned During Year (\$)
Gang Fang	Nil	Nil	Nil
Qiping Men	Nil	Nil	Nil
Robert McCuaig	Nil	Nil	Nil

Note:

(1) Calculated based on the difference between the market value of the Common Shares on the applicable date of vesting and the applicable exercise price of the options which vested.

Equity Compensation Plan Information as at December 31, 2012

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of Securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by securityholders	19,850,000	\$0.14	4,793,803
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	19,850,000	\$0.14	4,793,803

Employment Contracts

The Corporation does not have any employment contracts, agreements, plans or arrangements with any NEO that provide for payments to a NEO at, following or in connection with any termination, resignation, retirement, change in control of the Corporation or a change in a NEO's responsibilities, other than the following:

The Corporation has an agreement with Dr. Fang which provides for payment of an amount equal to six times his base monthly fees upon termination for any reason other than a material breach of the agreement by Dr. Fang.

The Corporation has an agreement with Mr. Men which provides for payment of an amount equal to one year's salary on termination of the agreement by the Corporation without cause, or on termination of the agreement by either party in the case of a change of control of the Corporation.

The Corporation has an agreement with Mr. McCuaig which provides for payment of an amount equal to 12 times Mr. McCuaig's base monthly salary upon termination of the agreement by the Corporation without cause, or on termination of the agreement by either party in the case of a "change of control" of Anterra within the meaning of such term in the agreement with Mr. McCuaig.

Other Plans

The Corporation has no retirement plans, pension plans or other forms of retirement or deferred compensation for its officers.

Compensation of Directors

The Corporation pays to directors who are not officers or employees of the Corporation fees or fees for membership in a club of their choice up to \$3,500 annually. In addition, directors are paid \$300 for each meeting of the board and committee of the board (of which the director is a member) attended and may be entitled to receive stock options of the Corporation. Directors are reimbursed for travel and other expenses they incur when they attend meetings.

The following table sets out the total compensation paid or awarded for each of the Corporation's directors who are not NEO's, during the year ended December 31, 2012:

Name	Fees Earned (\$)	Share-Based Awards (\$)	Option-Based Awards (\$) ⁽¹⁾	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Gary Chang	7,900	Nil	Nil	Nil	Nil	Nil	7,900
Ross O. Drysdale	8,200	Nil	Nil	Nil	Nil	Nil	8,200
Zhen Xiang Huo	8,200	Nil	Nil	Nil	Nil	Nil	8,200
Hong Lei	8,200	Nil	Nil	Nil	Nil	Nil	8,200
Owen Pinnell	63,200	Nil	Nil	Nil	Nil	Nil	63,200

Note:

- (1) This figure does not represent cash paid to the director. The calculation of option based awards is based on the number of options granted priced at the grant date fair value of the award. The formula used to calculate the grant date fair value is the same as used for accounting purposes, estimated using the Black-Scholes option pricing model with a volatility rate of 75%, a risk free rate of return based on grant date interest rates and an estimated weighted average life of 5 years. The entire calculated value has been attributed to the covered financial year.

Outstanding Share-Based and Option-Based Awards - Directors

The following table sets forth information with respect to the outstanding awards granted under the Plan to the directors as at December 31, 2012.

Name	Option-Based Awards				Share-Based Awards	
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options ⁽¹⁾ (\$)	Number of Shares that Have Not Vested (#)	Market or Payout Value of Share-Based Awards that Have not Vested (\$)
Gary Chang	1,000,000	0.10	July 13, 2015	Nil	Nil	Nil
	400,000	0.255	March 30, 2016	Nil	Nil	Nil
Ross O. Drysdale	1,000,000	0.10	July 13, 2015	Nil	Nil	Nil
	400,000	0.255	March 30, 2016	Nil	Nil	Nil
Zhen Xiang Huo	1,000,000	0.10	July 13, 2015	Nil	Nil	Nil
	400,000	0.255	March 30, 2016	Nil	Nil	Nil
Hong Lei	1,000,000	0.10	July 13, 2015	Nil	Nil	Nil
	400,000	0.255	March 30, 2016	Nil	Nil	Nil
Owen Pinnell	3,500,000	0.10	July 13, 2015	Nil	Nil	Nil
	500,000	0.255	March 30, 2016	Nil	Nil	Nil

Note:

- (1) Calculated based on the difference between the market value of the Common Shares at November 16, 2012 (the last day during 2012 on which the Common Shares were traded), which was \$0.045, and the exercise price of the option. The calculation includes unvested options.

Incentive Plan Awards – value vested or earned during the year - Directors

The following table sets forth information in respect of the value of awards granted pursuant to the Plan to directors of the Corporation that vested during the period ending December 31, 2012.

<u>Name</u>	<u>Option-Based Awards - Value Vested During Year⁽¹⁾</u> <u>(\$)</u>	<u>Share-Based Awards - Value Vested During Year</u> <u>(\$)</u>	<u>Non-Equity Incentive Plan Compensation- Value Earned During Year</u> <u>(\$)</u>
Gary Chang	Nil	Nil	Nil
Ross O. Drysdale	Nil	Nil	Nil
Zhen Xiang Huo	Nil	Nil	Nil
Hong Lei	Nil	Nil	Nil
Owen Pinnell	Nil	Nil	Nil

Note:

- (1) Calculated based on the difference between the market value of the Common Shares on the applicable date of vesting and the applicable exercise price of the options which vested.

Interest of Informed Persons in Material Transactions

There were no material interests, direct or indirect, of directors and senior officers of the Corporation, nominees for director, any shareholder who beneficially owns more than 10% of the shares of the Corporation, or any known associate or affiliate of such persons in any transaction since the commencement of the Corporation's last completed financial period or in any proposed transaction which has materially affected or would materially affect the Corporation and which is not otherwise disclosed herein except for:

- During the year, an accounting firm, of which Qiping Men, the Corporation's Chief Financial Officer, is a shareholder, charged the Corporation \$16,625 (2011 - \$74,620) for accounting services.

Interest Of Certain Persons In Matters To Be Acted On

Management of the Corporation is not aware of any material interest of any director or nominee for director, or senior officer or anyone who has held office as such since the beginning of the Corporation's last financial period or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting other than as disclosed in this Information Circular in the discussion of each such matter.

Corporate Cease Trade Orders or Bankruptcies

No proposed director of the Corporation has, within the ten years prior to the date of this information circular, been a director, officer or a promoter of any reporting issuer that, while such person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the company access to any statutory exemption for a period of more than 30 consecutive days or was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver-manager or trustee appointed to hold the assets of that person.

ANNUAL MEETING BUSINESS

Financial Statements and Auditors' Report

Audited financial statements for the fiscal year ended December 31, 2012 and the report of the auditors thereon have been sent to registered shareholders. The presentation of such audited financial statements to the shareholders at the Meeting will not constitute a request for approval or disapproval.

Election of Directors

The Articles of the Corporation provide that the Board of Directors shall consist of a minimum of three and a maximum of 11 directors to be elected annually. The term of office for each director is from the date of the meeting at which he is elected until the annual meeting next following or until his successor is elected or appointed.

The Board of Directors of the Corporation currently consists of eight directors. At the Meeting, a board of nine directors is to be elected.

It is the intention of the persons named in the enclosed form of proxy, if not expressly directed to the contrary in such form of proxy, to vote such proxies FOR the election of the nominees specified below as directors of the Corporation. If, prior to the Meeting, any vacancies occur in the slate of proposed nominees herein submitted, the persons named in the enclosed form of proxy intend to vote FOR the election of any substitute nominee or nominees recommended by management of the Corporation and FOR the remaining proposed nominees. Management has been informed that each of the proposed nominees listed below is willing to serve as a director if elected.

The following table states the names of all persons proposed to be nominated for election as directors, the position or office now held by them, if applicable, their principal occupation or employment for the past five years, the date on which they became directors of the Corporation and the number of shares in the capital of the Corporation beneficially owned directly or indirectly or over which they exercise control or direction.

Name and Municipality of Residence	Office Held	Principal Occupation for the Past Five Years	Director Since	Number of Shares Held
Gary Chang ⁽²⁾ Vancouver, British Columbia	Director	President, Great United Resources Capital Inc. since 2009; Vice President, Great United Petroleum Holding Co. Ltd from 2005 to 2009.	November 2009	Nil
Ross O. Drysdale ⁽¹⁾ Calgary, Alberta	Director	Since August, 2012, President and Director of Ross O. Drysdale Professional Corporation; Counsel to the law firm of Carscallen Leitch LLP from April, 2010 to August, 2012; Counsel to the law firm of Burstall Winger LLP from February, 2005 to April, 2010.	April 2007	1,493,780
Gang Fang ⁽²⁾ Calgary, Alberta	Chief Executive Officer and a Director	CEO of the Corporation since July 13, 2010; President, Great United Petroleum Co. since January 2009; Chairman and CEO, Oriental Energy Co. from 2006 to December 2008	July 2010	Nil

Name and Municipality of Residence	Office Held	Principal Occupation for the Past Five Years	Director Since	Number of Shares Held
Zhen Xiang Huo ⁽³⁾ Beijing, China	Director	President and Managing Director of Great United Petroleum Holding Co. Ltd. since 2005; Managing Director, Alliance Success Holding Group Ltd; Vice-Chairman of board of directors of Beijing Shell Unified Petrol-Chemical Co.; Former Chairman of the board of Directors of Beijing Unified Petrol-Chemical Co.	November 2009	Nil ⁽⁴⁾
Hong Lei Beijing, China	Director	Chief Executive Director of the board of directors, Great United Petroleum Holding Co. Ltd since 2005; Managing Director, Alliance Success Holding Group Ltd	November 2009	Nil ⁽⁴⁾
Owen C. Pinnell ^(1,3) Calgary, Alberta	Chairman	Founder and Managing Partner since 1999 of i3 Capital Partners Inc., a private company focusing on providing venture capital expertise to start-up companies.	March 2000	6,185,345
Guangzhen Song Langfang, Hebei, China	N/A	Owner, Langfang Shengtai Real Estate Ltd. since 2001.	Nominee	1,300,000 ⁽⁵⁾
Gengwen Sun ⁽³⁾ Beijing, China	Director	Chairman and President of LandOcean Energy Services Co., Ltd. ("LandOcean") since August 2009; prior thereto, General Manager of LandOcean since 2005.	April 2013	Nil ⁽⁶⁾
Chengfeng Tang ^(1,2) Beijing, China	Director	Vice President of LandOcean since February 2009 and Executive Director since September 2012; prior thereto, officer of Zhong You He Huang Information Technology Ltd. since 2002.	April 2013	Nil ⁽⁶⁾

Notes:

- (1) Member of the Audit and Reserves Committee.
- (2) Member of the Environmental, Health and Safety Committee.
- (3) Member of the Compensation and Governance Committee
- (4) Messrs. Lei and Huo are officers and directors of Alliance Success Holding Group Limited, which owns and controls 188,000,000 Common Shares of the Corporation.
- (5) Mr. Song controls Huisheng Group Co. Ltd., which holds 106,060,606 Common Shares.
- (6) Messrs. Sun and Tang are officers and directors of LandOcean Energy Services Co. Ltd., which controls 107,692,308 Common Shares of the Corporation.

Appointment of Auditor

The Corporation recommends the appointment of KPMG LLP, Chartered Accountants, as auditors of the Corporation, to hold office until the next annual meeting of the Corporation at such remuneration as may be fixed by the Board of Directors.

The persons named in the enclosed form of proxy intend to vote for the appointment of, as auditors of the Corporation, KPMG LLP, Chartered Accountants, of Calgary, Alberta at a remuneration to be fixed by the Board and to hold such office until the next annual meeting of the Corporation. KPMG LLP were first appointed auditors of the Corporation on December 28, 2011.

SPECIAL MEETING BUSINESS

Approval of Amended and Restated Stock Option Plan

The Board of Directors believes it to be in the best interests of the Corporation to amend and restate the stock option plan to conform to recent amendments to Policy 4.4 - *Incentive Stock Options* of the TSX Venture Exchange Corporate Finance Manual. A copy of the proposed amended and restated stock option plan is attached hereto as Schedule "A" (the "**Amended and Restated Option Plan**") and the highlights of the amendments are as follows:

- (a) If an option expires during one of the Corporation's self-imposed black-out periods, options will automatically be extended for 10 business days following the last day of a black-out period.
- (b) The number of Common Shares reserved for issuance to any person retained to provide investor relation activities in any 12 month period must not exceed 2% of the outstanding Common Shares. Options issued to all persons retained to provide investor relations activities must vest in stages over a period of not less than 12 months with no more than one-quarter of the options vesting in any 3 month period.
- (c) If options are granted to an employee or consultant, the Corporation and the optionee are responsible for ensuring and confirming that the optionee is a *bona fide* employee or consultant.

The Board of Directors approved the Amended and Restated Option Plan on August 28, 2013, subject to receipt of Shareholder approval. Accordingly, at the Meeting, the Shareholders of the Corporation will be asked to consider and, if deemed advisable, approve a resolution approving the Corporation's Amended and Restated Option Plan. The terms of the Amended and Restated Option Plan are described above and in this Information Circular under "Information Concerning the Corporation – Compensation Discussion and Analysis – Stock Option Plan".

The form of resolution to be considered by shareholders at the Meeting is as follows:

"BE IT RESOLVED THAT:

1. The amended and restated incentive stock option plan of the Corporation, be and is hereby approved;
2. Any one officer or director of the Corporation is hereby authorized to execute and deliver all such documents and to do all such acts and things as may be deemed advisable in such individual's discretion for the purpose of giving effect to this resolution."

To be effective, the resolution must be passed by at least a majority of the votes cast at the Meeting. The persons named in the enclosed form of proxy intend to vote in favour of this resolution at the Meeting.

OTHER BUSINESS

Management is not aware of any other business to come before the Meeting other than as set forth in the Notice of Meeting of Shareholders. If any other business properly comes before the Meeting, it is the intention of the persons named in the Instrument of Proxy to vote the Common Shares represented thereby in accordance with their best judgment on such matter.

CORPORATE GOVERNANCE

The Board of Directors is committed to a high standard of corporate governance practices. The Board believes that this commitment is not only in the best interest of its shareholders, but that it also promotes effective decision making at the Board level.

In establishing its corporate governance practices, the Board of Directors has been guided by Canadian securities legislation and the TSXV guidelines for effective corporate governance, including NI 52-110.

Board of Directors

The Board is currently comprised of eight individuals, two of whom are independent (Gary Chang and Ross O. Drysdale). One of the directors is currently a member of management (Gang Fang) and one of the directors was a member of management within the last three years (Owen Pinnell) and, accordingly, both Dr. Fang and Mr. Pinnell are not independent within the meaning of that term set out in National Instrument 52-110 *Audit Committees*. The four remaining directors are directors, officers or shareholders of significant shareholders (Hong Lei, Zhen Xiang Huo, Gengwen Sun and Chengfeng Tang).

Directorships

The following table sets out the directors of the Corporation who are currently directors of other reporting issuers:

<u>Name</u>	<u>Other Reporting Issuers</u>
Gary Chang	Sahara Energy Ltd.
Ross O. Drysdale	Arrowhead Water Products Ltd. West High Yield (W.H.Y.) Resources Ltd.
Gang Fang	Sahara Energy Ltd.
Gengwen Sun	LandOcean Energy Services Co., Ltd.
Chengfeng Tang	LandOcean Energy Services Co., Ltd.

Orientation and Continuing Education

While the Corporation does not currently have a formal orientation and education program for new recruits to the Board of Directors, the Corporation provides such orientation and education on an informal basis. As new directors join the Board, management provides these individuals with a director's package containing pertinent information such as corporate policies, historical information about the Corporation as well as information on the Corporation's performance and its strategic plan with an outline of the general duties and responsibilities entailed in carrying out their duties. Members of the Board are provided with ongoing education respecting the Corporation's operations by way of management presentations. In addition, directors are encouraged to attend industry workshops respecting the responsibilities of directors. The Board believes that these procedures are a practical and effective approach in light of the Corporation's particular circumstances, including the size of the Corporation, and the experience and expertise of the members of the Board. Each director of the Corporation has the responsibility for ensuring that he maintains the skill and knowledge necessary to meet his obligations as a director.

Ethical Business Conduct

The Board encourages and promotes a culture of ethical business conduct by actively overseeing the management of the business.

Nomination and Assessment of Directors

The Board of Directors as a whole is responsible for the monitoring and oversight of the quality and effectiveness of the Board and considering nominees for the Board. The Compensation and Governance Committee is responsible for recommending suitable candidates for nominees for election or appointment as a director, and recommending the criteria governing the overall composition of the Board and governing the desirable characteristics for directors.

The Compensation and Governance Committee is also to review on a periodic basis the composition of the Board to ensure that an appropriate number of independent directors sit on the Board, and analyze the needs of the Board and recommend nominees who meet such needs.

Compensation

The Board as a whole reviews the compensation for the directors and senior management annually, following recommendations from the Compensation and Governance Committee.

Board Committees

To facilitate its exercise of independent supervision over management, the Board has established the Audit and Reserves committee, the Compensation and Governance Committee and the Environment and Safety Committee.

Audit and Reserves Committee

The Audit and Reserves Committee is comprised of three external directors, all of whom are financially literate.

The Audit and Reserves Committee reviews the annual financial statements and related financial reporting of the Corporation and meets with the external independent auditors to review and consider audit procedures and to assess the appropriateness and effectiveness of the Corporation's policies, business practices and internal controls. The members of the Audit and Reserves Committee have direct access to the external auditors of the Corporation. The Audit and Reserves Committee also reviews the unaudited quarterly financial statements, management's discussion and analysis of financial results and earnings press releases. The charter of the Corporation's Audit and Reserves Committee is set out in the management information circular dated October 15, 2012 in respect of the special and annual meeting of shareholders of Anterra held on November 30, 2012, which circular is available on SEDAR at www.sedar.com.

The members of the Audit and Reserves Committee have the following relevant education and experience for performing their responsibilities on the Committee:

Ross Drysdale, Chairman of the Audit and Reserves Committee, is a lawyer in Calgary, Alberta. Mr. Drysdale has over thirty years of experience in the legal profession and specializes in corporate and business law with a particular focus on public companies. Mr. Drysdale is a Director and officer of a number of private and public companies and has served on a number of audit committees where he obtained significant experience and exposure to accounting and financial issues.

Owen Pinnell has in excess of 25 years experience as President, CEO and director of various public and private companies in Canada and the United States. Mr. Pinnell has worked extensively in the energy, energy services and environmental industries and has experience in oilfield development, corporate management oilfield services and corporate finance. Mr. Pinnell is a professional engineer in Alberta and British Columbia and received his engineering education at Auckland Technical Institute in New Zealand. Mr. Pinnell also holds a Certificate in Business Strategy from the Massachusetts Institute of Technology.

Chengfeng Tang holds a Bachelors degree in petroleum engineering from the Southwest Petroleum University at Cheng Du in China. He is an officer and director of LandOcean Energy Services Co., Ltd., a public company traded on the Shenzhen Stock Exchange. Before joining LandOcean in February 2009, Mr. Tang worked for twenty years for China National Petroleum Corporation ("CNPC"), where he served for five years as director of Research Institute of Exploration and Development of Xinjiang Oilfield Company (a branch of CNPC). Mr. Tang has experience in corporate management and specifically in the management of corporate finance, as well as the technical and economical assessment of oil field assets.

As a company listed on the TSX Venture Exchange, the Corporation is exempt from the requirements of Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*) of National Instrument 52-110 *Audit Committees*.

Compensation and Governance Committee

The Compensation Committee is comprised of a minimum of three directors, a majority of whom are not members of management.

The Compensation Committee is responsible for assisting the Board in monitoring, reviewing and approving overall compensation policies and practices of the Corporation, administering the Corporation's stock option plan, assessing the effectiveness of the Board and its members, proposing new nominees for appointment to the Board and reviewing the Corporation's approach to corporate governance and compliance with regulatory requirements.

Environmental, Health and Safety Committee

The Environmental, Health and Safety Committee is comprised of three directors, a majority of whom are not members of management.

The Environmental, Health and Safety Committee is responsible for ensuring that management has designed and implemented effective programs relating to health, safety and the environment, including the prevention or mitigation of risks and compliance with applicable legal requirements.

All matters outside the mandates of the Audit and Reserves Committee, the Compensation Committee or the Environmental, Health and Safety Committee are considered by the full Board. The Board has considered this appropriate in light of the size of the Corporation and its stage of development.

Fees Charged by External Auditors

The following table sets out the aggregate fees billed by the Corporation's external auditors in each of the last two fiscal years for the category of fees described.

	<u>2012⁽¹⁾</u>	<u>2011⁽¹⁾</u>
Audit Fees ⁽²⁾	\$103,000	\$166,513
Audit-Related Fees ⁽³⁾	\$75,000	\$10,266
Tax Fees ⁽⁴⁾	\$6,500	\$5,500
All Other Fees	\$8,900	\$1,200
Total	<u>\$193,400</u>	<u>\$183,479</u>

Notes:

- (1) The fees are summarized based on cash fees actually paid to the accounting firm during the year and accrued fees. Fees paid in 2011 were to KPMG LLP (current auditors of Anterra), Deloitte LLP (former auditors of Anterra) and MNP LLP (retained to assist Anterra with the conversion to IFRS). Fees paid in 2012 were to KPMG LLP.
- (2) Audit fees consist of fees for the audit of Anterra's annual financial statements or services that are normally provided in connection with statutory and regulatory filings or engagements.
- (3) Audit-related fees consist of fees for assurance and related services that are reasonably related to the performance of the audit or review of Anterra's financial statements and are not reported as audit fees. The services provided in this category include assistance and advice in relation to the preparation of corporate income tax returns.
- (4) Tax fees consist of fees for tax compliance services, tax planning and tax advice. The services provided in this category include assistance and advice in relation to the preparation of corporate income tax returns..

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Financial information is contained in the Corporation's financial statements and Management's Discussion and Analysis for the year ended December 31, 2012. If you wish to request copies of the Corporation's financial statements and Management's Discussion and Analysis, please contact Qiping Men, Chief Financial Officer, at 1420, 1122 – 4th Street SW, Calgary, Alberta, T2R 1M1, Tel: (403) 215-0860.

SCHEDULE "A"

ANTERRA ENERGY INC.

AMENDED AND RESTATED OPTION PLAN

Dated and Effective as of August 28, 2013.

1. Purpose of the Plan

(a) The purpose of the Option Plan (the "Plan") is to assist Anterra Energy Inc. (the "Corporation") in attracting, retaining and motivating directors, officers, employees and consultants of the Corporation and of its subsidiaries and to closely align the personal interests of such directors, officers, employees and consultants with those of the shareholders by providing them with the opportunity, through options, to acquire Class A Shares in the capital of the Corporation.

(b) Capitalized words and phrases used but not defined herein shall have the same meanings herein as ascribed thereto in the Corporate Finance Manual of the TSX Venture Exchange (the "Exchange") and, in particular, in policies 1.1 and 4.4 of the Corporate Finance Manual, and "Outstanding Class A Shares" shall mean, at the time of any share issuance or grant of options, the number of Class A Shares that are outstanding immediately prior to the share issuance or grant of options in question on a non-diluted basis, or such other number as may be determined under applicable rules and regulations of all regulatory authorities to which the Corporation is subject, including the Exchange.

2. Implementation

The grant and exercise of any options under the Plan are subject to compliance with the applicable requirements of the Exchange and each stock exchange on which the shares of the Corporation are or become listed and of any governmental authority or regulatory body to which the Corporation is subject.

3. Administration

The Plan shall be administered by the Board of Directors of the Corporation which shall, without limitation, have full and final authority and discretion, subject to the express provisions of the Plan, to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to it and to make all other determinations deemed necessary or advisable for the administration of the Plan. The Board of Directors may delegate any or all of its authority with respect to the administration of the Plan and any or all of the rights, powers and discretions with respect to the Plan granted to it under this Plan to the Compensation and Governance Committee (the "Compensation Committee") of the Board of Directors or such other committee of directors of the Corporation as the Board of Directors may designate. Upon any such delegation the Compensation Committee or other committee of directors, as the case may be, as well as the Board of Directors, shall be entitled to exercise any or all of such authority, rights, powers and discretion with respect to the Plan. When used in the context of this Plan, "Board of Directors" shall be deemed to include the Compensation Committee or other committee of directors acting on behalf of the Board of Directors.

4. Number of Shares Under Plan

A maximum number of Class A Shares equal to 10% (the "Optioned Shares") of the Outstanding Class A Shares, from time to time, shall be reserved, set aside and made available for issue under and in accordance with the Plan by resolution of the Board of Directors; provided that, in no event shall options be granted entitling any single individual (or any company that is wholly owned by such individual) to purchase in excess of 5% of the Outstanding Class A Shares in a twelve month period. If option rights granted to an individual (or any company that is wholly owned by such individual) under the Plan shall expire or terminate for any reason without having been exercised in respect of certain Optioned Shares, such Optioned Shares may be made available for other options to be granted under the Plan. In addition:

- (a) The aggregate number of Class A Shares reserved for issuance on exercise of options, within any twelve month period, granted to any one Consultant of the Corporation may not exceed 2% of the Class A Shares;
- (b) The aggregate number of the Class A Shares reserved for issuance on exercise of options, in any twelve month period, granted to all Persons retained to provide Investor Relations Activities may not exceed 2% of the Outstanding Class A Shares;
- (c) Options issued to Persons retained to provide Investor Relations Activities must vest in stages over a period of not less than 12 months with no more than one-quarter of the options vesting in any three month period;
- (d) The maximum number of Class A Shares reserved for issuance pursuant to options granted to Insiders at any time may not exceed 10% of number of Outstanding Class A Shares; and
- (e) The maximum number of Class A Shares issuable on exercise of options granted to Insiders in a twelve month period shall not exceed 10% of the number of Outstanding Class A Shares;

Provided that, for the purposes of paragraphs (c) and (d) above, an entitlement granted prior to the grantee becoming an Insider may be excluded in determining the number of Class A Shares issuable to Insiders.

5. Eligibility

Options may be granted under the Plan to a director, officer, employee or consultant of the Corporation, or of its subsidiaries, or to companies that are wholly owned by such persons, as the Board of Directors may from time to time designate as participants (the "Participants") under the Plan. Subject to the provisions of this Plan, the total number of Optioned Shares to be made available under the Plan and to each Participant, the time or times and price or prices at which options shall be granted, the vesting dates, the time or times at which such options are exercisable, and any conditions or restrictions on the exercise of options, shall be in the full and final discretion of the Board of Directors. By granting options hereunder to an Employee or Consultant, the Corporation and the Participant are responsible for ensuring and confirming that that the Participant is a *bona fide* Employee or Consultant.

6. Terms and Conditions

All options under the Plan shall be granted upon and subject to the terms and conditions hereinafter set forth.

(a) Exercise Price

The exercise price to each Participant for each Optioned Share shall be as determined by the Board of Directors, but shall in no event be less than the closing market price of the Class A Shares of the Corporation on the Exchange on the trading day immediately prior to the time of the grant of the option (or, if no trades occurred on such day, then the next previous day on which trading took place) less the maximum discount permitted under the regulations of the Exchange or such other price as may be agreed to by the Corporation and approved by the Exchange. In the event that the Corporation proposes to reduce the exercise price of options granted to an Optionee who is an Insider (as defined in the policies of the Exchange) of the Corporation at the time of the proposed amendment, such amendment shall not be effective until disinterested shareholder approval has been obtained in respect of the reduction of the exercise price if required by the rules and policies of the Exchange then in effect.

(b) Option Agreement

All options granted under the Plan shall be evidenced by means of an agreement between the Corporation and each Participant (the "Option Agreement") in a form as may be approved by the

Board of Directors, such approval to be conclusively evidenced by the execution of the Option Agreement by any two (2) directors or officers of the Corporation other than the Participant.

(c) **Length of Grant**

All options granted under the Plan shall expire not later than the fifth anniversary of the date such options were granted and may be exercised by the Participant as to such varying percentages, on a cumulative basis, during the terms thereof as the Board of Directors shall determine.

(d) **Vesting**

Notwithstanding the length of grant as set forth in subparagraph 6(c) above, the time or times at which options are exercisable and vesting dates shall be the dates so fixed by the Board of Directors of the Corporation, the Compensation Committee of the Board of Directors of the Corporation or such other committee of directors as the Board of Directors may designate at the time of the award of the options, subject to the provisions of subparagraph 6(j) below which provides for automatic vesting of all options upon the occurrence of certain specified events, but in any event options issued to Consultants performing Investor Relations Activities must vest in stages over 12 months with no more than one quarter of such options vesting in any three month period.

(e) **Assignability of Options**

An option granted under the Plan shall not be transferable or assignable (whether absolutely or by way of mortgage, pledge or other charge) by a Participant other than by will or other testamentary instrument or the laws of succession and may be exercisable during the lifetime of the Participant only by the Participant.

(f) **Right to Postpone Exercise**

Each Participant, upon becoming entitled to exercise an option in respect of any Optioned Shares in accordance with the Option Agreement, shall be entitled to exercise the option to purchase such Optioned Shares at any time prior to the expiration or other termination of the Option Agreement or the option rights granted thereunder in accordance with such agreement.

(g) **Exercise and Payment**

Any option granted under the Plan may be exercised by a Participant or the legal representative of a Participant giving notice to the Corporation specifying the number of shares in respect of which such option is being exercised, accompanied by payment (by cash or cheque payable to the Corporation) of the entire exercise price (determined in accordance with the Option Agreement) for the number of shares specified in the notice. Upon any such exercise of an option by a Participant the Corporation shall cause the transfer agent and registrar of the Class A Shares of the Corporation to promptly deliver to such Participant or the legal representative of such Participant, as the case may be, a share certificate in the name of such Participant or the legal representative of such Participant, as the case may be, representing the number of shares specified in the notice.

(h) **Rights of Participants**

The Participants shall have no rights as shareholders in respect of any of the Optioned Shares (including, without limitation, any right to receive dividends or other distributions therefrom, voting rights, warrants or rights under any rights offering) other than Optioned Shares in respect of which Participants have exercised their option to purchase and which have been issued by the Corporation.

(i) **Alterations in Shares**

In the event of a share dividend, share split, issuance of shares or instruments convertible into Class A Shares (other than pursuant to the Plan) for less than market value, share consolidation, share reclassification, exchange of shares, recapitalization, amalgamation, merger, consolidation, corporate arrangement, reorganization, liquidation or the like of or by the Corporation, the Board of Directors may make such adjustment, if any, of the number of Optioned Shares, or of the exercise price, or both, as it shall deem appropriate to give proper effect to such event, including to prevent, to the extent possible, substantial dilution or enlargement of rights granted to Participants under the Plan. In any such event, the maximum number of shares available under the Plan may be appropriately adjusted by the Board of Directors. If because of a proposed merger, amalgamation or other corporate arrangement or reorganization, the exchange or replacement of shares in the Corporation by those in another company is imminent, the Board of Directors may, in a fair and equitable manner, determine the manner in which all unexercised option rights granted under the Plan shall be treated including, for example, requiring the acceleration of the time for the exercise of such rights by the Participants and of the time for the fulfillment of any conditions or restrictions on such exercise. All determinations of the Board of Directors under this paragraph 6(i) shall be full and final.

(j) **Time of Exercise and Change of Control**

- (i) If the Corporation shall sell its entire assets and undertaking or shall be merged, amalgamated or absorbed by or into any other corporation (save and except for a subsidiary or subsidiaries of the Corporation) under any circumstances which involve or may involve or require the liquidation of the Corporation, a distribution of its assets among its shareholders, or the termination of its corporate existence, the right of a Participant to exercise options granted to the Participant shall be accelerated so that such option may be exercised with respect to all Class A Shares optioned to the Participant (including those for which the option is not yet exercisable) at any time during the fifteen (15) day period prior to the date upon which the agreement or arrangement for such sale, merger, amalgamation or absorption shall become effective.
- (ii) If after the grant of an option hereunder, any person or combination of persons sells or exchanges a number of Class A Shares which in the opinion of the Board affects materially the control of the Corporation, the right of the Participant to exercise such option shall be accelerated so that such option may be exercised with respect to all Class A Shares optioned to the Participant (including those for which the option is not yet exercisable) at any time during the thirty (30) day period after the date upon which the Board becomes aware of such sale or exchange.

7. **Expiry of Options**

(a) **Normal Expiry**

Subject to subparagraphs 7(b), (c), (d) and (e), options granted under the Plan shall expire on the date provided for in the respective Option Agreement or on such later date as may be permitted by the Board of Directors, which shall be no later than the fifth anniversary of the date on which any such option is granted.

Notwithstanding anything else contained herein, if the expiry date for an option occurs during a Black-Out Period, then the expiry date for that option will be the date that is ten business days after the expiry date of the Black-Out Period, where "Black-Out Period" means a period of time imposed by the Corporation upon certain designated persons during which those persons may not trade in any securities of the Corporation.

(b) Retirement or Disability

Subject to subparagraph 7(c), in the event of the termination of employment or of a consulting agreement of a Participant with the Corporation or any of its subsidiaries due to normal retirement in accordance with the policies of the Corporation or the respective subsidiary, as the case may be, or due to permanent disability of the Participant (as determined by the Board of Directors), the Participant may exercise such part of the option as is exercisable immediately prior to the time of such termination within a period of 30 days following such termination in the case of a Participant who is engaged in Investor Relations Activities and ceases to be employed to provide Investor Relations Activities and within a period of 90 days following such termination in every other case but in no event later than the normal expiry date of the option and any such option not fully exercised at the end of such period shall then terminate.

(c) Death of Participant

In the event of the death of any Participant prior to the expiry of outstanding options granted to such Participant, the executors or personal representatives of the Participant shall have the right to exercise any such option within 180 days of the Participant's death, but in no event later than the normal expiry date of the option and for not more than the number of options for which the Participant could have exercised any such option immediately prior to the Participant's death, and any such option not fully exercised at the end of such period shall then terminate.

(d) Resignation or Termination not for Cause

Subject to subparagraph 7(e), in the event of the resignation of a Participant from, the termination of employment of a Participant with, or the removal or resignation of a Participant who is a director, officer, employee or consultant of the Corporation or any of its subsidiaries prior to the expiry of all outstanding options granted to such Participant, the Participant shall have the right to exercise any such options within a period of 30 days following the effective date of such resignation in the case of a Participant who is engaged in Investor Relations Activities and ceases to be employed to provide Investor Relations Activities and within a period of 90 days following the effective date of such resignation or termination in every other case but in no event later than the normal expiry date of the options, but for not more than the number of options for which the Participant could have exercised any such option immediately prior to such resignation or termination and any such option not fully exercised at the end of such period shall then terminate.

(e) Termination for Cause

If a Participant is dismissed or terminated as a director, officer, employee or consultant (as the case may be by the Corporation or by one of its subsidiaries) for cause, all unexercised options of that Participant under the Plan shall immediately terminate forthwith without further notice to the Participant, notwithstanding the original term or vesting of the options granted to such Participant under the Plan or Option Agreement.

8. Amendment and Discontinuance of Plan

The Board of Directors may from time to time amend or revise the terms of the Plan or may discontinue the Plan at any time, provided that no such action may in any manner adversely affect the rights under any options earlier granted to a Participant under the Plan without the consent of that Participant.

9. No Further Rights

Nothing contained in the Plan nor in any option granted under this Plan shall give any Participant or any other person, any interest or title in or to any Class A Shares of the Corporation or any rights as a shareholder of the Corporation or any other legal or equitable right against the Corporation other than as set out in the Plan and

pursuant to the exercise of any option, nor shall it confer upon the Participants any right to continue as an employee, officer, consultant or director of the Corporation or of its subsidiaries.

10. Compliance with Laws

The obligations of the Corporation to sell Class A Shares and deliver share certificates under the Plan are subject to such compliance by the Corporation and the Participants as the Corporation deems necessary or advisable with all applicable corporate and securities laws, rules and regulations.

11. Gender

The use of the masculine gender in this Plan shall be deemed to include or be replaced by the feminine gender where appropriate to the particular Participant.

12. Stock Exchange Requirements

The terms and conditions of the Plan and the implementation thereof shall at all times be subject to the rules and regulations of any stock exchange on which the Class A Shares are listed, and, in the event of any inconsistency between the terms and conditions of the Plan and the rules and regulations of any such exchange, the rules and regulations of such exchange shall prevail.

SCHEDULE A - FORM OF OPTION AGREEMENT

ANTERRA ENERGY INC.

OPTION PLAN

OPTION AGREEMENT

This Option Agreement is entered into between Anterra Energy Inc. (the "Corporation") and the Optionholder named below pursuant to the Corporation's Option Plan (the "Plan"), a copy of which is attached hereto, and confirms that:

1. On _____ (the "Grant Date");
2. _____ (the "Optionholder");
3. Was granted a non-assignable option to purchase _____ Class A Shares (the "Optioned Shares") of the Corporation, exercisable as to one-third on the Grant Date and one-third on each of the first and second anniversary dates of the Grant Date;
4. At a price (the "Exercise Price") of \$ _____ per Optioned Share; and
5. For a term expiring at 5:00 p.m., Calgary time, on _____ (the "Expiry Date").

All on the terms and subject to the conditions set out in the Plan. By signing this agreement, the Optionholder acknowledges that he or she has read and understands the Plan.

Without prior written approval of the TSX Venture Exchange and in compliance with all applicable securities legislation, the Option and the Optioned Shares represented by this Option Agreement may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until _____, 20__ .

IN WITNESS WHEREOF the Corporation and the Optionholder have executed this Option Agreement as of _____, 20__.

ANTERRA ENERGY INC.

By: _____

By: _____

Name of Optionholder

Signature of Optionholder

SCHEDULE B - FORM OF NOTICE OF EXERCISE

ANTERRA ENERGY INC.

OPTION PLAN

NOTICE OF EXERCISE

ANTERRA ENERGY INC.

1420, 1122 - 4th Street SW
Calgary, Alberta T2R 1M1

Attention: Corporate Secretary

Reference is made to the Option Agreement made as of _____, 200__, between Anterra Energy Inc. (the "Corporation") and the Optionholder named below. The Optionholder hereby exercises the Option to purchase Class A Shares (the "Optioned Shares") of the Corporation as follows:

Number of Optioned Shares for which Option being exercised _____

Exercise Price per Optioned Share: \$ _____

Total Exercise Price (in the form of a cheque (which need not be a certified cheque) or bank draft tendered with this Notice of Exercise): \$ _____

Name of Optionholder as it is to appear on share certificate: _____

Address of Optionholder as it is to appear on the register of Class A Shares of the Corporation and to which a certificate representing the Class A Shares being purchased is to be delivered: _____

Dated _____, _____.

Name of Optionholder

Signature of Optionholder

