



MAJORITY VOTING POLICY

1. Purpose

The Board of Directors (the “**Board**”) of Painted Pony Energy Ltd. (the “**Corporation**”) believes that the directors of the Corporation (the “**Directors**”) should carry the confidence and support of the Corporation’s shareholders.

2. Uncontested Elections

In an uncontested election of Directors, each Director must be elected by majority of the votes cast for his or her election. An uncontested election is one where the number of directors nominated for election is equal to the number of directors to be elected.

3. Mandatory Resignation

A Director who is not elected by at least a majority (50% plus 1 vote) of the votes cast with respect to his or her election must immediately tender his or her resignation to the Board.

The Board shall determine whether or not to accept the resignation, within 90 days after the date of the shareholder meeting at which the election was held. The Board shall accept the resignation absent exceptional circumstances.

The resignation will be effective when accepted by the Board.

4. Process Following Resignation

Any Director who tenders a resignation pursuant to this Majority Voting Policy will not participate in any meeting of the Board or any sub-committee of the Board at which his or her resignation is considered.

The Corporation will promptly disclose the Board’s decision by issuing a news release and provide a copy of such release to Toronto Stock Exchange. If the Board determines not to accept the resignation, the reasons for that decision will be fully stated in the news release.

Adopted: March 26, 2015