



**NOTICE OF ANNUAL AND SPECIAL MEETING  
OF SHAREHOLDERS TO BE HELD  
ON THURSDAY, AUGUST 25, 2016**

**TO THE SHAREHOLDERS OF MADALENA ENERGY INC.**

Notice is hereby given that the annual and special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares ("**Common Shares**") of Madalena Energy Inc. (the "**Corporation**" or "**Madalena**") will be held in the Viking Room at the Calgary Petroleum Club located at 319 - 5 Avenue SW, Calgary, Alberta T2P 0L6 on Thursday, August 25, 2016 at 10:00 a.m. (Calgary Time) for the following purposes:

- (a) to receive the financial statements of the Corporation for the year ended December 31, 2015 and the auditor's report thereon;
- (b) to fix the number of directors to be elected at the Meeting at seven (7);
- (c) to elect directors of the Corporation for the ensuing year;
- (d) to appoint KPMG LLP as the auditor of the Corporation for the ensuing year and to authorize the directors to fix the auditor's remuneration as such;
- (e) to consider and if deemed appropriate, pass an ordinary resolution re-approving the Corporation's stock option plan; and
- (f) to transact such further and other business as may be properly brought before the Meeting or any adjournment thereof.

The nature of the business to be transacted at the Meeting is described in further detail in the accompanying Information Circular.

The record date for the determination of Shareholders entitled to receive notice of and to vote at the Meeting is July 21, 2016 (the "**Record Date**"). Shareholders whose names have been entered in the register of Shareholders at the close of business on that date will be entitled to receive notice of and to vote at the Meeting, provided that, to the extent a Shareholder transfers the ownership of any of such Shareholder's Common Shares after such date and the transferee of such shares establishes that the transferee owns such shares and requests, not later than ten (10) days before the Meeting, to be included in the list of Shareholders eligible to vote at the Meeting, such transferee will be entitled to vote such shares at the Meeting.

**A Shareholder may attend the Meeting in person or may be represented by proxy. Shareholders who are unable to attend the Meeting or any adjournment thereof in person are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment thereof. To be effective, the enclosed proxy must be mailed so as to reach or be deposited with the Proxy Department, Alliance Trust Company, 1010, 407 – 2 Street SW, Calgary, Alberta T2P 2Y3 (facsimile: (403) 237-6181, online at [www.alliancetrust.ca](http://www.alliancetrust.ca)) not less than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) prior to the time set for the Meeting or any adjournment thereof. Shareholders are cautioned that the use of mail to transmit proxies is at each shareholder's risk.**

The instrument appointing a proxy shall be in writing and shall be executed by the Shareholder or the Shareholder's attorney authorized in writing or, if the Shareholder is a company, under its corporate seal by an officer or attorney thereof duly authorized.

**The persons named in the enclosed form of proxy are directors and/or officers of Madalena. Each Shareholder has the right to appoint a proxyholder other than such persons, who need not be a Shareholder, to attend and to act for such Shareholder and on such Shareholder's behalf at the Meeting. To exercise such right, the names of the nominees of management should be crossed out and the name of the Shareholder's appointee should be legibly printed in the blank space provided.**

**In the event of a strike, lockout or other work stoppage involving postal employees, all documents required to be delivered by a Shareholder should be delivered by facsimile to Alliance Trust Company at (403) 237-6181.**

DATED at Calgary, Alberta this 21<sup>st</sup> day of July, 2016.

**BY ORDER OF THE BOARD OF DIRECTORS**

*(signed) "Steven Sharpe"*

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Chairman of the Board of Directors