MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Three Months Ended March 31, 2015
Date: May 21, 2015

2015 FIRST QUARTER HIGHLIGHTS

- Achieved record average quarterly production of 5,536 boe/d (50% oil and NGLs) representing a 38% increase compared to Q1-2014 and 6% increase from Q4-2014.
- Maintained balance sheet strength with first quarter exit net debt of $54.1 million, representing 2.0 times debt to Q1-2015 annualized cash flow.
- Completed a Production Volume Royalty ("PVR") arrangement on the Company's Lloydminster property for proceeds of $20 million. The net proceeds from this arrangement were used to reduce indebtedness, aid funding of the property acquisition completed in the quarter and for general corporate purposes.
- Acquired a 330 boe/d (79% oil and NGLs) light oil asset and infrastructure in core Michichi area for consideration of $16.3 million, including $14.4 million in cash and the exchange of a non-core, gas weighted asset.
- Realized net proceeds of $3.6 million on a non-core disposition in Southeastern Saskatchewan.
- Decreased operating and transportation costs to $17.98/boe, a 22% improvement from the comparable period in 2014.
- Reduced G&A costs to $3.37/boe, a 25% per boe decrease from Q1-2014.
- Realized funds flow from operations of $7.0 million, a 5% decrease from Q1-2014 notwithstanding a 47% decrease in realized commodity prices.
- Drilled one horizontal light oil well at Michichi and one vertical heavy oil well at Lloydminster.

CORPORATE UPDATE

Michichi

Marquee expanded its light oil Banff/ Detrital fairway at Michichi with the purchase of 34 net sections of land, 330 boe/d of production and associated infrastructure, as announced February 25, 2015. The southern extension is characterized by higher oil as a percent of boe production and a meaningful increase in the number of light oil drilling locations. Of note, the 9-16-30-18 W4M well, acquired as part of this strategic acquisition, has an IP60 rate of 263 boe/d and averaged in excess of 220 boe/d (91% oil & NGLs) through its first ten months of production.

The Company drilled a successful northern extension well to the Banff oil resource fairway at 14-15-32-17 W4M which has recorded an IP60 rate of more than 300 boe/d (82% oil and NGLs). Both the 14-15 and 9-16 wells are substantially outperforming Marquee's current type curve for the area which is based on an IP60 rate of 175 boe/d. Production rates in the area continue to improve for Marquee as we refine drilling, completion and production techniques.

Mapping supported by the wells mentioned above suggest that the oil fairway measures more than 25 miles in length. Marquee controls more than 80% of the oil rights involved and owns two oil batteries, two gas plants and associated gas infrastructure which will support continued development.

The Company has completed a review of the costs to drill a new well into the Banff/Detrital play. Based on current commodity prices, Marquee can deliver a producing well between $2 million and $2.3 million including completion, equipping and tie-in costs. Using this lower well cost in combination with current strip pricing, our current type curve delivers strong economics, generating a ROR of 35% to 45% and a payout of less than two years. As a result, the Company is planning to drill up to six wells at Michichi in the second half of 2015, to be funded by cash flow. This program will be designed to develop and delineate around the recent prolific 9-16 and 14-15 wells.

Marquee's technically driven Michichi drilling inventory has now grown to more than 215 locations (with 29 proven undeveloped and 29 probable booked locations).

Lloydminster

The Company drilled one vertical oil well during the quarter at 1-11-48-1W4M, which it is currently completing. Marquee has a large inventory of approximately 70 low cost drilling locations supporting the continued development of long life production from the heavy oil reserves at Lloydminster.

Corporate

The Company sold a Production Volume Royalty at Lloydminster for proceeds of $20 million and realized approximately $5.5 million in value for two non-core properties. Proceeds from the sales were used to reduce debt, fund acquisitions and for general corporate purposes. As a result, Marquee has reduced its net debt to approximately $54 million at quarter end, strengthening its balance sheet and increasing its financial flexibility to take advantage of opportunities during the current low commodity price environment. Marquee continues to pay down debt through the second quarter of 2015 with minimal capital spending. Non-core assets now account for less than 5% of Marquee's production base.

Marquee continues to focus on reducing long term operating costs and has a number of initiatives in place to reduce infield trucking, control chemical consumption, and improve equipment maintenance and reliability. Oilfield service and supplier costs are expected to follow falling commodity prices and add to field cost savings. The Company's G&A costs continue to improve while maintaining a strong technical focus on delivering productivity and reserve growth.

OUTLOOK

The Company is uniquely positioned in that the combination of its balance sheet and low cost oil focused asset base continues to mitigate Marquee's exposure to volatility in commodity prices, while also positioning it for strong growth as commodity pricing improves. Marquee will continue its careful management of capital expenditures and maintenance of prudent debt levels. The company has a hedging program in place to provide a base level of revenue surety to protect short-term capital programs.

Marquee's Directors have approved an increase to the capital budget that will support the drilling of six additional Michichi wells which are expected to be on production by November of 2015. The Directors and management continue to monitor changes to commodity pricing and the current economic environment, as it affects both its business and that of its suppliers. Changes in capital spending are dependent on projected cash flow and market conditions and are reviewed quarterly by the Board of Directors.

FINANCIAL AND OPERATING HIGHLIGHTS

	Three months ended March 31,	
	2015	2014
Financial *(000's except per share and per boe amounts)*		
Oil and natural gas sales [1]	**$ 15,618**	$ 21,577
Funds flow from operations [2]	**$ 7,004**	$ 7,392
Per share - basic and diluted	**$ 0.06**	$ 0.08
Per boe	**$ 14.06**	$ 18.83
Net loss	**$ (4,131)**	$ (2,751)
Per share - basic and diluted	**$ (0.03)**	$ (0.03)
Capital expenditures	**$ 6,729**	$ 12,997
Asset acquisitions including non-cash consideration	**$ 16,701**	$ 11,076
Dispositions	**$ (32,921)**	$ (28)
Net debt [2]	**$ 54,064**	$ 79,546
Total Assets	**$ 270,972**	$ 280,421
Weighted average basic and diluted shares outstanding	**120,341**	88,296
Operational		
Net wells drilled	**2.0**	5.0
Daily sales volumes		
Oil *(bbls per day)*	**1,749**	1,223
Heavy Oil *(bbls per day)*	**771**	511
NGL's *(bbls per day)*	**227**	180
Natural Gas *(mcf per day)*	**16,733**	12,657
Total *(boe per day)*	**5,536**	4,024
% Oil and NGL's	**50%**	48%
Average realized prices		
Oil ($/bbl)	**$ 51.36**	$ 94.36
Heavy Oil ($/bbl)	**$ 35.91**	$ 72.49
NGL's ($/bbl)	**$ 23.25**	$ 72.47
Natural Gas ($/mcf)	**$ 3.03**	$ 5.87
Netbacks		
Combined ($/boe)	**$ 31.35**	$ 59.58
Royalties ($/boe)	**$ (2.12)**	$ (5.37)
Operating and transportation costs ($/boe)	**$ (17.98)**	$ (23.10)
Operating netbacks prior to hedging [3]	**$ 11.25**	$ 31.11
Realized hedging gain (loss) ($/boe)	**$ 7.09**	$ (3.59)
Operating netbacks ($/boe) [3]	**$ 18.34**	$ 27.52

(1) Before royalties.
(2) Defined under the Additional-GAAP Measures section of this MD&A.
(3) Operating netback is a non-GAAP measure, defined under the Non-GAAP Measures section of this MD&A.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following is Management's Discussion and Analysis ("MD&A") of the financial condition and results of operations for Marquee Energy Ltd. ("Marquee", "we", "our" or the "Company") as at and for the three month period ending March 31, 2015. This MD&A is dated and based on information available on May 21, 2015 and should be read in conjunction with the Company's unaudited condensed interim Financial Statements and related notes thereto for the three month periods ended March 31, 2015 and 2014, as well as the audited Financial Statements and related notes thereto for years ended December 31, 2014 and 2013. The Company's condensed interim Financial Statements have been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting within International Accounting Financial Standard ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All figures provided herein are reported in thousands of Canadian dollars unless otherwise stated. The reader should be aware that historical results are not necessarily indicative of future performance.

Additional information relating to Marquee, including the Company's Annual Information Form, is available on SEDAR at www.sedar.com. Marquee is listed on the TSX Venture Exchange (TSX-V) under the symbol "MQL-V", and on the United States OTC Markets ("OTCQX") under the symbol "MQLQF".

Non-GAAP Measures and Additional GAAP Measures

The MD&A contains certain measures that do not have any standardized meaning as prescribed by IFRS and, therefore, are considered non-GAAP measures and additional GAAP measures. Readers are cautioned that the MD&A should be read in conjunction with Marquee's disclosure under "Non-GAAP Measures", "Additional GAAP Measures" and "Forward-Looking Statements" included at the end of this MD&A.

DESCRIPTION OF BUSINESS

Marquee Energy Ltd. is a publicly traded, Calgary-based, growth oriented junior oil and natural gas company currently focused on high rate of return oil development and production. Marquee is committed to growing the company through exploitation of existing opportunities and continued consolidation within its core area at Michichi. Marquee's offices are located in Calgary, Alberta.

RESULTS OF OPERATIONS

Average Daily Oil and Natural Gas Production and Sales Volumes

	Three months ended March 31,		
	2015	2014	Change
Light oil (bbls/d)	**1,749**	1,223	43%
Heavy oil (bbls/d)	**771**	511	51%
NGLs (bbls/d)	**227**	180	26%
Natural gas (mcf/d)	**16,733**	12,657	32%
Total boe/d (6:1)	**5,536**	4,024	38%
Production split (%)			
Crude Oil and NGL	**50%**	48%	
Natural gas	**50%**	52%	
Total	**100%**	100%	

Production for the three months ended March 31, 2015 was 5,536 boe/d, an increase of 38% compared to the same period in 2014. The increase is a result of the Company's successful 2014-2015 drilling programs.

Oil and Natural Gas Revenue

($000s)	Three months ended March 31, 2015	2014	Change
Light oil	**8,085**	10,386	-22%
Heavy oil	**2,492**	3,334	-25%
NGLs	**475**	1,174	-60%
Natural gas	**4,566**	6,683	-32%
Total revenue	**15,618**	21,577	-28%

Total revenue in Q1-2015 decreased to $15.6 million from $21.6 million in Q1-2014, a decrease of 28%. The decrease in revenue is a consequence of a 47% decline in realized commodity prices, partially offset by a 38% increase in production.

Average Benchmark and Realized Sales Prices

	Three months ended March 31, 2015	2014	Change
Benchmark prices			
WTI ($US/bbl) (1)	48.63	98.67	-51%
$US/$C foreign exchange rate	1.24	1.07	16%
WTI ($C/bbl)	60.37	105.53	-43%
WSC Hardisty ($C/bbl)	42.13	83.64	-50%
AECO natural gas ($/mcf)	2.61	5.35	-51%
Average realized prices			
Light Oil ($/bbl)	51.36	94.36	-46%
Heavy Oil ($/bbl)	35.91	72.49	-50%
NGL ($/mcf)	23.25	72.47	-68%
Natural gas ($/mcf)	3.03	5.87	-48%
Combined ($/boe)	31.35	59.58	-47%

(1) *WTI represents the posting prices of West Texas Intermediate Oil.*

Royalties

($000s, except per boe amounts)	Three months ended March 31, 2015	2014	Change
Royalties	**1,054**	1,946	-46%
As a percentage of revenue	**7%**	9%	-22%
$ Per boe (6:1)	**2.12**	5.37	-61%

Royalties for the three months ended March 31, 2015 decreased to $1.0 million or $2.12 per boe compared to $1.9 million or $5.37 per boe for the same period in 2014. The decrease in royalties in total and on a per boe basis, are the result of lower benchmark and realized commodity prices.

Production and Transportation Expense

($000s, except per boe amounts)	Three months ended March 31, 2015	2014	Change
Production and operating costs	**6,659**	6,852	-3%
Transportation costs	**2,297**	1,515	52%
	8,956	8,367	7%
$ Per boe (6:1)	**17.98**	23.10	-22%

Production and transportation costs for the three months ended March 31, 2015 were $9.0 million or $17.98 per boe compared to $8.4 million and $23.10 per boe for the same period in 2014. The increase in operating costs quarter over quarter is a result of increased production and an increase in oil weighting ratio which carries a higher transportation cost. The declines in operating costs per boe were the result of efficiencies realized from infrastructure improvements at Michichi, optimization of resources from the Company's recent acquisitions, as well as increased production volumes.

Operating Netback

	Three months ended March 31,		
Netbacks ($/boe)	**2015**	2014	Change
Sales	**31.35**	59.58	-47%
Royalties	**(2.12)**	(5.37)	-61%
Production costs	**(13.37)**	(18.92)	-29%
Transportation costs	**(4.61)**	(4.18)	10%
Operating netback prior to hedging	**11.25**	31.11	-64%
Realized hedging gain (loss)	**7.09**	(3.59)	-297%
Operating netback	**18.34**	27.52	-33%

For the three months ended March 31, 2015, operating netbacks decreased to $18.34 per boe compared to $27.52 per boe for the same period in 2014. The decrease was due to lower average realized pricing partially offset by lower royalties, production costs and realized hedging gains.

General and Administrative Expense

	Three months ended March 31,		
($000s, except per boe amounts)	**2015**	2014	Change
G&A	**1,677**	1,622	3%
$ Per boe (6:1)	**3.37**	4.48	-25%

General and administrative ("G&A") costs for the three months ended March 31, 2014 increased 3% to $1.7 million from $1.6 million in the prior quarter. The slight increase was due to increased operations compared to Q1-2014 offset by a corporate G&A reduction strategy implemented in Q1 2015. On a boe basis, G&A costs declined by 25% to $3.37 per boe compared to $4.48 per boe in 2014. The decrease on a boe basis is a result of the higher production volumes in Q1-2015 with a minimal increase in G&A expenses.

Stock-based Compensation

As at March 31, 2015, the Company had 9,917,439 stock options and 1,679,835 warrants outstanding. The options and warrants were issued at an average exercise price of $1.05 per option and $1.59 per warrant. For the three months ended March 31, 2015 the company recorded $0.3 million in stock-based compensation expense (2014 - $0.2 million) with the offsetting amount recorded in contributed surplus. The expense increased from the same period in 2014 as a result of additional 4,320,000 new options being granted in the second half of 2014.

Risk Management and Hedging Activities

For the three months ended March 31, 2015, the Company realized a $3.5 million gain (2014 - $1.3 million loss) on the settlement of commodity contracts. As at March 31, 2015, Marquee had the following commodity contracts outstanding with a fair value of $2.8 million (December 31, 2014 – $6.1 million).

Type	Notional Volumes	Price	Index	Term	Fair value ($000)
Swap	250 bbl/day	CAD $103.00/bbl	WTI-NYMEX	Jan.01, 2015 to Jun.30, 2015	900
Swap	500 bbl/day	CAD $105.00/bbl	WTI-NYMEX	Apr.01, 2015 to Jun.30, 2015	1,900
Total	750 bbl/day				2,800

Subsequent to March 31, 2015 the Company entered into the following financial commodity price contracts:

Type	Notional Volumes	Price	Index	Term
Swap	200 bbl/day	CAD $75.00/bbl	WTI-NYMEX	Jul.01, 2015 to Dec.31, 2015
Swap	200 bbl/day	CAD $74.05/bbl	WTI-NYMEX	Jul.01, 2015 to Dec.31, 2015
Swap	500 bbl/day	CAD $74.25/bbl	WTI-NYMEX	Jul.01, 2015 to Sep.30, 2015
Swap	500 bbl/day	CAD $74.25/bbl	WTI-NYMEX	Oct.01, 2015 to Dec.31, 2015
Swap	300 bbl/day	USD ($13.50)/bbl	WCS vs NGX and Net Energy Index	Jul.01, 2015 to Sep.30, 2015

Finance Expenses

	Three months ended March 31,		
($000s, except per boe amounts)	**2015**	2014	Change
Interest expense	**451**	924	-51%
Accretion expense	**328**	340	-4%
Finance expense	**779**	1,264	-38%
$ Per boe (6:1)	**1.56**	3.49	-55%

Finance expenses decreased to $0.8 million or $1.56 per boe for the three months ended March 31, 2015 compared to $1.3 million or $3.49 per boe for the same period in 2014. The decrease in interest expense was attributable to lower average debt balances and interest rates in 2015 compared to 2014.

Depletion and Depreciation

	Three months ended March 31,		
($000s, except per boe amounts)	**2015**	2014	Change
Depletion and Depreciation	**9,744**	7,027	39%
$ Per boe (6:1)	**19.56**	19.40	1%

The depletion rate is calculated on proved and probable oil and natural gas reserves, taking into account the future development costs to produce the related reserves. Depletion expense increased in the three month period ending March 31, 2015 to $9.7 million or $19.56 per boe from $7.0 million or $19.40 per boe for the same period in 2014. The increase in depletion expense for the three months ended March 31, 2015 is due to increased production.

Taxes

For the three month period ended March 31, 2015 the Company recorded a $1.3 million deferred tax recovery (2013 - $0.9 million recovery). The increase in the recovery from 2014 is due to fluctuations in temporary differences and the period gain on disposition of petroleum and natural gas interests.

Exploration and Evaluation expenditures (“E&E”)

During the three month period ended March 31, 2015 the Company recorded $0.2 million of costs associated with expired mineral leases compared with $0.9 million in the comparative period in 2014. The decreased expense is a result of timing of the lease expiries and the Company’s plans to develop those areas in prior years.

Funds Flow from Operations

Funds flow from operations for the three month period ended March 31, 2015 was $7.0 million or $0.06 per share compared to $7.4 million or $0.08 per share in the comparative 2014 period. The decrease in Q1 2015 as compared to the same period in 2014 is due to lower netbacks resulting from the significant reduction in realized commodity prices, offset by reduced royalties and production costs, and increased production and hedging gains.

Gain on Disposition of Oil and Natural Gas Interests

On March 25, 2015 the Company closed an arrangement for the sale of a production volume royalty ("PVR") on its Lloydminster property for total proceeds of $20 million with a disposal value of property, plant and equipment of $19.0 million resulting in a gain of $1.0 million (2014 - $nil).

During the three months ended March 31, 2015 the Company completed an acquisition in the Michichi area for $16.3 million comprised of $14.4 million in cash consideration in addition to the conveyance and exchange of certain non-core gas properties valued at $1.9 million with a carrying value of $1.5 million resulting in a gain of $0.4 million. The transaction resulted in the addition of 330 boe/d (79% oil and NGLs), and the disposition of 137 boe/d (77% natural gas).

For the three months ended March 31, 2015 the Company completed the sale of non-core oil and natural gas properties for net proceeds of $3.6 million resulting in a $0.4 million gain, compared to a gain of $0.1 million for the same period in the prior year.

Net Loss

Net loss for the three month period ended March 31, 2015, was $4.1 million ($0.03 per share, basic and diluted) compared to a net loss of $2.8 million ($0.03 per share, basic and diluted) for the same period in 2014. The increase to net loss is primarily due to decreased revenue caused by the decline in realized commodity prices.

Capital Expenditures

	Three months ended March 31,	
($000s)	**2015**	2014
Land & lease (1)	**1,007**	191
Drilling and completions (1)	**3,831**	8,323
Equipment and facilities	**1,216**	3,798
Seismic (1)	**397**	422
Acquisitions (2)	**14,362**	248
Dispositions (2)	**(23,643)**	(28)
Office and other (2)	**176**	263
Total capital expenditures, net	**(2,654)**	13,217

(1) Includes expenditures on exploration and evaluation assets as well as PP&E
(2) Excludes non-cash additions and dispositions

The Company drilled 2 wells (net 2) during the three months ended March 31, 2015 including 1 Michichi horizontal oil well, and 1 vertical oil well at Lloydminster.

On February 19, 2015 the Company completed an acquisition for $16.3 million comprised of $14.4 million in cash and the conveyance and exchange of certain non-core gas properties valued at $1.9 million. The strategic acquisition provides additional production of approximately 330 boe/d, and 34 net sections of land that is complementary to the company's existing core asset base and infrastructure at Michichi.

For the three months ended March 31, 2015 the Company disposed of certain petroleum and natural gas properties in its non-core areas for proceeds of $3.6 million. Proceeds from the sale provided the Company with a non-dilutive source of funding to increase the Company's financial flexibility and contribute to the 2015 capital program.

The Company expects to fund the 2015 capital program from funds flow from operations, non-core asset sales and its existing credit facilities.

CAPITAL RESOURCES AND LIQUIDITY

Credit Facility

During the first quarter, the Company renewed its syndicated banking arrangement which consisted of a $70 million revolving demand facility, a $10 million operating facility as well as a $15 million acquisition facility with two Canadian chartered Banks. At March 31, 2015, the Company was in compliance with all covenants under its credit facility. The revolving and operating facilities bear interest at the Bank's prime rate plus an applicable margin (of 50 bps to 250 bps) determined by reference to the Company's net debt to cash flow ratio which is calculated as negative working capital, excluding the fair value of any commodity contracts, over annualized trailing quarterly cash flow from operating activities before working capital adjustments. The acquisition facility will bear interest at the Bank's prime rate plus an applicable margin (of 50 bps to 250 bps) plus an additional 50 bps per annum.

Equity

The Company is authorized to issue an unlimited number of common shares. As at March 31, 2015 and May 21, 2015, there were 120,340,685 common shares outstanding, and convertible securities comprised of 9,917,439 options to acquire common shares and 1,679,835 warrants outstanding which are exercisable for an aggregate of 11,597,274 common shares.

Liquidity

The Company generally relies on operating cash flows, equity issuances and its credit facility to fund its capital requirements and provide liquidity. From time to time, the Company accesses capital markets to meet its additional financing needs and to maintain flexibility in funding its capital programs. Future liquidity depends primarily on funds flow generated from operations, the ability to draw on existing credit facilities and the ability to access debt and equity markets. Bank debt is classified as a short term liability as it is a demand loan and could potentially be paid within a year. The Company generated positive funds flow from operations for the three month period ended March 31, 2015.

The Company's credit facility is a demand loan and as such the bank could demand repayment at any time. The credit facilities are subject to review on a periodic basis at the discretion of the Bank, and this review was last completed in March 2015. Management is not aware of any indications that the bank would demand repayment within the next 12 months. The Company further expects that it will have sufficient cash on hand to meet current obligations by actively monitoring its credit facilities through use of the revolving loan, operating loan and acquisition facilities, coordinating payment and revenue cycles each month, and an active hedging program to mitigate commodity price risk and secure cash flows.

Management has delayed certain capital projects until the pricing environment improves and has and continues to work on strategies to reduce general and administrative costs subsequent to March 31, 2015.

Capital management

The Company's capital management policy is to maintain a strong capital base that optimizes the Company's ability to grow, maintain investor and creditor confidence and to provide a platform to create value for its shareholders. The Company maintains a flexible capital structure to maximize its ability to pursue oil and gas exploration opportunities and the requirement to sustain future development of the business. The Company monitors the level of risk associated for each capital project to balance the proportion of debt and equity in its capital structure. The Company monitors capital availability tracking its current working capital, available credit facility, projected cash flow from operating activities and anticipated capital expenditures. The Company's officers are responsible for managing the Company's capital and do so through weekly meetings and regular reviews of financial information including budgets and forecasts. The Company's directors are responsible for overseeing this process. The Company considers its capital structure to include shareholders' equity and bank debt.

In order to maintain or adjust the capital structure, the Company may issue shares, amend, revise or renew terms of the existing credit facility and adjust its capital spending to manage its current and projected capital structure. The Company's ability to raise additional funds through debt or equity financing may be impacted by external conditions, including future commodity prices, particularly natural gas and the global economic downturn. The Company continually monitors business conditions including: changes in economic conditions, the risk of its drilling programs, forecasted commodity prices and potential corporate or asset acquisitions.

The Company monitors capital based on two financial ratios: 1) net debt to annualized funds flow and 2) working capital ratio. The net debt to annualized funds flow represents the time period it would take to pay off the debt if no further capital expenditures were incurred and if funds flow from operating activities remained constant. This ratio is calculated as net debt divided by cash flows from operating activities before changes in non-cash working capital annualized ("funds flow from operating activities"). Net debt is defined as outstanding bank debt plus or minus net working capital (excluding fair value of commodity contracts and flow-through share premiums).

The Company's strategy is to monitor the ratio and the ratio can, and will, fluctuate based on the timing of property transactions, commodity prices and on the mix of exploratory and development drilling. There have been no changes to the Company's capital management policies for the three months ended March 31, 2015.

The following table summarizes the Company's net debt to funds flow calculation, as at:

($000s)	**March 31, 2015**	December 31, 2014
Current assets, excluding commodity contracts	**10,528**	11,233
Accounts payable & accrued liabilities	**(9,530)**	(15,598)
Bank debt	**(55,062)**	(58,765)
Net debt	**(54,064)**	(63,130)
Funds flow from operating activities	**7,004**	36,738
Annualized	**28,016**	36,738
Annualized net debt to funds flow	**1.9 to 1.0**	1.7 to 1.0

As at March 31, 2015, the Company's ratio of net debt to annualized funds flow was 1.9 to 1 (December 31, 2014 – 1.7 to 1). The increase in the ratio at March 31, 2015 was a result of a decrease in funds flow from operating activities caused by the decline in benchmark and realized commodity prices in the period, offset by a lower outstanding bank debt which was repaid with proceeds from the PVR arrangement and the sale of non-core petroleum and natural gas properties, less capital expenditures and acquisitions.

Working Capital Ratio

The following table summarizes the Company's working capital calculation for purposes of its lending facility covenants, as at:

($000)	March 31, 2015	December 31, 2014
Current assets	10,528	11,233
Undrawn available credit	14,138	20,435
Subtotal	24,666	31,668
Current liabilities	9,530	15,598
Working capital ratio	2.59 to 1.00	2.03 to 1.00

The Company is required to maintain, under its credit facility, a working capital ratio of greater than 1 to 1 defined as the ratio of current assets (including undrawn available credit on the revolving portion of the facility and excluding the fair value of the commodity contracts) divided by current liabilities (less the current portion of bank debt and the fair value of the commodity contracts). At March 31, 2015, the working capital ratio was 2.59 to 1.0 (December 31, 2014 – 2.03 to 1.0) and the Company was in compliance with the covenant. The working capital ratio increased for the period ended March 31, 2015, as a result of the decrease in net debt.

Contractual Obligations

In relation to the PVR arrangement, Marquee has committed to spend, $2.75 million in capital costs per calendar year until 2022, associated with the drilling, completion, re-completion, workover, equipping and tie-in costs in order to maintain production from the royalty lands.

Off Balance Sheet Arrangements

The Company does not have any special purpose entities, nor is it party to any arrangements that would be excluded from the balance sheet.

RISKS AND UNCERTAINTIES

Business Risks

The oil and gas industry is subject to risks in (among others):

- Finding and developing reserves;
- Commodity prices received for such reserves;
- Availability of equipment, manpower and supplies;
- Availability and cost of capital to achieve projected growth;
- Effect of weather on drilling and production; and
- Operating in an environmentally appropriate fashion.

The Company mitigates these business risks by:

- Having assets in several diverse fields;
- Maintaining cost-effective operations;
- Maintaining a balance between oil and gas properties;
- Operating our own properties to control the amount and timing of capital expenditures;
- Using new technology to maximize production and recoveries and reduce operating costs;
- Restricting operations to western, central and southern Alberta where locations are accessible, operating and capital costs are reasonable and on-stream times are shorter; and
- Drilling wells in areas with multiple high deliverability zone potential.

Environmental, Health and Safety Risk

Environmental, health and safety risks relate primarily to field operations associated with oil and gas assets. To mitigate this risk, a preventative environmental, health and safety program is in place, as is operational loss insurance coverage. Marquee employees and contractors adhere to the Company's environmental, health and safety program, which is routinely reviewed and updated to ensure that the Company operates in a manner consistent with best practices in the industry. The Board of Directors oversees the risk assessment and risk mitigation process.

Regulation, Tax and Royalty Risk

Regulation, tax and royalty risk relates to changing government royalty regulations, income tax laws and incentive programs impacting the Company's financial and operating results. Management, with the assistance of legal and accounting professionals, stay informed of proposed changes in laws and regulations and proactively responds to and plan for the effects of these changes.

Industry and Economic Factors

The oil and natural gas industry is subject to extensive controls and regulations governing its operations (including land tenure, exploration, environmental, development, production, refining, transportation, and marketing) imposed by legislation enacted by various levels of government and with respect to taxation of oil and natural gas by agreements among the governments of Canada and Alberta, all of which should be carefully considered by investors in the oil and gas industry. It is not expected that any of these controls or regulations will affect the Company's operations in a manner materially different than they would affect other oil and gas companies of similar size and with similar assets. All current legislation is a matter of public record and the Company is currently unable to predict what additional legislation or amendments may be enacted. Outlined below are some of the principal aspects of legislation, regulations and agreements governing the oil and natural gas industry.

The producers of oil are entitled to negotiate sales and purchase agreements directly with oil purchasers. Most agreements are linked to global oil prices. Global oil prices are set by daily, weekly and monthly physical and financial transactions for crude oil around the world. Those prices are primarily based on worldwide fundamentals of supply and demand. Specific prices depend in part on oil quality, prices of competing fuels, distance to the markets, value of refined products, the supply/demand balance and other contractual terms. The price of natural gas is also determined by negotiation between buyers and sellers.

International prices for crude oil and natural gas fluctuate in response to changes in the supply of and demand for crude oil and natural gas, market uncertainty and a variety of other factors beyond the Company's control. These factors include, but are not limited to, the actions of the Organization of the Oil Exporting Countries (OPEC), world economic conditions, government regulation, political developments, the foreign supply of oil, the price of foreign imports, the availability of alternate fuel sources and weather conditions.

In addition to federal regulation, each province has legislation and regulations governing land tenure, royalties, production rates, environmental protection, and other matters.

For a complete discussion of the risks affecting Marquee, refer to the Company's most recently filed Annual Information Form, available on SEDAR at www.sedar.com.

SUMMARY OF QUARTERLY RESULTS

The following is a summary of selected quarterly information that has been derived from the condensed interim financial statements of Marquee Energy Ltd. This summary should be read in conjunction with unaudited financial statements of Marquee as contained in the public record.

	2015				2014			2013
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Financial								
Total revenue	**15,618**	21,353	23,644	25,625	21,577	10,094	12,489	12,317
Funds flow from operations	**7,004**	10,255	10,334	9,273	6,820	145	3,080	4,420
Basic & diluted ($/share)	**0.06**	0.09	0.09	0.08	0.08	0.00	0.06	0.08
Net income/(loss)	**(4,131)**	2,295	(13,254	900	(2,750)	614	(1,527)	484
Basic and diluted ($/share)	**(0.03)**	0.02	(0.11)	0.01	(0.03)	0.01	(0.03)	0.01
Capital expenditures(1)	**6,729**	18,129	23,395	5,188	24,824	49,428	8,484	1,543
Total assets	**270,972**	281,976	276,951	282,939	283,559	239,156	163,418	163,017
Total equity	**126,324**	130,035	127,384	140,088	119,826	111,507	88,287	89,730
Working capital deficiency	**51,252**	57,077	55,809	60,938	85,128	75,814	50,247	47,079
Weighted average common shares outstanding	**120,341**	120,341	120,341	112,534	88,296	58,171	54,648	54,661
Operations								
Average daily production								
Crude Oil (bbl/d)	**1,749**	1,658	1,379	1,434	1,223	709	722	830
Heavy Oil (bbl/d)	**771**	580	531	525	511	518	480	534
NGLs (bbl/d)	**227**	150	253	195	180	87	96	80
Natural gas (mcf/d)	**16,733**	16,923	17,881	17,285	12,657	4,799	5,045	4,942
Total boe/d	**5,536**	5,209	5,143	5,035	4,024	2,114	2,139	2,268

(1) Excluded corporate acquisitions and dispositions.

Three months ended March 31, 2015 (Q1, 2015) compared to December 31, 2014 (Q4-2014)
Total revenue was lower in Q1 2015 compared to Q4 2014 despite higher production volumes as a result of decreased commodity benchmark and realized prices. Net loss in Q1 2015 compared to net income in Q4 2014 was due to lower operating netbacks. Capital expenditures in the quarter decreased as a result of drilling only two wells compared to nine in Q4 2014.

Three months ended December 31, 2014 (Q4-2014) compared to September 30, 2014 (Q3-2014)
Total revenue was lower in Q4 2014 compared to Q3 2014 despite higher production volumes as a result of decreased realized prices. Net income in Q4 2014 as opposed to net loss in Q3 2014 was due to a gain on commodity contracts and a deferred tax recovery. Capital expenditures in Q4-2014 decreased despite consistent wells drilled due to increased drilling activity in the Lloydminster area where wells carry a lower cost base than Michichi where drilling was focused in Q3.

Three months ended September 30, 2014 (Q3-2014) compared to June 30, 2014 (Q2-2014)
Total revenue was lower in Q3, 2014 compared to Q2 2014 despite higher volumes of production as a result of decreases in the realized prices. The net loss in Q3 -2014 was a result of the non-core sale of oil and gas interests at Pembina. Capital expenditures in Q3-2014 were increased from Q2-2014 as a result of the drilling of eight wells in Q3 2014 compared to only one well drilled in Q2-2014.

Three months ended June 30, 2014 (Q2 – 2014) compared to March 31, 2014 (Q1-2014)
Total revenue was higher for the three months ended June 30, 2014 as a result of the acquired Paramount assets reflecting three full months of production, versus only three weeks in the prior quarter. The working capital

deficiency decreased as a result funds raised in the financing of common shares in the current quarter.

Three months ended March 31, 2014 (Q1 -2014) compared to December 31, 2013 (Q4-2013)
Total revenue was higher for three months ended March 31, 2014 compared to the three months ended December 31, 2013 as a result of a combination of increased production that was acquired from two separate acquisitions and higher oil and natural gas prices. The increase in total assets and total equity reflect the purchase equation for the assets acquired during Q1-2014.

Three months ended December 31, 2013 (Q4-2013) compared to September 30, 2013 (Q3-2013)
The net loss was higher during the three months ended December 31, 2013 as a result of the transaction costs related to the asset acquisition and E&E expenditures for projects discontinued by management. Capital expenditures were significantly higher as a result of the significant capital program completed in Q4-2013.

Three months ended September 30, 2013 (Q3-2013) compared to June 30, 2013 (Q2-2013)
Revenue was consistent quarter over quarter. The decline in the net income was a result of a loss on the sale of oil and gas interests in Q3-2013 compared to a gain Q2-2013. In addition, there was an unrealized loss on commodity contracts compared to a gain on commodity contracts in Q2-2013.

NON-GAAP MEASURES

This MD&A contains the term "field operating netbacks" which does not have a standardized meaning prescribed by IFRS and, therefore, may not be comparable with the calculation of similar measures by other companies. Marquee uses field operating netbacks to analyze operating performance. Marquee believes this benchmark is a key measure of profitability and overall sustainability for the Company and this term is commonly used in the oil and natural gas industry. Field operating netbacks are not intended to represent operating profits, net earnings or other measures of financial performance calculated in accordance with IFRS.

Operating netbacks are calculated by deducting royalties, production and operating and transportation expenses from revenues before other income/losses, and adding (deducting) commodity contract gains (losses).

ADDITIONAL GAAP MEASURES

This MD&A and the financial statements contain the term "funds flow from operations" which should not be considered an alternative to, or more meaningful than "cash flow from operating activities" as determined in accordance with IFRS as an indicator of the Company's performance. Therefore reference to funds flow from operations or funds flow from operations per share may not be comparable with the calculation of similar measures for other entities. Management uses funds flow from operations to analyze operating performance and leverage and considers funds flow from operations to be a key measure as it demonstrates the Company's ability to generate cash necessary to fund future capital investments and to repay debt. Funds flow from operations per share is calculated using the weighted average number of shares for the period.

	Three months ended March 31,		
($000s)	**2015**	2014	Change
Cash flow from operations	**5,849**	3,741	56%
Decommissioning expenditures	**545**	-	100%
Transaction costs	**280**	572	-51%
Changes from non-cash working capital	**330**	3,079	-89%
Funds flow from operations	**7,004**	7,392	-5%

This MD&A and the financial statements also contain the term net debt and net debt to annualized funds flow. Net debt and net debt to annualized funds flow is calculated as net debt, defined as outstanding bank debt plus or minus net working capital (excluding fair value of commodity contracts and flow-through share premiums), divided by cash flow from operating activities before decommissioning expenditures and changes in non-cash working capital. Management considers net debt and net debt to annualized funds flow as important additional measures of the time period it would take to pay off the debt if no further capital expenditures were incurred and if funds flow from operating activities remained constant.

BOE Presentation

The term "barrels of oil equivalent" (BOE) may be misleading, particularly if used in isolation. A BOE conversion ratio of six thousand cubic feet of natural gas to one barrel of oil (6:1) is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared with natural gas is significantly different than the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value. (This conversion conforms to National Instrument 51-101). References to natural gas liquids ("NGL") in this MD&A include condensate, propane, butane and ethane. One barrel of NGL is considered to be equivalent to one barrel of crude oil equivalent (BOE).

CRITICAL ACCOUNTING ESTIMATES

The timely preparation of 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, as at the statement of financial position date and the reported amounts of revenues and expenses during the year. Accordingly, actual results may differ from these estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognized in the period in which estimates are revised and in any future periods affected.

The following discussion sets forth management's significant judgments and estimates made in preparation of these financial statements.

Management Judgment and Estimates

The following are the critical judgments that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in these financial statements.

Identification of cash-generating units
Oil and natural gas interests, exploration and evaluation assets and other corporate assets are aggregated into cash-generating-units ("CGUs") based on their ability to generate largely independent cash flows and are used for impairment testing. The classification of assets into CGU's requires significant judgement and interpretations with respect to the integration between assets, the existence of active markets, external users, shared infrastructures and the way in which management monitors the Company's operations. The Company has identified Michichi and Lloydminster as its core CGU's.

Impairment of oil and natural gas assets
Judgments are required to assess when impairment indicators, or reversal indicators, exist and impairment testing is required. In determining the recoverable amount of assets, in the absence of quoted market prices, impairment tests are based on estimates of reserves, production rates, future oil and natural gas prices, future costs, discount rates, market value of land and other relevant assumptions.

Componentization
For the purposes of depletion, the Company allocates its oil and natural gas assets to components with similar lives and depletion methods. The groupings of assets are subject to management's judgement and are performed on the basis of geographical proximity and similar reserve life. The Company's oil and natural gas assets are depleted on a unit of production basis.

Exploration and evaluation assets
The decision to transfer exploration and evaluation assets to property, plant and equipment is based on management's determination of an area's technical feasibility and commercial viability based on proved and probable reserves as well as related future cash flows.

Deferred taxes
Judgments are made by management to determine the likelihood of whether deferred tax assets at the end of the reporting period will be realized from future taxable earnings. To the extent that assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognized in respect of deferred tax assets as well as the amounts recognized in profit and loss in the period in which the change occurs.

Key Sources of Estimation Uncertainty

The following are the key assumptions concerning the sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing adjustments to the carrying amounts of assets and liabilities.

Reserves
The assessment of reported recoverable quantities proved and probable reserves include estimates regarding production volumes, commodity prices, exchange rates, remediation costs, timing and amount of future development costs, and production, transportation and marketing costs for future cash flows. The economical, geological and technical factors used to estimate reserves may change from period to period. Changes in reported reserves can impact the carrying value of the Company's oil and natural gas properties and equipment, the calculation of depletion and depreciation, the provision for decommissioning liabilities, and the recognition of deferred tax assets due to changes in expected future cash flows. The Company's petroleum and natural reserves are independently evaluated by reserve engineers at least annually and are determined pursuant to National Instrument 51-101, Standard of Disclosures for Oil and Gas Activities.

Decommissioning liabilities
The calculation of decommissioning liabilities and related accretion expense includes management's estimates of current risk-free interest rates, future inflation rates, future restoration and reclamation expenditures and the timing of those expenditures. In most instances, removal of assets occurs many years in the future.

Share based payments
The amounts recorded for stock-based compensation expense relating to the fair value of stock options and warrants issued are estimated using the Black-Scholes option pricing model including management's estimates of the future volatility of the Company's share value, quoted market value of the Company's shares at grant date, expected forfeiture rates, expected lives of the options and warrants (based on historical experience and general holder behaviours), and the risk-free interest rate (based on government bonds).

Business combinations and asset acquisitions
The values assigned to the common shares issued in the asset acquisitions completed in 2014 and 2013 and the allocation of the purchase price to the net assets in the acquisitions are based on numerous estimates that affect the valuation of certain assets and liabilities acquired including the discount rates, estimates of proved and probable reserves, estimates of fair values of exploration and evaluation assets, future oil and natural gas prices and other factors.

Commodity Contracts
The amounts recorded for the fair value of commodity contracts are based on estimates of future commodity prices, foreign exchange rates and the volatility in those prices.

Deferred tax asset
The amounts recorded for deferred tax assets are based on estimates as to the timing of the reversal of temporary differences, substantially enacted tax rates and the likelihood of tax assets being realized. The availability of tax pools and other deductions are subject to audit and interpretation by tax authorities.

CHANGES IN ACCOUNTING POLICIES

There were no changes that had a material effect on the reported loss or net assets of the Company.

FUTURE ACCOUNTING PRONOUNCEMENTS

The Company has reviewed new and revised accounting pronouncements listed below that have been issued, but are not yet effective. There are no other standards or interpretations issued, but not yet adopted, that are anticipated to have a material effect on the reported loss or net assets of the Company.

IFRS 9 Financial Instruments (“IFRS 9”) (2013 & 2014)
IFRS 9 (2013) significantly revises the existing hedge accounting guidance in IAS 39 Financial Instruments: Recognition and Measurement and is intended to align hedging with an entity's risk management strategies. IFRS 9 (2014) incorporates a further amendment to classification categories for financial assets, and includes a new impairment model. IFRS 9 (2013 & 2014) are effective for annual periods beginning on or after January 1, 2018. Marquee is currently evaluating the impact of the standards on the Company’s consolidated financial statements.

IFRS 15 Revenue from Contracts with Customers (“IFRS 15”)
IFRS 15 was issued in May 2014 and replaces IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations. The standard is required to be adopted either retrospectively or using a modified transaction approach for fiscal years beginning on or after January 1, 2017 with earlier adoption permitted. Marquee is currently evaluating the impact of the standard on the Company’s consolidated financial statements.

FORWARD-LOOKING INFORMATION AND STATEMENTS

Certain statements included or incorporated by reference in this Management's Discussion and Analysis may constitute forward looking statements under applicable securities legislation. Such forward looking statements or information typically contain statements with words such as "anticipate", "believe", "expect", "plan", "intend", "estimate", "propose", or similar words suggesting future outcomes or statements regarding an outlook. Forward looking statements or information in this Management's Discussion and Analysis may include, but are not limited to:

- 2015 capital budget and expenditures;
- business strategies, objectives and outlook;
- Oil and natural gas sales;
- future production levels (including the timing thereof) and rates of average annual production growth;
- exploration and development plans;
- acquisition and disposition plans and the timing and the anticipated benefits thereof;
- anticipated cash flows;
- expected cost reductions and production efficiencies derived from recently acquired assets;
- number and quality of future potential drilling locations future drilling plans;

- expected debt levels;.
- operating and other expenses;
- royalty and income tax rates; and
- the timing of regulatory proceedings and approvals.

Such forward-looking statements or information are based on a number of assumptions all or any of which may prove to be incorrect. In addition to any other assumptions identified in this document, assumptions have been made regarding, among other things:

- the ability of the Company to obtain equipment, services and supplies in a timely manner to carry out its activities;
- the ability of the Company to market crude oil, natural gas liquids and natural gas successfully to current and new customers;
- the ability to secure adequate product transportation;
- the timely receipt of required regulatory approvals;
- the ability of the Company to obtain financing on acceptable terms;
- interest rates;
- regulatory framework regarding taxes, royalties and environmental matters;
- future crude oil, natural gas liquids and natural gas prices; and
- Management's expectations relating to the timing and results of development activities.

Forward-looking information is based on current expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by the Company and described in the forward-looking information. The material risk factors affecting the Company and its business are contained in Marquee's Annual Information Form.

The forward-looking information contained in this Management's Discussion and Analysis is made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, unless required by applicable securities laws. The forward looking information contained in this Management's Discussion and Analysis is expressly qualified by this cautionary statement.

DIRECTORS

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Chairman of the Board

Richard M. Alexander

Glenn R. Carley

James H. T. Riddell

Will Roach

Richard Thompson

Gregory G. Turnbull

OFFICERS AND SENIOR EXECUTIVES

Richard Thompson
President, Chief Executive Officer

Roy Evans
Vice President Finance, Chief Financial Officer

Steve Bradford
Vice President, Land

Rob Lemermeyer
Vice President, Production

Dave Washenfelder
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Sproule Associates Ltd.
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INVESTOR RELATIONS

Richard Thompson
President, Chief Executive Officer

STOCK MARKET INFORMATION

TSX.V: MQL.V (CAD)
OTC: MQLXF (USD)

ABBREVIATIONS

Oil and Natural Gas Liquids
bbl – barrels
mcf –thousand cubic feet
NGL – natural gas liquids
boe – barrels of oil equivalent (6:1)
bbl/d – barrels per day
boe/d – barrel of oil equivalent per day

Other
WTI – West Texas Intermediate
WCS – Western Canada Select
AECO – Alberta Energy Company