



Important Reminder to Vote your YELLOW PROXY Today. Your Vote is Crucial.

July 3, 2015.

Dear Fellow Shareholders,

This letter is being sent to you as an important reminder that your support and vote for the current board of directors and management (the "Terra Nova Team") is crucial to the future of your investment in Terra Nova Energy Ltd. ("Terra Nova" or the "Company").

The Company is at an important crossroad. Now more than ever, experienced, focused, smart, stable and strategic leadership is needed. At the upcoming annual general meeting of shareholders being held on July 15, 2015, you are being asked to endorse a highly respected and credible team of directors that is committed to creating sustainable shareholder value. Without your support, we risk losing momentum and turning the Company over to dissident nominees who don't have the requisite experience, continuity, or necessary plans for the future.

Our director nominees together bring experience and continuity necessary to fulfill the operational plans for the Company's petroleum licenses that are drill-ready and crucial to the Company's future. However, a dissident is trying to stall this process by attempting to replace the board of directors of Terra Nova with its handpicked slate, and ultimately take control of the Company without paying a premium to shareholders.

Terra Nova Warns Shareholders of the Dissident's Unclear Motives and Shortcomings

- **Entrenched Dissident Director Nominees.** The dissident slate is composed of Michael Caetano, Kent Edney, Robert Madzej and Peter Cockcroft. All of whom, with the exception of Peter Cockcroft, serve as either an officer or director of Strongbow Resources Inc. ("Strongbow"), which is an oil and gas company quoted on the OTCQB with a working capital deficit of \$1,020,724 as at February 28, 2015. Further, Strongbow is a company lacking in good corporate governance practices with its Board and Audit Committee consisting of no independent directors.

Shareholders should question whether this dissident slate will act in the best interest of Terra Nova shareholders, or have their own "Strongbow" objective.

- **Questionable Relationship.** The dissidents plan to "leverage their good relationships with Holloman to negotiate and consummate a new agreement for PEL 112 and PEL 444 with a view to increasing Terra Nova's interest". The relationship between the dissidents and Holloman should be a concern to the shareholders of Terra Nova. Holloman Value Holdings, LLC holds 23.04% of the issued shares of Strongbow, being its largest shareholder (as set forth in Strongbow's Annual Report on Form 10-K filed with the SEC on June 2, 2015).

Will the dissidents be able to act independently without the influence of their largest shareholder in Strongbow and at what cost will this be to Terra Nova shareholders if this is not the case?

- **Unknown Future.** The dissidents intend to "review other strategic opportunities, including corporate acquisitions, in order to enhance shareholder value." **The dissidents state that they do not intend to merge with either Strongbow and/or Holloman. However, there is no guarantee of this and shareholders should be wary of this, considering that the majority of the dissident nominees are a member of Strongbow and Holloman's 23.04% ownership in Strongbow.** Terra Nova is opposed to any such merger due to a lack of value to the shareholders of the Company. In particular, your Company would be assuming Strongbow's working capital deficiency of approximately \$1.021 million as at February 28, 2015, as reported in their Annual Report on Form 10-K for the year then ended, and/or Holloman's working capital deficiency of approximately \$0.194 million as at March 31, 2015, as reported in their Quarterly Report on Form 10-Q for the three months then ended..
- **No Skin In the Game.** The dissidents have little equity ownership in Terra Nova representing only 0.6% of the issued and outstanding shares.

In summary, the Terra Nova Team is concerned that your Company's attractive cash position may be exploited for reasons unclear to us and that the use of funds will not be to the benefit of ALL Terra Nova's shareholders, especially with all the inter-related parties involved.

Support Your Terra Nova Team

The successful growth of a company is dependent upon the expertise, experience and commitment of the management team. At Terra Nova, your management team, including the board of directors, are committed to the long-term creation of value and we are in a position for profitable growth. The following are some elements which will help us to deliver on our goal to bring value to all of our shareholders.

- We have valuable oil and gas experience, with well over 100 years of combined experience.
- We have a proven track record in mergers, acquisitions and securing capital.
- We know what is required to maximize shareholder value for your Company.
- We have extensive experience with respect to Canadian public companies.
- Your Terra Nova Team has already completed detailed exploration activities and financing, and is ready to drill.

Leading Independent Third Party Support

As a further affirmation to management's recommendation, a leading independent third party advisory firm, Institutional Shareholder Services Inc. ("ISS"), has recommended a vote FOR the election of management's Board nominees and a "do not vote" on the Dissident's nominees. ISS is an advisory firm which among other services, analyzes and provides voting recommendations to their subscribers including, pension funds, investment managers, mutual funds and other institutional shareholders. In its analysis, ISS stated that:

- *"The dissident has disclosed a dissident plan. However, it appears that the plan is rather general. For example, while the dissident states in a June 26th press release that he is confident that it can raise the required capital, it is unclear through what channel he will obtain additional financing, and further whether such financing could cause potential harm to existing shareholders... the plan appears to be quite broad and has not addressed fundamentally why the dissident plan would be superior to what management is currently pursuing in terms of risk justification and better creation of shareholder value."*
- *"...it appears that the dissident has not provided a specific transition plan that describes how the change in control of the company will be affected and the identification of a qualified and credible new management team given that the dissident is seeking full control of the board."*
- *"Without detailed and justified rationale, the dissident plan may entail a high level of risk and uncertainty in light of the company's limited financial position. Given that the dissident has not made a compelling case for change, support for the management nominees is warranted..."*

Do not let the dissidents stall the positive momentum. For more detailed information on why you should vote for management and why you should be wary of the dissidents, you are encouraged to read the management materials at www.terranovaenergy.com.

On behalf of the Board and Management team, I would like to thank you, our shareholders, for your ongoing support. I would also like to reiterate our commitment to rewarding your confidence and patience by ultimately delivering substantial returns.

Sincerely,

"Henry Aldorf"

Henry Aldorf

Chairman and Chief Executive Officer

THE VOTING DEADLINE IS AT 11:00 AM (PACIFIC TIME) ON JULY 13, 2015.

Shareholders are encouraged to vote well in advance of the deadline to ensure their votes are received in a timely manner. You may [vote online](#) or by following the other voting instructions found in the enclosed YELLOW proxy or voting instruction form.

SHAREHOLDERS WITH QUESTIONS MAY CONTACT TERRA NOVA'S PROXY SOLICITATION AGENT,

LAUREL HILL ADVISORY GROUP

North American Toll-Free Number: 1-877-452-7184

Collect Calls Outside North America: 416-304-0211

Email: assistance@laurelhill.com