

WHISTLEBLOWER POLICY

As a publicly traded corporation, the integrity, transparency and accountability of the financial, administrative and management practices of Palliser Oil & Gas Corporation is critical. This information guides the decisions of the board of directors of Palliser Oil & Gas Corporation and is relied upon by stakeholders of Palliser Oil & Gas Corporation and the financial markets. For these reasons, it is critical for Palliser Oil & Gas Corporation and its subsidiaries, as may exist from time to time (collectively referred to herein as "Palliser" or the "Corporation"), to maintain a workplace where concerns regarding questionable business practices can be raised without fear of any discrimination, retaliation or harassment.

All, directors, officers, employees and consultants are encouraged to promptly report either orally or in writing to their immediate supervisor, all evidence of activity by an Palliser director, officer, employee or consultant that may constitute any of the following:

- questionable accounting practices;
- inadequate internal accounting controls;
- the misleading or coercion of auditors;
- disclosure of fraudulent or misleading financial information; and
- instances of corporate fraud.

In instances where a satisfactory response is not received from your immediate supervisor, or if you are uncomfortable addressing your concerns to your supervisor any senior officer of the GP may be contacted.

In instances where a satisfactory response is not received from such senior officer, or if you are uncomfortable addressing your concerns to a senior officer, the Chairman of the Audit Committee of Palliser may be contacted by mail, telephone, fax or email as follows:

Mr. Stephen C. Hayden
Suite 102, 429 – 14th Street N.W.
Calgary, Alberta T2N 2A3

or
Mr. Stephen C. Hayden
c/o Palliser Oil & Gas Corporation
Suite 600, 840 – 6th Avenue S.W.
Calgary, Alberta T2P 3E5

(marked "Confidential, to be Opened
by Addressee Only)

(marked "Confidential, to be Opened by
Addressee Only)

Telephone: (403) 283-3303 (Office)
(403) 689-0981 (Cell)

Email: stephen.hayden@ivycapital.ca

Anonymous written or telephone communications will be accepted.

Employees and consultants are encouraged to provide as much specific information as possible including names, dates, places and events that took place, the employee's or consultant's perception of why the incident(s) may be a violation, and what action the employee or consultant recommends be taken.

All complaints under this Policy will be investigated, and all information disclosed during the course of the investigation will remain confidential, except as necessary to conduct the investigation and take any remedial action and subject to applicable law.

All reports made to supervisors and senior officers in respect of matters specifically covered by this policy will be reported to the Audit Committee of Palliser.

Any individual who in good faith reports such incidents described above will be protected from threats of retaliation, harassment, discharge, or other types of discrimination including but not limited to respecting compensation or terms and conditions of employment, that are directly related to the disclosure of such reports. If any employee or other person believes they have been unfairly or unlawfully retaliated against in respect of a report made by such employee or person under this policy, they may file a complaint with their supervisor or with a senior officer of Palliser in instances where they are uncomfortable filing the complaint with their supervisor. If such a person is uncomfortable filing the complaint with a supervisor or any senior officer, they may file their complaint with the Chairman of the Audit Committee. The Corporation reserves the right to discipline any individual who makes an accusation without a reasonable, good faith belief in the truth and accuracy of the information or who knowingly provides false information or makes false accusations, and such discipline may result in termination in the case of a director, officer or employee or termination of the consulting contract in the case of a consultant and, if warranted, legal proceedings.

All directors, officers, employees and consultants have a duty to co-operate in an investigation. Should an employee or consultant fail to co-operate or provide false information in an investigation, The Corporation will take effective remedial action commensurate with the severity of the offence. This action may include disciplinary measures up to and including termination in the case of a director, officer or employee or termination of the consulting contract in the case of a consultant and, if warranted, legal proceedings.

The Chairman will report to the full board of directors (or, at his discretion, to an in camera session without management, for all or part of the report) at least on a quarterly basis regarding the number and nature of any complaints and the status of determination. The Chairman of the Audit Committee shall retain as part of the records of the board of directors, any such complaints or concerns for a period of no less than seven years.