NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

to be held on April 15, 2013

and

NOTICE OF ORIGINATING APPLICATION
TO THE COURT OF QUEEN'S BENCH OF ALBERTA

and

INFORMATION CIRCULAR AND PROXY STATEMENT

with respect to a

PLAN OF ARRANGEMENT

involving

DONNYBROOK ENERGY INC., CEQUENCE ENERGY LTD. AND THE SHAREHOLDERS OF DONNYBROOK ENERGY INC.

March 15, 2013

These materials are important and require your immediate attention. They require Donnybrook Shareholders to make important decisions. If you are in doubt as to how to make such decisions please contact your financial, legal, tax or other professional advisors.

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LETTER TO DONNYBROOK SHAREHOLDERS

March 15, 2013

Dear Shareholders of Donnybrook Energy Inc.:

You are invited to attend a special meeting (the "**Meeting**") of holders ("**Donnybrook Shareholders**") of common shares ("**Donnybrook Shares**") of Donnybrook Energy Inc. ("**Donnybrook**" or the "**Corporation**") to be held at the office of Borden Ladner Gervais LLP at 1900, 520 - 3rd Avenue S.W., Calgary, Alberta, Canada on Monday, April 15, 2013 at 9:00 a.m. (Calgary time). At the Meeting, you will be asked to consider and, if deemed advisable, to approve a special resolution approving a plan of arrangement (the "**Arrangement**") involving Donnybrook, Cequence Energy Ltd. ("**Cequence**") and the Donnybrook Shareholders to be carried out pursuant to an arrangement agreement between Donnybrook and Cequence dated February 22, 2013 (the "**Arrangement Agreement**").

Pursuant to an asset exchange agreement between Donnybrook and Cequence dated February 22, 2013 (the "**Asset Exchange Agreement**"), and the Arrangement Agreement, Donnybrook agreed to sell its interest in its Simonette and Resthaven oil and gas properties for consideration consisting of 10.3 million common shares in the capital of Cequence ("**Cequence Shares**") and Cequence's interest in its Fir oil and gas property (the "**Asset Exchange**"). Donnybrook will then distribute the 10.3 million Cequence Shares to the Donnybrook Shareholders as a "return of capital", on a *pro rata* basis, pursuant to the Arrangement.

The Simonette and Resthaven properties to be sold to Cequence consist of approximately 38 gross (19 net) sections of land with net production of approximately 120 barrels of oil equivalent ("**BOE**") per day.

Upon completion of the Arrangement, Donnybrook Shareholders are anticipated to receive approximately 0.0531 of a Cequence Share for each Donnybrook Share held. Donnybrook Shareholders will also continue to hold their existing Donnybrook Shares. On the closing of the Arrangement, it is anticipated that Donnybrook Shareholders will own an aggregate of approximately five percent (5%) of the issued and outstanding Cequence Shares.

Cequence is a natural gas and oil resource play focused company with current production in excess of 9,000 BOE per day. The majority of Cequence's production comes from the Deep Basin in the Simonette area where it owns Montney and other Cretaceous oil and gas rights. Cequence currently operates Donnybrook's Simonette property and has the requisite technical, operational, financial flexibility and access to capital to develop the property on an efficient basis for its shareholders.

On a pro forma basis, following completion of the transactions contemplated under the Asset Exchange Agreement and the Arrangement Agreement, Donnybrook will hold its existing Bigstone property with 8 gross (3.75 net) sections of land and the newly acquired Fir property which consists of a total of 5 net sections of land and long life, low decline net production, which is currently producing approximately 220 BOE per day. The Fir property is approximately 35 kilometers from the Bigstone property.

The TSX Venture Exchange ("**TSXV**") has determined that its due bill trading procedure will be used in connection with the distribution of the Cequence Shares to the Donnybrook Shareholders such that ex-distribution trading of the Donnybrook Shares will commence at the opening of the TSXV on the first trading day after the effective date of the Arrangement, expected to be on or about April 16, 2013. Additional information respecting due bills and the trading procedures to be followed are included in the accompanying Notice of Special Meeting of Donnybrook Shareholders and Information Circular and Proxy Statement (the "**Information Circular**").

Full details of the Arrangement are set out in the accompanying Information Circular. The Information Circular contains a detailed description of the Asset Exchange and the Arrangement, including certain risk factors relating to the completion of the Asset Exchange and the Arrangement. You should consider carefully all of the information in the Information Circular. If you require assistance, consult your financial, legal, tax or other professional advisors.

For additional details about the Asset Exchange and the Arrangement, see "*The Arrangement*", "*The Arrangement Agreement*" and "*The Asset Exchange Agreement*" in the Information Circular which accompanies this letter.

The Arrangement is subject to customary conditions for a transaction of this nature, which include court and regulatory approvals, and the approval of not less than 66⅔% of the votes cast in favour of the Arrangement by the Donnybrook Shareholders present in person or represented by proxy at the Meeting. The Arrangement is also conditional upon the closing of the transactions under the Asset Exchange Agreement including that the Asset Exchange shall have been completed pursuant to the terms of the Asset Exchange Agreement.

RBC Capital Markets has provided the board of directors of Donnybrook (the "**Donnybrook Board**") with an opinion to the effect that, as of the date thereof and subject to the assumptions, limitations and qualifications contained therein, the consideration under the Arrangement is fair from a financial point of view to Donnybrook Shareholders. **The Donnybrook Board, after consulting with its financial and legal advisors, and after consideration of, among other things, the fairness opinion of RBC Capital Markets, has unanimously determined that the Arrangement is in the best interests of the Corporation, that the Arrangement is fair to Donnybrook Shareholders and unanimously recommends that Donnybrook Shareholders vote in favour of the Arrangement.** The directors and officers of Donnybrook, who beneficially own or exercise control or direction over, in the aggregate approximately 12.5% of the issued and outstanding Donnybrook Shares, as of March 15, 2013, have entered into lock-up agreements with Cequence pursuant to which they have agreed to, among other things, vote their Donnybrook Shares in favour of the Arrangement.

Your vote is important regardless of the number of Donnybrook Shares you own. All Donnybrook Shareholders are encouraged to take the time to complete, sign, date and, in the case of registered Donnybrook Shareholders, return the enclosed applicable form of proxy in accordance with the instructions set out therein and in the Information Circular so that your Donnybrook Shares can be voted at the Meeting in accordance with your instructions. If you are a non-registered Donnybrook Shareholder and hold your Donnybrook Shares through a broker, custodian, nominee or other intermediary, follow their instructions.

The Information Circular contains a detailed description of the Asset Exchange and the Arrangement. **Please give this material your careful consideration and, if you require assistance, consult your financial, legal, tax or other professional advisors.** Please complete and deliver the form of proxy which is enclosed in order to ensure your representation at the Meeting.

On behalf of the board of directors of Donnybrook, I would like to express our gratitude for the support our shareholders have demonstrated with respect to our decision to move forward with the Arrangement. We look forward to your support at the Meeting.

Yours truly,

(signed) "*Malcolm F.W. Todd*"

Malcolm F. W. Todd
President, Chief Executive Officer and Director
Donnybrook Energy Inc.

DONNYBROOK ENERGY INC.

NOTICE OF SPECIAL MEETING OF DONNYBROOK SHAREHOLDERS TO BE HELD ON APRIL 15, 2013

NOTICE IS HEREBY GIVEN that a special meeting (the "**Meeting**") of the holders ("**Donnybrook Shareholders**") of common shares ("**Donnybrook Shares**") of Donnybrook Energy Inc. ("**Donnybrook**" or the "**Corporation**") will be held at the office of Borden Ladner Gervais LLP at 1900, 520 - 3rd Avenue S.W., Calgary, Alberta, on Monday, April 15, 2013 at 9:00 a.m. (Calgary time) for the following purposes:

(a) to consider, pursuant to an interim order (the "**Interim Order**") of the Court of Queen's Bench of Alberta dated March 15, 2013 and, if deemed advisable, to approve, with or without variation, a special resolution (the "**Arrangement Resolution**"), the full text of which is set forth in Appendix A to the accompanying information circular and proxy statement dated March 15, 2013 (the "**Information Circular**"), to approve a plan of arrangement under Section 193 of the *Business Corporations Act* (Alberta) (the "**Arrangement**"), all as more particularly described in the Information Circular; and

(b) to transact such other business, including amendments to the foregoing, as may properly be brought before the Meeting or any adjournment or postponement thereof.

The record date for determination of Donnybrook Shareholders entitled to receive notice of and to vote at the Meeting is March 11, 2013 (the "**Record Date**").

Only Donnybrook Shareholders whose names have been entered in the register of the holders of Donnybrook Shares on the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting in respect of Donnybrook Shares, provided that, to the extent a Donnybrook Shareholder transfers ownership of any Donnybrook Shares after the Record Date and the transferee of those Donnybrook Shares produces properly endorsed certificates evidencing such Donnybrook Shares or otherwise establishes ownership of such shares and demands, not later than 10 days before the Meeting, to be included in the list of Donnybrook Shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those Donnybrook Shares at the Meeting.

Registered holders of Donnybrook Shares have the right to dissent with respect to the Arrangement Resolution and, if the Arrangement Resolution is passed, to be paid the fair value of their shares in accordance with the provisions of Section 191 of the *Business Corporations Act* (Alberta), as modified by the Interim Order. A Donnybrook Shareholder's right to dissent is more particularly described in the accompanying Information Circular. **Failure to strictly comply with the requirements set forth in Section 191 of the *Business Corporations Act* (Alberta), as modified by the Interim Order, may result in the loss of any right of dissent. A dissenting registered Donnybrook Shareholder must send to Donnybrook a written objection to the Arrangement Resolution, which written objection must be received by Donnybrook, c/o Borden Ladner Gervais LLP, Centennial Place, East Tower, 1900, 520 – 3rd Avenue S.W., Calgary Alberta T2P 0R3, Attention: David T. Madsen, by 5:00 p.m. (Calgary time) on April 11, 2013 (or the business day that is two business days prior to the date of the Meeting if it is not held on April 15, 2013). Persons who are beneficial owners of Donnybrook Shares registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent should be aware that only registered holders of Donnybrook Shares are entitled to dissent. Accordingly, a beneficial owner of Donnybrook Shares who desires to exercise the right of dissent must make arrangements for the registered holder of such Donnybrook Shares to dissent on the holder's behalf. Alternatively, the beneficial owner could make arrangements for the Donnybrook Shares to be registered in such holder's name prior to the time the written objection to the Arrangement Resolution is required to be received by the Corporation.**

A Donnybrook Shareholder may attend the Meeting in person or may be represented by proxy. Registered Donnybrook Shareholders are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment or postponement thereof. To be effective, the enclosed proxy must be received by Computershare Trust Company of Canada, 9th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1 (Attention: Proxy Department) at least 48 hours (excluding Saturdays, Sundays and holidays) prior to the time set for the Meeting or any adjournment or postponement thereof. The time limit for the deposit of proxies may be waived by the Chairman of the Meeting at his discretion, without notice. Beneficial Donnybrook Shareholders must complete and return the voting instruction form provided to them and return it in accordance with the instructions accompanying such voting instruction form.

Dated this 15th day of March, 2013.

BY ORDER OF THE BOARD OF DIRECTORS OF DONNYBROOK ENERGY INC.

(signed) "*Malcolm F.W. Todd*"

Malcolm F. W. Todd

President, Chief Executive Officer and Director
Donnybrook Energy Inc.

IN THE COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE OF CALGARY

IN THE MATTER OF SECTION 193 OF THE *BUSINESS CORPORATIONS ACT*, R.S.A. 2000, c. B-9, AS AMENDED

AND IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING DONNYBROOK ENERGY INC., CEQUENCE ENERGY LTD., AND THE SHAREHOLDERS OF DONNYBROOK ENERGY INC.

NOTICE OF ORIGINATING APPLICATION

NOTICE IS HEREBY GIVEN that an originating application (the "**Application**") has been filed with the Court of Queen's Bench of Alberta, Judicial Centre of Calgary (the "**Court**") on behalf of Donnybrook Energy Inc. ("**Donnybrook**") with respect to a proposed arrangement (the "**Arrangement**") under Section 193 of the *Business Corporations Act* (Alberta), R.S.A. 2000, c. B-9, as amended (the "**ABCA**"), involving Donnybrook, Cequence Energy Ltd. ("**Cequence**") and the holders ("**Donnybrook Shareholders**") of common shares ("**Donnybrook Shares**") of Donnybrook. The Arrangement is described in greater detail in the information circular and proxy statement of Donnybrook dated March 15, 2013 (the "**Information Circular**") accompanying this Notice of Originating Application.

At the hearing of the Application, Donnybrook intends to seek:

(a) an order approving the Arrangement pursuant to the provisions of Section 193 of the ABCA;

(b) a declaration that the terms and conditions of the Arrangement, and the procedures relating thereto, are fair, substantively and procedurally, to the Donnybrook Shareholders and the other persons affected;

(c) an order declaring that registered Donnybrook Shareholders shall have the right to dissent in respect of the Arrangement in accordance with the provisions of Section 191 of the ABCA, as modified by the interim order (the "**Interim Order**") of the Court dated March 15, 2013;

(d) a declaration that the Arrangement will, upon the filing of the Articles of Arrangement and the issuance of the proof of filing of Articles of Arrangement pursuant to the provisions of Section 193 of the ABCA, become effective in accordance with its terms and will be binding on and after the Effective Time, as defined in the plan of arrangement attached as Schedule A to the arrangement agreement dated as of February 22, 2013 between Donnybrook and Cequence, which agreement is attached as Appendix C to the Information Circular; and

(e) such other and further orders, declarations and directions as the Court may deem just.

AND NOTICE IS FURTHER GIVEN that the said Application was directed to be heard before a Justice of the Court of Queen's Bench of Alberta, Calgary Courts Centre, 601 – 5th Street S.W., Calgary, Alberta T2P 5P1, on the 15th day of April, 2013 at 2:00 p.m. (Calgary time), or as soon thereafter as counsel may be heard. Any Donnybrook Shareholder or any other interested party desiring to support or oppose the Application, may appear at the time of hearing in person or by counsel for that purpose. **Any Donnybrook Shareholder or any other interested party desiring to appear at the hearing for the final order is required to file with the Court of Queen's Bench of Alberta, Judicial Centre of Calgary, and serve upon Donnybrook on or before 12:00 noon (Calgary time) on April 8, 2013, a notice of intention to appear, including an address for service in the Province of Alberta, indicating whether such Donnybrook Shareholder or other interested party intends to support or oppose the application or make submissions thereat, together with a summary of the position such Donnybrook Shareholder or other interested party intends to advocate before the Court and any evidence or materials which are to be presented to the Court by such Donnybrook Shareholder or other interested party.** Service on Donnybrook shall be effected by delivery to the solicitors for Donnybrook at the address below. If any Donnybrook Shareholder or any other interested party does not attend, either in person or by counsel, at that time, the Court may approve the Arrangement as presented, may approve it subject to such terms and conditions as the Court shall deem fit, or may refuse to approve the Arrangement, without any further notice.

AND NOTICE IS FURTHER GIVEN that no further notice of the Application will be given by Donnybrook and that in the event the hearing of the Application is adjourned, only those persons who have appeared before the Court for the application at the hearing, or who have filed a notice of intention to appear as described above, shall be served with notice of the adjourned date.

AND NOTICE IS FURTHER GIVEN that the Court, by the Interim Order, has given directions as to the calling and holding of a special meeting of Donnybrook Shareholders for the purpose of such Donnybrook Shareholders voting upon a special resolution to approve the Arrangement and, in particular, has directed that registered Donnybrook Shareholders shall have the right to dissent with respect to the Arrangement in accordance with the provisions of Section 191 of the ABCA, as modified by the Interim Order.

AND NOTICE IS FURTHER GIVEN that the final order of the Court approving the Arrangement will, if granted, serve as the basis for an exemption from the registration requirements of the United States Securities Act of 1933, as amended, pursuant to Section 3(a)(10) thereof, with respect to the issuance and distribution of the common shares of Cequence issuable and distributable to Donnybrook Shareholders pursuant to the Arrangement.

AND NOTICE IS FURTHER GIVEN that a copy of the said Application and other documents in the proceedings will be furnished to any Donnybrook Shareholder or other interested party requesting the same by the under mentioned solicitors for Donnybrook upon written request delivered to such solicitors as follows:

Borden Ladner Gervais LLP
Centennial Place, East Tower
1900, 520 – 3rd Avenue S.W.
Calgary, Alberta T2P 0R3
Attention: David T. Madsen
Facsimile No.: 403-266-1395

DATED this 15th day of March, 2013.

BY ORDER OF THE BOARD OF DIRECTORS OF DONNYBROOK ENERGY INC.

(signed) "*Malcolm F. W. Todd*"

Malcolm F. W. Todd

President, Chief Executive Officer and Director
Donnybrook Energy Inc.

INFORMATION CIRCULAR AND PROXY STATEMENT

Introduction

This Information Circular and Proxy Statement (the "Information Circular") is furnished in connection with the solicitation of proxies by and on behalf of the management of Donnybrook for use at the Meeting and any adjournments or postponements thereof. No person has been authorized to give any information or make any representation in connection with the Arrangement or any other matters to be considered at the Meeting other than those contained in this Information Circular and, if any such information or representation is given or made, such information or representation must not be relied upon as having been authorized.

All summaries of, and references to, the Arrangement in this Information Circular are subject to, and qualified in their entirety by, reference to the complete text of the Plan of Arrangement, a copy of which is attached as Schedule A to the Arrangement Agreement, which is attached as Appendix C to this Information Circular. **You are urged to carefully read the full text of the Plan of Arrangement.**

All capitalized terms used in this Information Circular but not otherwise defined herein have the meanings set forth under "*Glossary of Terms*". Information contained in this Information Circular is given as of March 15, 2013 unless otherwise specifically stated.

The information concerning Cequence (including the Cequence Assets) contained in this Information Circular has been provided by Cequence for inclusion in this Information Circular. Although Donnybrook has no knowledge that any statements contained herein taken from or based on such information provided by Cequence are untrue or incomplete, Donnybrook assumes no responsibility for the accuracy of such information or for any failure by Cequence to disclose events which may have occurred or may affect the significance or accuracy of any such information but which are unknown to Donnybrook.

This Information Circular does not constitute an offer to sell, or a solicitation of an offer to purchase securities in connection with the Arrangement, or the solicitation of a proxy, in any jurisdiction, to or from any person to whom it is unlawful to make such offer, solicitation or an offer or proxy solicitation in such jurisdiction. The delivery of this Information Circular does not, under any circumstances, imply or represent that there has been no change in the information set forth herein since the date of this Information Circular.

Donnybrook Shareholders should not construe the contents of this Information Circular as legal, tax or financial advice and should consult with their own professional advisors in considering the relevant legal, tax, financial or other matters contained in this Information Circular.

If you hold Donnybrook Shares through an intermediary, you should contact your intermediary for instructions and assistance in voting and surrendering the Donnybrook Shares that you beneficially own.

NO CANADIAN SECURITIES REGULATORY AUTHORITY HAS PASSED UPON THE ACCURACY OR ADEQUACY OF THIS INFORMATION CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

Forward-looking Information and Statements

Certain statements and other information contained in this Information Circular constitute forward-looking information and forward-looking statements (collectively, "**forward-looking statements**"). These forward-looking statements relate to future events or future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe", "future", "continue" or similar expressions or the negatives thereof.

In particular, this Information Circular contains forward-looking statements pertaining to:

- the anticipated benefits of the Arrangement;
- the timing of the Meeting and the Final Order;
- the anticipated Effective Date;
- stock exchange approvals and the timing thereof;
- the treatment of Donnybrook Shareholders under tax laws;
- the quantity and quality of the oil and natural gas reserves;
- the performance and characteristics of oil and natural gas properties;
- the supply and demand for oil, natural gas and natural gas liquids;
- projections of commodity prices and costs;
- future development and exploration activities and the timing thereof; and
- the business objectives, capital expenditure, oil and gas reserves and operations of Cequence. See Appendix E – "*Information Concerning Cequence – Forward-Looking Statements*".

Forward-looking statements respecting:

- the anticipated benefits of the Arrangement are based upon a number of factors, including the Fairness Opinion, the terms and conditions of the Arrangement Agreement, the Asset Exchange Agreement and current industry, economic and market conditions (see "*The Arrangement – Recommendation of the Donnybrook Board*");
- the structure and effect of the Arrangement are based upon the terms of the Arrangement Agreement and the Asset Exchange Agreement and the transactions contemplated thereby (see "*The Arrangement*", "*The Arrangement Agreement*" and "*The Asset Exchange Agreement*");
- the consideration under the Arrangement is based upon the terms of the Arrangement Agreement, the Plan of Arrangement and the Asset Exchange Agreement (see "*The Arrangement*", "*The Arrangement Agreement*" and "*The Asset Exchange Agreement*");
- certain steps in, and timing of, the Arrangement are based upon the terms of the Arrangement Agreement and, in respect of the ability and necessary time to receive the required Court approvals, are based upon advice received from counsel to the Corporation (see "*The Arrangement*" and "*The Arrangement Agreement*"); and
- the business and operations of Cequence are based on several assumptions regarding the oil and gas industry, certain price assumptions for oil and gas and the accuracy of oil and gas reserves estimates (see Appendix E – "*Information Concerning Cequence – Forward-Looking Statements*").

Statements relating to "reserves" or "resources" are by their nature forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the resources and reserves described can be profitably produced in the future. With respect to forward-looking statements contained in this Information Circular or incorporated by reference herein, Donnybrook and Cequence have made assumptions regarding: future exchange rates, energy markets and the price of oil and natural gas; the impact of increasing competition; conditions in general economic and financial markets; availability of drilling and related equipment; availability of skilled labour; availability of prospective drilling rights; current technology; cash flow; commodity prices; production rates; effects of regulation and tax laws by governmental agencies; future operating costs and Donnybrook's and Cequence's ability to obtain financing on acceptable terms.

By their very nature, forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Donnybrook believes the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements

included in this Information Circular should not be unduly relied upon. These statements speak only as of the date of this Information Circular.

Some of the risks that could cause results to differ materially from those expressed in the forward-looking statements include:

- the inability to obtain required consents, permits or approvals, including Court approval of the Arrangement, Donnybrook Shareholder approval of the Arrangement Resolution and Regulatory Approvals in accordance with the required timelines contained in the Arrangement Agreement and the Asset Exchange Agreement;
- the inability to satisfy the other conditions to the Arrangement Agreement and the Asset Exchange Agreement prior to the Closing;
- the failure to realize anticipated benefits of the Arrangement;
- general economic conditions in Canada and the United States and globally;
- industry conditions, including fluctuations in the price of oil and natural gas;
- governmental regulation of the oil and gas industry, including environmental regulation;
- fluctuations in foreign exchange or interest rates;
- liabilities inherent in oil and natural gas operations;
- geological, technical, drilling and processing problems;
- the uncertainty of estimates and projections relating to production, costs and expenses;
- unanticipated operating events which can reduce production or cause production to be shut in or delayed;
- failure to obtain industry partner and other third party consents and approvals, when required;
- stock market volatility and market valuations;
- competition for, among other things, capital, acquisitions of reserves, undeveloped land and skilled personnel;
- competition for and inability to retain drilling rigs and other services;
- rights to surface access;
- the other factors discussed under the heading "*Risk Factors*" in this Information Circular; and
- the other factors discussed under the heading "*Risk Factors*" in Appendix E – "*Information Concerning Cequence*".

Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking statements contained in this Information Circular are expressly qualified by this cautionary statement. Except as required by law, Donnybrook does not undertake any obligation to publicly update or revise any forward-looking statements and readers should also carefully consider the matters discussed under the heading "*Risk Factors*" in this Information Circular and under the heading "*Risk Factors*" in Appendix E – "*Information Concerning Cequence*".

Information for Donnybrook Shareholders in the United States

The Cequence Shares issuable and distributable to Donnybrook Shareholders pursuant to the Arrangement have not been and will not be registered under the U.S. Securities Act, and such securities will be distributed in reliance upon the exemption from the registration requirements under the U.S. Securities Act provided by Section 3(a)(10) thereof, on the basis of approval of the Court. The Court will consider, among other things, the fairness of the terms and conditions of the Arrangement to Donnybrook Shareholders.

The solicitation of proxies for the Meeting is not subject to the requirements applicable to proxy statements under the U.S. Exchange Act. Accordingly, the solicitations and transactions contemplated in this Information Circular are made in the United States for securities of a Canadian issuer in accordance with Canadian corporate and securities

laws, and this Information Circular has been prepared solely in accordance with disclosure requirements applicable in Canada. Donnybrook Shareholders in the United States should be aware that such requirements are different from those of the United States applicable to proxy statements under the U.S. Exchange Act and registration statements under the U.S. Securities Act. Specifically, information concerning the assets and operations of Donnybrook and Cequence has been prepared in accordance with Canadian standards and may not be comparable in all respects to similar information for United States companies. In particular, and without limiting the foregoing, information included in this Information Circular regarding oil and gas operations and properties and estimates of oil and gas resources has been prepared in accordance with Canadian disclosure standards, which differ in certain respects from the disclosure standards applicable to information included in reports and other materials filed with the SEC by issuers subject to SEC reporting and disclosure requirements.

All audited and unaudited consolidated financial statements and other financial information included in this Information Circular have been prepared in Canadian dollars unless otherwise noted, and in accordance with IFRS, and such financial statements are subject to Canadian auditing and auditor independence standards, which differ from generally accepted accounting principles as in effect in the United States ("**U.S. GAAP**") and United States auditing and auditor independence standards in certain material respects. Consequently, such financial statements and other financial information are not comparable in all respects to financial statements and other financial information prepared in accordance with U.S. GAAP and financial statements that are subject to United States auditing and auditor independence standards.

The enforcement by Donnybrook Shareholders of civil liabilities under the United States federal or state securities laws may be affected adversely by the fact that the Corporation and Cequence are organized under the laws of Alberta, Canada, that the officers and directors of Donnybrook and Cequence are residents of countries other than the United States, that the experts named in this Information Circular are residents of countries other than the United States, and that all of the assets of the Corporation and Cequence and such persons are, or will be, located outside the United States. **In addition, it may not be possible to sue a corporation organized under the ABCA in a Canadian court for violations of United States securities laws, and the courts of Canada may not enforce judgments of United States courts obtained in actions against such persons predicated upon civil liabilities under the federal or state securities laws of the United States.**

The Cequence Shares receivable by Donnybrook Shareholders pursuant to the Arrangement will be freely tradable under the U.S. Securities Act, except by persons who are "affiliates" of Cequence after the Arrangement or were affiliates of Cequence within 90 days prior to completion of the Arrangement. Any resale of such Cequence Shares by such an affiliate (or, if applicable, former affiliate) may be subject to the registration requirements of the U.S. Securities Act, absent an exemption therefrom. See "*Principal Legal Matters – United States Securities Laws Matters*" in this Information Circular.

Donnybrook Shareholders should be aware that the receipt of Cequence Shares pursuant to the Arrangement, and the holding and disposition of such Cequence Shares, may have tax consequences in both the United States and Canada. The United States tax consequences for Donnybrook Shareholders who are resident in, or citizens of, the United States are not described herein. All Donnybrook Shareholders should seek their own tax advice with respect to the tax consequences to them under the laws of any relevant domestic or foreign, state, local or other taxing jurisdiction of the transactions contemplated by the Arrangement in light of their particular situation. For a description of certain Canadian tax consequences applicable to Donnybrook Shareholders who are non-residents of Canada, see "*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada*" in this Information Circular.

THE CEQUENCE SHARES ISSUABLE AND DISTRIBUTABLE PURSUANT TO THE ARRANGEMENT HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR THE SECURITIES REGULATORY AUTHORITY OF ANY STATE OF THE UNITED STATES, NOR HAS THE SEC OR THE SECURITIES REGULATORY AUTHORITY OF ANY STATE OF THE UNITED STATES PASSED ON THE ADEQUACY OR ACCURACY OF THIS INFORMATION CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

GLOSSARY OF TERMS

Unless the context otherwise requires, when used in this Information Circular the following terms shall have the meanings set forth below.

"**ABCA**" means the *Business Corporations Act*, R.S.A. 2000, c. B-9, as amended, including the regulations promulgated thereunder;

"**Acquisition Proposal**" means any inquiry or the making of any proposal to Donnybrook from any person which constitutes, or may reasonably be expected to lead to (in either case whether in one transaction or a series of transactions) an alternative sale of the Donnybrook Assets or any other transaction, the consummation of which would or could reasonably be expected to impede, interfere with, prevent or delay the transactions contemplated by the Arrangement Agreement or the Arrangement or which would or could reasonably be expected to materially reduce the benefits to Cequence under the Arrangement Agreement or the Arrangement;

"**Adjustment Date**" means 11:59 p.m. Calgary time on December 31, 2012;

"**affiliate**" has the meaning ascribed thereto in the Securities Act;

"**allowable capital loss**" has the meaning ascribed thereto under the heading "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gains and Losses*";

"**Applicable Laws**" (in the context that refers to one or more Persons) means any domestic or foreign, federal, state, provincial or local law (statutory, common or otherwise, and including Applicable Securities Laws), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated or applied by a Governmental Entity, and any terms and conditions of any grant of approval, permission, authority or license of any Governmental Entity, that is binding upon or applicable to such Person or Persons or its or their business, undertaking, property or securities and emanate from a Person having jurisdiction over the Person or Persons or its or their business, undertaking, property or securities, as the same may be amended from time to time prior to the Effective Date;

"**Applicable Securities Laws**" means, collectively, and as the context may require: (i) the applicable securities legislation of each of the provinces and territories of Canada, and the rules, regulations, instruments, orders and policies published and/or promulgated thereunder and the polices and rules of the TSX or the TSXV; and (ii) U.S. Securities Laws, as the foregoing may be amended from time to time prior to the Effective Date;

"**Arrangement**" means the arrangement under the provisions of Section 193 of the ABCA on the terms and subject to the conditions set forth in the Plan of Arrangement, subject to any amendments or variations thereto made in accordance with the provisions of the Plan of Arrangement or made at the direction of the Court in the Final Order;

"**Arrangement Agreement**" means the arrangement agreement dated as of February 22, 2013 between the Corporation and Cequence pursuant to which the parties have proposed to implement the Arrangement, a copy of which agreement is attached as Appendix C to this Information Circular, as such agreement may be amended or restated;

"**Arrangement Resolution**" means the special resolution to approve the Arrangement to be considered at the Meeting by Donnybrook Shareholders, in substantially the form attached as Appendix A to this Information Circular;

"**Articles of Arrangement**" means the articles of arrangement in respect of the Arrangement required under subsection 193(10) of the ABCA to be filed with the Registrar after the Final Order has been granted, giving effect to the Arrangement;

"**Asset Exchange**" means the sale of the Cequence Assets from Cequence to Donnybrook for the Donnybrook Consideration and the sale of the Donnybrook Assets from Donnybrook to Cequence for the Cequence Consideration, pursuant to the terms of the Asset Exchange Agreement;

"**Asset Exchange Agreement**" means the asset exchange agreement dated as of February 22, 2013 between the Corporation and Cequence;

"**Assets**" means the Cequence Assets where Cequence is the Transferor and the Donnybrook Assets where Donnybrook is the Transferor, as the context in each case may require;

"**associate**" has the meaning ascribed thereto in the Securities Act;

"**Beneficial Shareholder**" has the meaning ascribed thereto under the heading "*General Proxy Matters – Advice for Beneficial Holders – Beneficial Shareholders*";

"**Broadridge**" has the meaning ascribed thereto under the heading "*General Proxy Matters – Advice for Beneficial Holders – Beneficial Shareholders*";

"**Business Day**" means a day which is not a Saturday, Sunday or a civic or statutory holiday in Calgary, Alberta;

"**Cequence**" means Cequence Energy Ltd., a corporation existing under the ABCA;

"**Cequence Assets**" means the assets and rights generally described under the heading "*Description of the Cequence Assets*" and as more particularly defined as the "Cequence Assets" in the Asset Exchange Agreement;

"**Cequence Consideration**" has the meaning ascribed thereto under the heading "*The Asset Exchange Agreement – The Consideration*";

"**Cequence Damages Event**" has the meaning ascribed thereto under the heading "*The Arrangement Agreement – Termination Fee in Favour of Donnybrook*";

"Cequence GJL Report" means the report prepared by GLJ dated February 21, 2013 and effective as of December 31, 2012 entitled "*Cequence Energy Ltd., Fir*";

"**Cequence Non-Voting Shares**" means the non-voting shares in the capital of Cequence;

"**Cequence Shares**" means the common shares in the capital of Cequence;

"**Cequence Termination Fee**" has the meaning ascribed thereto under the heading "*The Arrangement Agreement – Termination Fee in Favour of Cequence*";

"**Certificate of Arrangement**" means the proof of filing to be issued by the Registrar pursuant to subsections 193(11) and 193(12) of the ABCA in respect of the Articles of Arrangement;

"**Closing**" means the completion of the transactions contemplated by the Arrangement Agreement;

"**COGE Handbook**" means the Canadian Oil and Gas Evaluation Handbook;

"**Court**" means the Court of Queen's Bench of Alberta;

"**CRA**" has the meaning ascribed thereto under the heading "*Certain Canadian Federal Income Tax Considerations*";

"**Dissenting Non-Resident Holder**" has the meaning ascribed thereto under the heading "*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Dissenting Non-Resident Holders*";

"**Dissenting Resident Holder**" has the meaning ascribed thereto under the heading "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Dissenting Resident Holders*";

"**Dissenting Shareholders**" means registered Donnybrook Shareholders who have duly and validly exercised their Dissent Rights pursuant to Section 4 of the Plan of Arrangement and the Interim Order and have not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights;

"**Dissent Rights**" means the rights of dissent granted in favour of registered Donnybrook Shareholders in respect of the Arrangement described in the Plan of Arrangement and the Interim Order;

"**Distribution Payment Date**" means the date which the Cequence Shares are distributed to Donnybrook Shareholders pursuant to the Arrangement, which will be the Effective Date;

"**Distribution Record Date**" means the Business Day immediately preceding the Effective Date, established for the purpose of determining the Donnybrook Shareholders entitled to receive Cequence Shares pursuant to the Arrangement;

"**Donnybrook**" or the "**Corporation**" means Donnybrook Energy Inc., a corporation existing under the ABCA;

"**Donnybrook Assets**" means the assets and rights generally described under the heading "*Description of the Donnybrook Assets*" and as more particularly defined as the "Donnybrook Assets" in the Asset Exchange Agreement;

"**Donnybrook Board**" means the board of directors of Donnybrook;

"**Donnybrook Consideration**" has the meaning ascribed thereto under the heading "*The Asset Exchange Agreement – The Consideration*";

"**Donnybrook Damages Event**" has the meaning ascribed thereto under the heading "*The Arrangement Agreement – Termination Fee in Favour of Donnybrook*";

"**Donnybrook GLJ Report**" means the report prepared by GLJ dated February 22, 2013 and effective as of December 31, 2012 entitled "*Donnybrook Energy Inc., Simonette*";

"**Donnybrook Lock-up Agreements**" means the support agreements between Cequence and each of the Donnybrook Lock-up Shareholders pursuant to which each of the Donnybrook Lock-up Shareholders has agreed to vote the Donnybrook Shares beneficially owned or controlled by such Donnybrook Lock-up Shareholder in favour of the Arrangement Resolution and to otherwise support the Arrangement and other related matters to be considered at the Meeting;

"**Donnybrook Lock-up Shareholders**" means those Donnybrook Shareholders that have entered into Donnybrook Lock-up Agreements with Cequence;

"**Donnybrook Options**" means the outstanding stock options of Donnybrook, whether or not vested, granted under the stock option plan of Donnybrook, or any prior stock option plan of Donnybrook, each of which entitles the holder thereof to acquire one Donnybrook Share from treasury;

"**Donnybrook Shareholders**" means the holders of Donnybrook Shares;

"**Donnybrook Shares**" means the common shares in the capital of Donnybrook;

"**Donnybrook Termination Fee**" has the meaning ascribed thereto under the heading "*The Arrangement Agreement – Termination Fee in Favour of Donnybrook*";

"**Due Bill**" means an instrument used to evidence the transfer of title to any dividend, distribution, interest, security or right to a listed security contracted for, or evidencing, the obligation of a seller to deliver such dividend, distribution, interest, security or right to a subsequent purchaser;

"**Effective Date**" means the date the Arrangement becomes effective pursuant to the ABCA, being the date shown on the Certificate of Arrangement;

"**Effective Time**" means the time at which the Arrangement becomes effective on the Effective Date pursuant to the ABCA;

"**Fairness Opinion**" means the opinion of RBC dated February 22, 2013, a copy of which is attached as Appendix D to this Information Circular;

"**Final Order**" means the final order of the Court approving the Arrangement pursuant to subsection 193(9)(a) of the ABCA, as such order may be affirmed, amended or modified by any court of competent jurisdiction;

"**GLJ**" means GLJ Petroleum Consultants Ltd.;

"**Governmental Entity**" means any: (i) national, international, multinational, federal, provincial, state, regional, municipal, local or other government or any governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau ministry or agency, domestic or foreign; (ii) any subdivision, agent, commission, board or authority of any of the foregoing; (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; and (iv) the TSX and the TSXV;

"**IFRS**" means Canadian generally accepted accounting principles for publicly accountable enterprises, being International Financial Reporting Standards as adopted by the Canadian Accounting Standards Board effective for periods beginning on or after January 1, 2011;

"**Information Circular**" means this information circular and proxy statement of the Corporation dated March 15, 2013, together with all appendices hereto, distributed by Donnybrook to Donnybrook Shareholders in connection with the Meeting;

"**Interim Order**" means the interim order of the Court dated March 15, 2013 concerning the Arrangement pursuant to subsection 193(4) of the ABCA providing for, among other things, the calling and holding of the Meeting, a copy of which is attached as Appendix B to this Information Circular, as such order may be amended, supplemented or varied by the Court;

"**Losses**" means all actions, causes of action, losses, costs, claims, damages, penalties, fines, assessments, charges, expenses or other liabilities whatsoever, whether contractual, tortious, statutory or otherwise that are brought against or that are otherwise suffered, sustained, paid or incurred by a Party and includes reasonable legal fees on a solicitor and client basis and other professional fees and disbursements on a full indemnity basis, but notwithstanding the foregoing shall not include any liability for a Party's indirect or consequential damages, loss of business opportunity, loss of profit, punitive damages or income tax liabilities;

"**Meeting**" means the special meeting of Donnybrook Shareholders to be held on Monday, April 15, 2013, and including any adjournment(s) or postponement(s) thereof, to consider and to vote on the Arrangement Resolution and the other matters referred to in the Notice of Meeting;

"**Miscellaneous Interests**" means the right, title, estate and interest of the Transferor in and to all property, assets and rights (other than the Petroleum and Natural Gas Rights and the Tangibles) directly pertaining to, but only to the extent they pertain to, the Petroleum and Natural Gas Rights or the Tangibles, including the interest of the Transferor in the following: (i) the Title and Operating Documents, the Production Sales Contracts, the Transportation Agreements (all as defined in the Asset Exchange Agreement) and all other permits, contracts, agreements, books, records and documents relating directly to the Petroleum and Natural Gas Rights or the Tangibles, and any rights in relation thereto; (ii) all subsisting rights to enter upon, use and occupy the surface of any of the Lands (as defined in the Asset Exchange Agreement) or any lands upon which the Tangibles are located or lands which are used to gain access to any of the foregoing; (iii) all subsisting rights to carry out operations relating to the Lands or the Tangibles and, without limitation, all easements and well, pipeline and other permits, licences and authorizations; (iv) all Wells (as defined in the Asset Exchange Agreement), including the wellbores

thereof and all casing; and (v) all geological, engineering and other reports, but not any other reports or interpretations or any other seismic, geophysical or geological data. Unless otherwise agreed in writing by the Parties the Miscellaneous Interests shall not include agreements, documents or data to the extent that: (i) they pertain to the Transferor's proprietary technology or interpretations; (ii) they are owned or licensed by Third Parties (as defined in the Asset Exchange Agreement) with restrictions on their delivery or disclosure by the Transferor to any assignee which is not an affiliate of the Transferor; or (iii) economic evaluations, interpretations or other studies or analysis of Data (as defined in the Asset Exchange Agreement);

"**NI 51-101**" means National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities*;

"**NI 51-102**" means National Instrument 51-102 – *Continuous Disclosure Obligations*;

"**NI 51-110**" means National Instrument 51-110 – *Audit Committees*;

"**NI 54-101**" means National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*;

"**Non-Resident Holder**" has the meaning ascribed thereto under the heading "*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada*";

"**Non-Solicitation Covenants**" has the meaning ascribed thereto under the heading "*The Arrangement Agreement – Covenants of the Corporation Regarding Non-Solicitation*";

"**Notice of Meeting**" means the Notice of Special Meeting that accompanies this Information Circular;

"**Outside Date**" means April 22, 2013 or such later date as may be agreed to in writing by Donnybrook and Cequence;

"**Parties**" means, collectively, Donnybrook and Cequence, and "**Party**" means any one of them;

"**Person**" means an individual, general partnership, limited partnership, corporation, company, limited liability company, unincorporated association, unincorporated syndicate, unincorporated organization, trust, trustee, executor, administrator or other legal representative;

"**Plan of Arrangement**" means the plan of arrangement set out as Schedule A to the Arrangement Agreement, attached as Appendix C to this Information Circular, and any amendments, variations or supplements thereto made from time to time in accordance with the terms thereof, the Arrangement Agreement or made at the direction of the Court in the Final Order;

"**Petroleum and Natural Gas Rights**" means the entire right, title, estate and interest , whether absolute or contingent, legal or beneficial, present or future, vested or not, and whether or not an "interest in land", of the Transferor in and to the Petroleum Substances (as defined in the Asset Exchange Agreement) within, upon or under the Lands or any lands with which the Lands have been pooled or unitized and rights in, or rights to explore for, drill for and to extract, win, produce, save and market Petroleum Substances, to the extent granted by the Leases (as defined in the Asset Exchange Agreement) and, unless otherwise indicated in Schedule "A1" or Schedule "A2" as applicable, of the Asset Exchange Agreement any interests of the Transferor in any working interests, carried interests, royalties, net profit interests, production payments and similar interests in Petroleum Substances or the proceeds of sale of Petroleum Substances or payments calculated with reference thereto, or encumbrances, to the extent applicable to the Lands or any lands pooled or unitized therewith;

"**Proposed Amendments**" has the meaning ascribed thereto under the heading "*Certain Canadian Federal Income Tax Considerations*";

"**RBC**" means RBC Dominion Securities Inc., a member company of RBC Capital Markets;

"**Record Date**" means the close of business on March 11, 2013;

"**Registrar**" means the Registrar of Corporations duly appointed under the ABCA;

"**Regulations**" has the meaning ascribed thereto under the heading "*Certain Canadian Federal Income Tax Considerations*";

"**Regulatory Approvals**" means, collectively such sanctions, rulings, consents, orders, exemptions, permits and other approvals (including the lapse, without objection, of a prescribed time under any Applicable Laws that states that a transaction may be implemented if a prescribed time lapses following the giving of notice without an objection being made) of Governmental Entities required in connection with the Plan of Arrangement; except for those sanctions, rulings, consents, orders, exemptions, permits and other approvals, the failure of which to obtain individually or in the aggregate, would not reasonably be expected to have a material adverse effect on Cequence or on Donnybrook (either before or after giving effect to the Arrangement) or would not materially impede or delay the completion of the Arrangement;

"**Representatives**" means any director, officer, employee, agent, advisor or consultant of either Party;

"**Resident Holder**" has the meaning ascribed thereto under the heading "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada*";

"**SEC**" means the United States Securities and Exchange Commission;

"**Securities Act**" means the *Securities Act* (Alberta) together with all rules and regulations promulgated thereunder or with respect thereto;

"**Securities Authorities**" means, collectively, the securities commissions or similar securities regulatory authorities in each of the provinces or territories of Canada, the TSX and the TSXV;

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval;

"**Superior Proposal**" means an unsolicited written *bona fide* Acquisition Proposal: (i) that did not result from a breach of the Arrangement Agreement or any other agreement between the third party making such Acquisition Proposal and Donnybrook; (ii) that is not subject to a financing condition and in respect of which any funds or other consideration necessary to complete the Acquisition Proposal have been demonstrated to the satisfaction of the Donnybrook Board, acting in good faith (after receiving advice from its financial advisor(s) and outside legal counsel), to have been obtained or are reasonably likely to be obtained (as evidenced by a written financing commitment from one or more reputable financial institutions) to fund completion of the Acquisition Proposal at the time and on the basis set out therein; (iii) that the Donnybrook Board determines in good faith after consultation with its financial advisor(s), is, if consummated in accordance with its terms, a transaction that is more favourable, from a financial point of view, to the Donnybrook Shareholders compared to the transaction contemplated by the Arrangement Agreement; (iv) that the Donnybrook Board determines in good faith after consultation with its financial advisor(s) and outside legal counsel, is reasonably likely to be consummated without undue delay within the time and on the terms proposed, taking into account all legal, financial, regulatory and other aspects of such Acquisition Proposal; (v) in respect of which the Donnybrook Board determines in good faith after receiving the advice of outside legal counsel, as reflected in minutes of the Donnybrook Board, that the taking of such action is necessary for the Donnybrook Board to act in a manner consistent with its fiduciary duties under applicable Laws; (vi) complies with all Applicable Laws; and (vii) is not subject to any due diligence or access condition;

"**Tangibles**" means the entire right, title, estate and interest of the Transferor in and to all tangible depreciable property, apparatus, plant, equipment machinery, field inventory, facilities and assets which are situate in, on or about the Lands, or lands with which the Lands have been pooled or unitized, or appurtenant thereto and which are used, were used, are capable of being used or are intended to be used in connection with production, gathering, processing, measuring, making marketable, injection, removal, transmission, treatment or storage of Petroleum Substances produced or producible from the Lands or operations thereon or lands with which the Lands have been pooled or unitized or relative thereto or appurtenant to or used in connection with the Wells, excluding equipment beyond the point of entry into a gathering system, plant or other facility, but including those facilities identified on Schedules "B1" and "B2" of the Asset Exchange Agreement as the context requires;

"**taxable capital gain**" has the meaning ascribed thereto under the heading "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gains and Losses*";

"**Tax Act**" means the *Income Tax Act*, R.S.C. 1985, c. 1. (5th Supp), as amended;

"**Taxing Authority**" means any Governmental Entity responsible for the imposition of any tax (domestic or foreign);

"**Transfer Agent**" means Computershare Trust Company of Canada, in its capacity as transfer agent for the Donnybrook Shares;

"**Transferee**" means the Party to which the Transferor's Assets are being assigned, being Donnybrook with respect to the Cequence Assets and Cequence with respect to the Donnybrook Assets;

"**Transferor**" means the Party assigning its Assets to the Transferee, being Cequence with respect to the Cequence Assets and Donnybrook with respect to the Donnybrook Assets;

"**TSX**" means the Toronto Stock Exchange;

"**TSXV**" means the TSX Venture Exchange;

"**United States**" or "**U.S.**" means the United States of America, its territories and possessions, any state of the United States, and the District of Columbia;

"**U.S. Exchange Act**" means the United States Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder;

"**U.S. Securities Act**" means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder;

"**U.S. Securities Laws**" means the U.S. Securities Act, the U.S. Exchange Act and applicable state securities legislation of the United States and all rules, regulations and orders promulgated thereunder, as amended from time to time; and

"**U.S. Tax Treaty**" has the meaning ascribed thereto under the heading "*Certain Canadian Federal Income Tax Considerations –Holders Not Resident in Canada – Taxation of Dividends*".

Certain other terms used herein but not defined herein are defined in the Arrangement Agreement and, unless the context otherwise requires, shall have the same meanings herein as in the Arrangement Agreement.

CANADIAN / U.S. EXCHANGE RATES

In this Information Circular, dollar amounts are expressed in Canadian dollars. The following table sets forth, for each period indicated, the average exchange rates for one U.S. dollar expressed in Canadian dollars during such periods, and the exchange rate at the end of the period, in each case, based upon the Bank of Canada noon spot rate of exchange.

	Year Ended December 31		
	2012	2011	2010
Average……	$1.0004	$1.0114	$0.9709
Period End……...	$1.0051	$0.9835	$1.0054

On March 14, 2013, the exchange rate for one U.S. dollar expressed in Canadian dollars was $1.0261 based upon the Bank of Canada noon spot rate of exchange.

PRESENTATION OF OIL AND GAS INFORMATION

All oil and gas information contained in this Information Circular or the documents incorporated by reference herein, has been prepared and presented in accordance with NI 51-101. The actual oil and gas reserves and future production will be greater than or less than the estimates provided herein. The estimated value of future net revenue from the production of the disclosed oil and gas reserves does not represent the fair market value of these reserves. There is no assurance that the forecast prices and costs or other assumptions made in connection with the reserves disclosed herein will be attained and variances could be material.

Definitions and Notes to Reserve Data Tables

Certain terms used herein are defined in NI 51-101 or the COGE Handbook and, unless the context otherwise requires, shall have the same meanings in this Information Circular as in NI 51-101 or the COGE Handbook.

The following definitions form the basis of the classification of reserves and values presented in the Donnybrook GLJ Report and the Cequence GLJ Report (each, as defined herein). They have been jointly prepared by the Canadian Institute of Mining, Metallurgy and Petroleum and the Society of Petroleum Evaluation Engineers and incorporated into the COGE Handbook and specified by NI 51-101.

Reserves are estimated remaining quantities of oil and natural gas and related substances anticipated to be recovered from known accumulations, from a given date forward, based on:

- analysis of drilling, geological, geophysical and engineering data;
- the use of established technology;
- specified economic conditions, which are generally accepted as being reasonable, and shall be disclosed; and
- a remaining reserve life of 50 years.

Reserves are classified according to the following degrees of certainty associated with the estimates:

1. Proved Reserves

Proved reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.

2. Probable Reserves

Probable reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.

3. Possible Reserves

Possible reserves are those additional reserves that are less certain to be recovered than probable reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated proved plus probable plus possible reserves. Possible reserves have not been considered in this Information Circular.

Other criteria that must also be met for categorization of reserves are provided in Section 5.5 of the COGE Handbook.

Each of the reserves categories (proved, probable and possible) may be divided into the following developed or undeveloped categories:

4. Developed Reserves

Developed reserves are those reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (e.g., when compared to the cost of drilling a well) to put the reserves on production. The developed category may be subdivided into producing and non-producing.

5. Developed Producing Reserves

Developed producing reserves are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.

6. Developed Non-Producing Reserves

Developed non-producing reserves are those reserves that either have not been on production, or have previously been on production, but are shut in, and the date of resumption of production is unknown.

7. Undeveloped Reserves

Undeveloped reserves are those reserves expected to be recovered from known accumulations where a significant expenditure (e.g., when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves classification (proved, probable or possible) to which they are assigned.

In multi-well pools, it may be appropriate to allocate total pool reserves between the developed and undeveloped categories or to subdivide the developed reserves for the pool between developed producing and developed non-producing. This allocation is typically based on the estimator's assessment as to the reserves that will be recovered from specific wells, facilities, and completion intervals in the pool and their respective development and production status.

8. Levels of Certainty for Reported Reserves

The qualitative certainty levels contained in the definitions in Sections 1, 2 and 3 above are applicable to individual reserves entities, which refer to the lowest level at which reserves estimates are made, and to reported reserves, which refers to the highest level sum of individual entity estimates for which reserve estimates are made.

Reported total reserves estimated by deterministic or probabilistic methods, whether comprised of a single reserves entity or an aggregate estimate for multiple entities, should target the following levels of certainty under a specific set of economic conditions:

(a) There is a 90% probability that at least the estimated proved reserves will be recovered.

(b) There is a 50% probability that at least the sum of the estimated proved reserves plus probable reserves will be recovered.

(c) There is a 10% probability that at least the sum of the estimated proved reserves plus probable reserves plus possible reserves will be recovered.

A quantitative measure of the probability associated with a reserves estimate is generated only when a probabilistic estimate is conducted. The majority of reserves estimates will be performed using deterministic methods that do not provide a quantitative measure of probability. In principle, there should be no difference between estimates prepared using probabilistic or deterministic methods.

Additional clarification of certainty levels associated with reserves estimates and the effect of aggregation is provided in Section 5.5.3 of the COGE Handbook.

Incorporation of these guidelines means that total corporate proved reserves reflect a conservative estimated and proved plus probable reserves reflect a current "best estimate" of the oil and gas qualities which will be recovered.

Oil and Gas Abbreviations

Oil and Natural Gas Liquids

bbl	barrel
Mbbl	thousand barrels
bbl/d	barrels per day
NGLs	natural gas liquids

Natural Gas

Mcf	thousand cubic feet
MMcf	million cubic feet
Mcf/d	thousand cubit fee per day
Mcfe	thousand cubic feet equivalent
MMbtu	million British thermal units
GJ	gigajoule

Other

AECO	Alberta Energy Company
API	American Petroleum Institute or a degree of gravity that provides a relative measure of crude oil density
APO	after pay-out
BOE	barrel of oil equivalent
MBOE	thousand barrels of oil equivalent per day
BOE/d	barrels of oil equivalent per day
BPO	before pay-out
M$	thousands of dollars
P&NG	petroleum and natural gas
WTI	West Texas Intermediate

Conversion of Units

The following table sets forth certain standard conversions between Standard Imperial Units and the International System of Units (or metric units)

To Convert From	To	Multiply By
Mcf	Cubic metres	28.174
Cubic metres	Cubic feet	35.494
MMbtu	GJ	1.054
bbls	Cubic metres	0.159
Cubic metres	bbls	6.290
Feet	Metres	0.305
Metres	Feet	3.281
Miles	Kilometres	1.609
Kilometres	Miles	0.621
Acres	Hectares	0.405
Hectares	Acres	2.471

In this Information Circular where amounts are expressed on a Mcfe or BOE basis, certain crude oil and NGL volumes have been converted to Mcfe on the basis of six Mcf to one bbl and natural gas volumes have been converted to BOE on the same basis. The terms BOE and Mcfe may be misleading, particularly if used in isolation. A conversion ratio of six Mcf per bbl 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 to natural gas is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value. Unless otherwise specified, references to oil include oil and NGLs. NGLs include condensate, propane, butane and ethane.

Where any disclosure of reserves data is made in this Information Circular or the documents incorporated by reference herein that does not reflect all of the reserves of Donnybrook or Cequence, the reader should note that the estimates of reserves and future net revenue for individual properties or groups of properties may not reflect the same confidence level as estimates of the reserves and future net revenue for all properties, due to the effects of aggregation.

SUMMARY INFORMATION

The following is a summary of certain information contained elsewhere in this Information Circular, including the Appendices hereto, is provided for convenience only and is subject to, and qualified in its entirety by, reference to the more detailed information contained or referred to elsewhere in this Information Circular or in the Appendices hereto. Terms with initial capital letters used in this Summary are defined in the "Glossary of Terms".

Summary of the Arrangement and the Asset Exchange

Donnybrook entered into each of the Asset Exchange Agreement and the Arrangement Agreement with Cequence on February 22, 2013. A copy of the Arrangement Agreement is attached as Appendix C to this Information Circular. A copy of the Asset Exchange Agreement has been filed under Donnybrook's company profile on SEDAR. The Arrangement Agreement provides for the implementation of the Plan of Arrangement (a copy of which is attached as Schedule A to the Arrangement Agreement) pursuant to which, among other things, the following transactions will occur:

(a) pursuant to the Asset Exchange Agreement, Donnybrook shall transfer, assign and convey to Cequence, all of its entire legal and beneficial right, title and interest in and to the Donnybrook Assets in consideration for:

  (i) all of Cequence's entire beneficial right, title and interest in and to the Cequence Assets; and

  (ii) the issuance by Cequence to Donnybrook of 10,300,000 fully paid and non-assessable Cequence Shares; and

(b) Donnybrook will distribute the 10,300,000 Cequence Shares received pursuant to the Asset Exchange Agreement to the Donnybrook Shareholders by way of a "reduction of capital" of Donnybrook such that each Donnybrook Shareholder will be entitled to receive a *pro rata* number of the Cequence Shares issued to Donnybrook.

Upon completion of the Arrangement, assuming that at the Effective Time: (i) there are 193,836,066 Donnybrook shares issued and outstanding; (ii) there are no Dissenting Shareholders; and (iii) no Donnybrook Options have been exercised, Donnybrook Shareholders are anticipated to receive approximately 0.0531 of a Cequence Share for each Donnybrook Share held. If Dissent Rights are validly exercised, each Cequence Share that would otherwise have been received by Dissenting Shareholders, will be held by Donnybrook. Donnybrook Shareholders will also continue to hold their existing Donnybrook Shares. On Closing, it is anticipated that Donnybrook Shareholders will own an aggregate of approximately five percent (5%) of the issued and outstanding Cequence Shares.

The Arrangement is subject to customary conditions for a transaction of this nature, which include Court and Regulatory Approvals, and the approval of not less than 66⅔% of votes cast by the Donnybrook Shareholders on the Arrangement Resolution present in person or represented by proxy at the Meeting. The Arrangement is also conditional upon the closing of the transactions under the Asset Exchange Agreement including that the Asset Exchange shall have been completed pursuant to the terms of the Asset Exchange Agreement. See "*The Arrangement – Summary of the Arrangement and the Asset Exchange*" and "*– Arrangement Steps*".

Donnybrook Energy Inc.

Donnybrook was incorporated pursuant to the ABCA on April 14, 2000 under the name "Coastport Capital Inc." On June 1, 2005, Donnybrook was continued from Alberta to British Columbia pursuant to the *Business Corporations Act* (British Columbia). In August 2010, Donnybrook continued from British Columbia to Alberta pursuant to the ABCA and changed its name to "Donnybrook Energy Inc." On November 1, 2010, Donnybrook amalgamated with its wholly-owned subsidiary, Prairie Exploration Inc. Pursuant to a plan of arrangement on November 4, 2011, Donnybrook spun-off certain of its non-core assets to Donnycreek Energy Inc.

The head office of Donnybrook is located at Suite 700, 717 – 7th Avenue S.W., Calgary, Alberta T2R 0Z3 and its registered office is located at 1900, 520 – 3rd Avenue S.W., Calgary, Alberta T2P 0R3.

Donnybrook is a Western Canadian petroleum and natural gas exploration and production company with petroleum and natural rights in the Bigstone-Simonette-Resthaven liquid rich natural gas resource play in the Deep Basin area of West Central Alberta.

On a pro forma basis, following completion of the transactions contemplated under the Asset Exchange Agreement and the Arrangement Agreement, Donnybrook will hold its existing Bigstone property with 8 gross (3.75 net) sections of land and the newly acquired Cequence Assets, which consists of a total of 5 net sections of land and long life, low decline net production, which is currently producing approximately 220 BOE/d. The Cequence Assets are approximately 35 kilometers from the Bigstone property.

The Donnybrook Shares are listed and traded on the TSXV under the trading symbol "DEI".

See "*Information Concerning Donnybrook*".

Cequence Energy Ltd.

Cequence was originally incorporated pursuant to the provisions of the *Business Corporations Act* (Ontario) as "Metrophotonics Inc." on April 4, 2000 and was continued under the ABCA as "Sabretooth Energy Ltd." on September 5, 2005. In addition, the articles of Cequence have been amended as follows: (i) on January 31, 2005, to add an unlimited number of Cequence Non-Voting Shares to its authorized capital, to consolidate the issued and outstanding Cequence Shares on a hundred-for-one basis and to reduce the stated capital of the issued and outstanding Cequence Shares; (ii) on February 4, 2005, to change its name to "1395177 Ontario Inc."; (iii) on February 15, 2006, Cequence amalgamated with Stratagem Energy Corp. and the amalgamated corporation continued under the name "Sabretooth Energy Ltd."; (iv) on July 18, 2007, to convert all the issued and outstanding Cequence Non-Voting Shares into Cequence Shares and, immediately thereafter, to consolidate the issued and outstanding Cequence Shares on a four-for-one basis; (v) on January 1, 2008, Cequence amalgamated with its wholly-owned subsidiary, Sabretooth Resources Inc. (formerly Bear Ridge Resources Inc.), and the amalgamated corporation continued under the name "Sabretooth Energy Ltd."; (vi) on July 30, 2009, to change the rights, privileges, restrictions and conditions attached to the Cequence Non-Voting Shares to ensure equitable economic treatment between holders of Cequence Shares and holders of Cequence Non-Voting Shares in certain circumstances; (vii) on July 31, 2009, to change its name to "Cequence Energy Ltd."; (viii) on August 17, 2009, to consolidate the issued and outstanding Cequence Shares on a four-for-one basis; (ix) on July 1, 2010, Cequence amalgamated with Peloton Exploration Corp. and continued under the name of "Cequence Energy Ltd."; and (x) on January 1, 2011, Cequence amalgamated with Cequence Acquisitions Ltd.

The principal and head office of Cequence is located at 3100, 525 - 8th Avenue S.W., Calgary, Alberta, T2P 1G1 and its registered office is located at 3700, 400 - 3rd Avenue S.W., Calgary, Alberta, T2P 4H2.

Cequence is a public company engaged in the acquisition, exploration, development and production of petroleum and natural gas reserves in Western Canada. During the year ended December 31, 2012, Cequence focused its activities in the Deep Basin area of Northwest Alberta, the Peace River Arch area of Northwest Alberta and Northeast British Columbia. Cequence pursues a strategy of drilling for low decline, long life, liquids rich natural gas and crude oil targets with multiple prospective horizons.

The Cequence Shares are listed and traded on the TSX under the trading symbol "CQE".

See "*Information Concerning Cequence*" and Appendix E – "*Information Concerning Cequence*".

Donnybrook Assets

The Donnybrook Assets consist of the Corporation's interest in its Simonette and Resthaven oil and gas properties. The Simonette and Resthaven properties to be transferred to Cequence consist of approximately 38 gross (19 net) sections of land with net production of approximately 120 BOE/d. See "*Description of the Donnybrook Assets*".

Cequence Assets

The Cequence Assets consist of Cequence's interest in its Fir oil and gas property. The Fir property to be transferred to Donnybrook consists of 5 net sections of land and long life, low decline net production of approximately 220 BOE/d. See "*Description of the Cequence Assets*".

The Meeting

The Meeting will be held at the office of Borden Ladner Gervais LLP at 1900, 520 - 3rd Avenue S.W., Calgary, Alberta on Monday, April 15, 2013 at 9:00 a.m. (Calgary time) for the purposes set forth in the accompanying Notice of Meeting. At the Meeting, Donnybrook Shareholders will be asked to consider and, if deemed advisable, to approve, with or without variation, the Arrangement Resolution, the full text of which is set forth as Appendix A to this Information Circular.

The Record Date for determining Donnybrook Shareholders entitled to receive notice of and to vote at the Meeting is March 11, 2013. See "*General Proxy Matters – Appointment and Revocation of Proxies*".

Background to the Arrangement

The Arrangement is the result of extensive and considerable negotiations between representatives of Donnybrook and Cequence. This Information Circular contains a summary of the events leading up to the negotiation of the Arrangement Agreement and the Asset Exchange Agreement and the public announcement of the Arrangement Agreement and the Asset Exchange Agreement. See "*The Arrangement – Background to the Arrangement*".

Recommendation of the Donnybrook Board

The Donnybrook Board, after consulting with its financial and legal advisors, and after careful consideration of, among other things, the Fairness Opinion: (a) has unanimously determined that the Arrangement is in the best interests of the Corporation; (b) has unanimously determined that the Arrangement is fair to Donnybrook Shareholders; and (c) unanimously recommends that Donnybrook Shareholders vote in favour of the Arrangement Resolution.

The directors and officers of Donnybrook, who, as at March 15, 2013, beneficially owned or exercised control or direction over, an aggregate of 24,190,419 Donnybrook Shares (representing approximately 12.5% of the issued and outstanding Donnybrook Shares) have entered into Donnybrook Lock-Up Agreements pursuant to which they have agreed to, among other things, vote their Donnybrook Shares in favour of the Arrangement Resolution at the Meeting.

See "*The Arrangement – Recommendation of the Donnybrook Board*" and "*– Lock-Up Agreements*".

Reasons for the Arrangement

In unanimously determining that the Arrangement is in the best interests of Donnybrook and unanimously recommending to Donnybrook Shareholders that they vote in favour of the Arrangement, the Donnybrook Board considered and relied upon a number of factors, including, among others, the following:

(a) on Closing, Donnybrook will continue to hold its existing Bigstone property and the Cequence Assets, which assets are located approximately 35 kilometres from the Bigstone property;

(b) Donnybrook Shareholders will maintain their ownership interests in Donnybrook and will also receive Cequence Shares, which shares have been conditionally approved for listing on the TSX;

(c) Cequence currently operates Donnybrook's Simonette property, forming part of the Donnybrook Assets, and has the requisite technical, operational, financial flexibility and access to capital to develop the property on an efficient basis for its shareholders, which will include the Donnybrook Shareholders upon Closing;

(d) the Fairness Opinion to the effect that, as of the date of the Fairness Opinion, and subject to the assumptions, limitations, and qualifications contained therein, the consideration under the Arrangement is fair from a financial point of view to Donnybrook Shareholders;

(e) all Donnybrook Shareholders will have an opportunity to vote on the Arrangement, including the requirement for approval by not less than 66⅔% of the votes cast on the Arrangement Resolution by the Donnybrook Shareholders present in person or represented by proxy at the Meeting;

(f) the Arrangement is subject to a determination of the Court that the terms of the Arrangement and the procedures relating thereto are fair and reasonable, both procedurally and substantively, to the Donnybrook Shareholders;

(g) the terms and conditions of the Arrangement Agreement, including the conditions to completion of the Arrangement;

(h) Cequence's obligation to complete the Arrangement being subject to a limited number of conditions which the Donnybrook Board believes are reasonable under the circumstances;

(i) Donnybrook Board's belief that the Arrangement is likely to be completed in accordance with its terms and within a reasonable time, with Closing currently expected on April 15, 2013;

(j) the ability of the Donnybrook Board, in certain circumstances, to consider and recommend approval of a Superior Proposal;

(k) the appropriateness of the Cequence Termination Fee and right to match as an inducement to Cequence to enter into the Arrangement Agreement and the likely impact of such fee and terms upon any potential subsequent Superior Proposal in respect of the Corporation;

(l) if the Arrangement Agreement is terminated in certain circumstances, Cequence has agreed to pay the Donnybrook Termination Fee to Donnybrook; and

(m) registered Donnybrook Shareholders may, upon compliance with certain conditions and in certain circumstances, exercise Dissent Rights.

See "*The Arrangement – Reasons for the Arrangement*".

Fairness Opinion

In deciding to approve the Arrangement, the Donnybrook Board considered, among other things, the Fairness Opinion. The Donnybrook Board received an opinion from RBC that as of February 22, 2013 and subject to the assumptions, limitations and qualifications contained therein, the consideration under the Arrangement is fair from a financial point of view to Donnybrook Shareholders. The full text of the Fairness Opinion, setting out the assumptions made, matters considered and limitations and qualifications on the review undertaken, is attached as Appendix D to this Information Circular and should be read in their entirety. See "*The Arrangement – Fairness Opinion*".

The Arrangement Agreement

The following is a summary of certain material terms of the Arrangement Agreement and is subject to, and qualified in its entirety by, the more detailed summary contained elsewhere in this Information Circular. See "*The Arrangement Agreement*". The Arrangement Agreement is attached as Appendix C to this Information Circular.

Covenants, Representations and Warranties

The Arrangement Agreement contains customary covenants, representations and warranties for an agreement of this type. In addition, the Corporation has provided certain non-solicitation covenants in favour of Cequence. A

summary of the covenants, representations and warranties is provided in the main body of this Information Circular under the heading "*The Arrangement Agreement*".

Conditions to the Arrangement

The obligations of Donnybrook and Cequence to complete the Arrangement are subject to the satisfaction or waiver of certain conditions set out in the Arrangement Agreement. These conditions include, among others, the receipt of Donnybrook Shareholder and Court approval and receipt of all Regulatory Approvals as well as the closing of the transactions under the Asset Exchange Agreement. A summary of the conditions is provided in the main body of this Information Circular under the heading "*The Arrangement Agreement – Conditions of Closing*".

Termination of the Arrangement Agreement

The Arrangement Agreement may be terminated at any time prior to the Effective Date by mutual written agreement of Donnybrook and Cequence and by either Donnybrook or Cequence in certain other circumstances.

A summary of the termination provisions is provided in the main body of this Information Circular under the heading "*The Arrangement Agreement – Termination of the Arrangement Agreement*".

Termination Fees

The Arrangement Agreement requires that Donnybrook pay the Cequence Termination Fee of $1.0 million in certain circumstances, including if the Arrangement is not completed for certain reasons. The Arrangement Agreement requires that Cequence pay the Donnybrook Termination Fee of $1.0 million in certain circumstances, including if the Arrangement is not completed for certain reasons. See "*The Arrangement Agreement – Termination Fee in Favour of Cequence*" and "*– Termination Fee in Favour of Donnybrook*".

The Asset Exchange Agreement

The Asset Exchange Agreement contains customary covenants, representations and warranties for an agreement of this type. In addition, the obligations of Donnybrook and Cequence to complete the Asset Exchange are subject to the satisfaction or waiver of certain conditions set out in the Asset Exchange Agreement, which include the condition that all conditions precedent set forth in the Arrangement Agreement other than the closing of the transactions under the Asset Exchange Agreement have been satisfied or waived in accordance with the terms of the Arrangement Agreement.

Stock Exchange Approvals

The Arrangement

The TSXV has conditionally approved the Arrangement. Approval of the TSXV is subject to Donnybrook fulfilling all of the requirements of the TSXV. See "*The Arrangement – Stock Exchange Approvals – The Arrangement*".

The TSXV has determined that the Due Bill trading procedure will be used in connection with the distribution of the Cequence Shares to Donnybrook Shareholders pursuant to the Arrangement. As a result of the use of Due Bills, any Donnybrook Shareholder who purchases their Donnybrook Shares on the TSXV in the period two days prior to the Effective Date up to and including the payment date of the Cequence Shares issuable pursuant to the Arrangement will be entitled to receive the Cequence Shares notwithstanding that such purchase will not settle until after the Effective Date. Any trades that are executed during this period will be automatically flagged to ensure that such purchasers receive the entitlement to the Cequence Shares and the sellers do not. See "*Procedure for the Receipt of Cequence Shares - Information Concerning Due Bills*".

Cequence Shares

The Cequence Shares are listed on the TSX under the symbol "CQE". It is a condition precedent to the completion of the Arrangement that the TSX will have conditionally approved the listing of the Cequence Shares to be issued

pursuant to the Arrangement. The TSX has conditionally approved the listing of the Cequence Shares issuable pursuant to the Arrangement. Listing will be subject to Cequence fulfilling all of the requirements of the TSX. See "*The Arrangement – Stock Exchange Approvals – Cequence Shares*".

Procedure for the Arrangement to Become Effective

Procedural Steps

The Arrangement is proposed to be carried out pursuant to Section 193 of the ABCA. The following procedural steps must be taken in order for the Arrangement to become effective:

(a) the Arrangement must be approved by the Donnybrook Shareholders in the manner set forth in the Interim Order;

(b) the Court must grant the Final Order approving the Arrangement;

(c) all conditions precedent to the Arrangement, as set forth in the Arrangement Agreement, must be satisfied or waived by the appropriate Party;

(d) the Final Order and Articles of Arrangement in the form prescribed by the ABCA must be filed with the Registrar; and

(e) the Certificate of Arrangement giving effect to the Arrangement must be issued.

See "*Procedure for the Arrangement to Become Effective – Procedural Steps*".

Donnybrook Shareholder Approval

At the Meeting, pursuant to the Interim Order, Donnybrook Shareholders will be asked to approve the Arrangement Resolution. Each Donnybrook Shareholder shall be entitled to vote on the Arrangement Resolution, with the Donnybrook Shareholders entitled to one vote per Donnybrook Share held. The requisite approval for the Arrangement Resolution is not less than 66⅔% of the votes cast on the Arrangement Resolution by the Donnybrook Shareholders present in person or represented by proxy at the Meeting. The Arrangement Resolution must receive the requisite Donnybrook Shareholder approval in order for Donnybrook to seek the Final Order and implement the Arrangement on the Effective Date in accordance with the terms of the Final Order. See "*General Proxy Matters – Procedure and Votes Required*".

For information with respect to the procedures for Donnybrook Shareholders to follow to receive their consideration pursuant to the Arrangement, see "*Procedure for the Receipt of Cequence Shares*".

See also "*Summary of the Arrangement and the Asset Exchange*" above.

Court Approval

The Arrangement requires the Court's approval of the Final Order. Prior to the mailing of this Information Circular, the Corporation obtained the Interim Order authorizing and directing the Corporation to call, hold and conduct the Meeting and to submit the Arrangement to the Donnybrook Shareholders for approval. A copy of the Interim Order is attached as Appendix B to this Information Circular. Subject to the terms of the Arrangement Agreement and the approval of the Arrangement Resolution by the Donnybrook Shareholders, Donnybrook will make an application to the Court for the Final Order. The hearing in respect of the Final Order is expected to take place on April 15, 2013 at 2:00 p.m. (Calgary time) at the Calgary Courts Centre, 601 – 5th Street S.W., Calgary, Alberta. See "*The Arrangement – Procedure for the Arrangement Becoming Effective – Court Approval*".

Timing

If the Meeting is held as scheduled and is not adjourned or postponed and the other necessary conditions at that point in time are satisfied or waived, Donnybrook will apply for the Final Order approving the Arrangement. If the Final Order is obtained on April 15, 2013 in form and substance satisfactory to the Corporation and Cequence, and all other conditions set forth in the Asset Exchange Agreement and the Arrangement Agreement are satisfied or waived, including the receipt of all required Regulatory Approvals, the Corporation currently expects the Effective Date to occur on April 15, 2013. It is not possible, however, to state with certainty when the Effective Date will occur. The Effective Date could be delayed for a number of reasons, including an objection before the Court at the hearing of the application for the Final Order on April 15, 2013 or the failure to obtain all Regulatory Approvals in the time-frames anticipated. See "*The Arrangement – Timing*".

Dissent Rights of Registered Donnybrook Shareholders

Pursuant to the Interim Order, registered holders of Donnybrook Shares have Dissent Rights with respect to the Arrangement Resolution if Donnybrook, c/o Borden Ladner Gervais LLP, Centennial Place, East Tower, 1900, 520 – 3rd Avenue S.W., Calgary, Alberta, T2P 0R3, Attention: David T. Madsen, receives by 5:00 p.m. (Calgary time) on April 11, 2013 (or the business day that is two business days prior to the date of the Meeting if it is not held on April 15, 2013), a written objection to the Arrangement Resolution and such holder complies with Section 191 of the ABCA, as modified by the Interim Order. Provided that the Arrangement becomes effective, each Dissenting Shareholder will be entitled to be paid the fair value of the Donnybrook Shares in respect of which the holder dissents in accordance with Section 191 of the ABCA, as modified by the Interim Order. See Appendices B and F for a copy of the Interim Order and the provisions of Section 191 of the ABCA, respectively.

It is a condition to Donnybrook's obligation to complete the Arrangement that Donnybrook Shareholders holding not more than 5% of the Donnybrook Shares shall have exercised Dissent Rights that have not been withdrawn as at the Effective Date.

The statutory provisions covering the right to dissent are technical and complex. **Failure to strictly comply with the requirements set forth in Section 191 of the ABCA, as modified by the Interim Order, may result in the loss of any right to dissent. Persons who are beneficial owners of Donnybrook Shares registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent, should be aware that only the registered holder of such Donnybrook Shares is entitled to dissent.** Accordingly, a beneficial owner of Donnybrook Shares desiring to exercise its Dissent Rights must make arrangements for the registered holder to dissent on such holder's behalf. Alternatively, a Beneficial Shareholder could make arrangements for the Donnybrook Shares to be registered in such holder's name prior to the time the written objection to the Arrangement Resolution is required to be received by the Corporation. Pursuant to the Interim Order and the provisions of the ABCA, a registered Donnybrook Shareholder may not exercise Dissent Rights in respect of only a portion of such holder's Donnybrook Shares. See "*Rights of Dissent*".

Certain Canadian Federal Income Tax Considerations

Donnybrook Shareholders should carefully read the information under "*Certain Canadian Federal Income Tax Considerations*" in this Information Circular, which provides details of certain Canadian federal income tax considerations for Donnybrook Shareholders who participate in the Arrangement or who dissent from the Arrangement.

Other Tax Considerations

This Information Circular does not address any tax considerations of the Arrangement other than Canadian federal income tax considerations to Donnybrook Shareholders. Donnybrook Shareholders, who are resident in jurisdictions other than Canada, should consult their tax advisors with respect to the relevant tax implications of the Arrangement, including any associated filing requirements, in such jurisdictions. All Donnybrook Shareholders should also consult their own tax advisors regarding relevant provincial, territorial or state tax considerations of the Arrangement.

Risk Factors

There is a risk that the Arrangement may not be completed and if the Arrangement is not completed, the Corporation will continue to face the risks that it currently faces with respect to its affairs, business and operations and future prospects. The Asset Exchange Agreement and the Arrangement Agreement may also be terminated by the Parties in certain circumstances. Failure to complete the Arrangement could materially negatively impact the trading price of the Donnybrook Shares. If the Arrangement is completed, there can be no assurance as to the future financial condition and results of operations of Donnybrook or the market value or trading price of the Donnybrook Shares. See "*Risk Factors*".

THE ARRANGEMENT

Background to the Arrangement

The Arrangement is the result of arm's length negotiations between Donnybrook and Cequence.

The Corporation's management and the Donnybrook Board regularly review strategic business alternatives available to it, in light of the best interests of the Corporation and its stakeholders. In November 2012, Donnybrook retained RBC to act as the Corporation's exclusive financial advisor in connection with a potential transaction involving the Corporation. RBC's services included providing financial analysis and advice on structuring, planning and negotiating a transaction.

As part of its review, the Corporation requested representatives of RBC contact a number of parties, including Cequence, to discuss interest in pursuing a potential transaction with Donnybrook. Confidentiality agreements were entered into with select interested parties, including Cequence, and this process resulted in the receipt of various proposals and extensive discussion by the Donnybrook Board of such proposals and other alternatives, which were not limited to a sale or merger of Donnybrook.

On January 8, 2013, Cequence submitted a letter of intent setting forth the terms and conditions upon which Cequence would acquire the Donnybrook Assets.

On February 5, 2013, after negotiation with representatives from Cequence, Donnybrook and RBC, Cequence submitted a revised letter of intent under which it would acquire the Donnybrook Assets.

From February 5, 2013 to February 8, 2013, management of Donnybrook discussed the terms of the letter of intent with RBC and its legal counsel, Borden Ladner Gervais LLP. On February 8, 2013, Donnybrook, through RBC, proposed revised terms to the letter of intent.

After discussions between the Parties, it was determined that the Parties would proceed to prepare a binding asset exchange agreement and arrangement agreement rather than continuing with negotiating the terms of a letter of intent. From February 8, 2013 to February 22, 2013, detailed negotiations commenced between the Parties with respect to the terms of the Asset Exchange Agreement and the Arrangement Agreement. The Parties also began a due diligence review on each other during the period of negotiation of the binding agreements.

In the afternoon of February 22, 2013, the Donnybrook Board considered the draft Asset Exchange Agreement, the draft Arrangement Agreement and the terms of the proposed transaction. The Donnybrook Board received from RBC its verbal opinion (subsequently confirmed in writing) that, as of February 22, 2013 and subject to the assumptions, limitations and qualifications described in its opinion, the consideration under the Arrangement is fair from a financial point of view to Donnybrook Shareholders. The Donnybrook Board then reviewed the proposed final terms of the Asset Exchange Agreement, the Arrangement Agreement, the Plan of Arrangement and related agreements, received legal advice from the Corporation's external legal counsel and fully considered its duties and responsibilities to the Corporation, including the impact of the proposed transaction on Donnybrook Shareholders and other stakeholders. Following those deliberations, the Donnybrook Board unanimously determined that the Arrangement is in the best interests of the Corporation and is fair to Donnybrook Shareholders. The Donnybrook Board then unanimously resolved to approve the Asset Exchange Agreement and the Arrangement Agreement and to unanimously recommend to the Donnybrook Shareholders that they vote in favour of the Arrangement. Following approval by the Donnybrook Board, the Corporation and Cequence entered into the Asset Exchange Agreement, the Arrangement Agreement and each of the directors and officers of the Corporation executed a Donnybrook Lock-Up Agreement. A news release announcing the Arrangement was issued by each of Donnybrook and Cequence on the morning of February 25, 2013.

On March 14, 2013, the Donnybrook Board approved this Information Circular and unanimously reconfirmed their approval of the Arrangement and recommendation that the Donnybrook Shareholders vote in favour of the Arrangement Resolution.

Recommendation of the Donnybrook Board

The Donnybrook Board, after consulting with its financial and legal advisors, and after careful consideration of, among other things, the Fairness Opinion: (a) has unanimously determined that the Arrangement is in the best interests of the Corporation; (b) has unanimously determined that the Arrangement is fair to Donnybrook Shareholders; and (c) unanimously recommends that Donnybrook Shareholders vote in favour of the Arrangement Resolution.

Reasons for the Arrangement

In unanimously determining that the Arrangement is in the best interests of Donnybrook and unanimously recommending to Donnybrook Shareholders that they vote in favour of the Arrangement, the Donnybrook Board considered and relied upon a number of factors, including, among others, the following:

(a) on Closing, Donnybrook will continue to hold its existing Bigstone property and the Cequence Assets, which assets are located approximately 35 kilometres from the Bigstone property;

(b) Donnybrook Shareholders will maintain their ownership interests in Donnybrook and will also receive Cequence Shares, which shares have been conditionally approved for listing on the TSX;

(c) Cequence currently operates Donnybrook's Simonette property, forming part of the Donnybrook Assets, and has the requisite technical, operational, financial flexibility and access to capital to develop the property on an efficient basis for its shareholders, which will include the Donnybrook Shareholders upon Closing;

(d) the Fairness Opinion to the effect that, as of the date of the Fairness Opinion, and subject to the assumptions, limitations, and qualifications contained therein, the consideration under the Arrangement is fair from a financial point of view to Donnybrook Shareholders;

(e) all Donnybrook Shareholders will have an opportunity to vote on the Arrangement, including the requirement for approval by not less than 66⅔% of the votes cast on the Arrangement Resolution by the Donnybrook Shareholders present in person or represented by proxy at the Meeting;

(f) the Arrangement is subject to a determination of the Court that the terms of the Arrangement and the procedures relating thereto are fair and reasonable, both procedurally and substantively, to the Donnybrook Shareholders;

(g) the terms and conditions of the Arrangement Agreement, including the conditions to completion of the Arrangement;

(h) Cequence's obligation to complete the Arrangement being subject to a limited number of conditions which the Donnybrook Board believes are reasonable under the circumstances;

(i) Donnybrook Board's belief that the Arrangement is likely to be completed in accordance with its terms and within a reasonable time, with Closing currently expected on April 15, 2013;

(j) the ability of the Donnybrook Board, in certain circumstances, to consider and recommend approval of a Superior Proposal;

(k) the appropriateness of the Cequence Termination Fee and right to match as an inducement to Cequence to enter into the Arrangement Agreement and the likely impact of such fee and terms upon any potential subsequent Superior Proposal in respect of the Corporation;

(l) if the Arrangement Agreement is terminated in certain circumstances, Cequence has agreed to pay the Donnybrook Termination Fee to Donnybrook; and

(m) registered Donnybrook Shareholders may, upon compliance with certain conditions and in certain circumstances, exercise Dissent Rights.

The foregoing discussion of the information and factors considered and given weight by the Donnybrook Board is not intended to be exhaustive. In reaching the determination to approve and recommend the Arrangement, the Donnybrook Board did not assign any relative or specific weights to the foregoing factors, but individual directors may have given different weights to different factors. On February 22, 2013, the Donnybrook Board unanimously approved the Arrangement and unanimously recommended that the Donnybrook Shareholders vote in favour of the Arrangement Resolution. On March 14, 2013, the Donnybrook Board unanimously approved this Information Circular and unanimously reconfirmed their approval of the Arrangement and recommendation that the Donnybrook Shareholders vote in favour of the Arrangement Resolution.

The directors and officers of Donnybrook, who, as at March 15, 2013, beneficially owned or exercised control or direction over, an aggregate of 24,190,419 Donnybrook Shares (representing an aggregate of approximately 12.5% of the issued and outstanding Donnybrook Shares) have entered into Donnybrook Lock-Up Agreements pursuant to which they have agreed to, among other things, vote their Donnybrook Shares in favour of the Arrangement Resolution at the Meeting.

Fairness Opinion

In deciding to approve the Arrangement, the Donnybrook Board considered, among other things, the Fairness Opinion. The Donnybrook Board received an opinion from RBC that as of February 22, 2013 and subject to the assumptions, limitations and qualifications contained therein, the consideration under the Arrangement is fair from a financial point of view to Donnybrook Shareholders. **This summary is subject to, and qualified in its entirety by, reference to the full text of the Fairness Opinion. The Donnybrook Board of Directors urges Donnybrook Shareholders to read the Fairness Opinion in its entirety. See Appendix D to this Information Circular.**

The full text of the written Fairness Opinion dated February 22, 2013, which sets forth assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken by RBC in connection with the Fairness Opinion, is attached as Appendix D to this Information Circular. RBC provided the Fairness Opinion for the exclusive use of the Donnybrook Board in connection with its consideration of the Arrangement, and the Fairness Opinion may not be used or relied upon by any other person without the express written consent of RBC. The Fairness Opinion is not a recommendation as to how any Donnybrook Shareholder should vote with respect to the Arrangement or any other matter.

RBC was engaged by the Corporation as its exclusive financial advisor and to provide the Donnybrook Board with the Fairness Opinion. Pursuant to the terms of its engagement agreement with the Corporation, RBC was paid a fee for its services. The Corporation has also agreed to indemnify RBC against certain liabilities.

Summary of the Arrangement and the Asset Exchange

The following is a summary only of certain of the material terms of the Arrangement Agreement, including the Plan of Arrangement and is subject to, and qualified in its entirety by, the full text of the Arrangement Agreement, which is attached as Appendix C to this Information Circular, and the Plan of Arrangement, which is attached as Schedule A to the Arrangement Agreement.

Donnybrook entered into each of the Asset Exchange Agreement and the Arrangement Agreement with Cequence on February 22, 2013. A copy of the Arrangement Agreement is attached as Appendix C to this Information Circular. A copy of the Asset Exchange Agreement has been filed under Donnybrook's company profile on SEDAR. The Arrangement Agreement provides for the implementation of the Plan of Arrangement (a copy of which is attached as Schedule A to the Arrangement Agreement) pursuant to which, among other things, the following transactions will occur:

(a) pursuant to the Asset Exchange Agreement, Donnybrook shall transfer, assign and convey to Cequence, all of its entire legal and beneficial right, title and interest in and to the Donnybrook Assets in consideration for:

(i) all of Cequence's entire beneficial right, title and interest in and to the Cequence Assets; and

(ii) the issuance by Cequence to Donnybrook of 10,300,000 fully paid and non-assessable Cequence Shares; and

(b) Donnybrook will distribute the 10,300,000 Cequence Shares received pursuant to the Asset Exchange Agreement to the Donnybrook Shareholders by way of a "reduction of capital" of Donnybrook such that each Donnybrook Shareholder will be entitled to receive a *pro rata* number of the Cequence Shares issued to Donnybrook.

Upon completion of the Arrangement, assuming that at the Effective Time: (i) there are 193,836,066 Donnybrook shares issued and outstanding; (ii) there are no Dissenting Shareholders; and (iii) no Donnybrook Options have been exercised, Donnybrook Shareholders are anticipated to receive approximately 0.0531 of a Cequence Share for each Donnybrook Share held. If Dissent Rights are validly exercised, each Cequence Share that would otherwise have been received by Dissenting Shareholders, will be held by Donnybrook. Donnybrook Shareholders will also continue to hold their existing Donnybrook Shares. On Closing, it is anticipated that Donnybrook Shareholders will own an aggregate of approximately five percent (5%) of the issued and outstanding Cequence Shares.

The Arrangement is subject to customary conditions for a transaction of this nature, which include Court and Regulatory Approvals, and the approval of not less than 66⅔% of votes cast by the Donnybrook Shareholders on the Arrangement Resolution present in person or represented by proxy at the Meeting. The Arrangement is also conditional upon the closing of the transactions under the Asset Exchange Agreement including that the Asset Exchange shall have been completed pursuant to the terms of the Asset Exchange Agreement.

See "*The Arrangement – Arrangement Steps*", "*The Arrangement Agreement*" and "*The Asset Exchange Agreement*".

Arrangement Steps

The following summarizes the steps that will occur under the Plan of Arrangement on the Effective Date, if all conditions to the completion of the Arrangement have been satisfied or waived. The following description of steps is subject to, and qualified in its entirety by, the full text of the Plan of Arrangement attached as Schedule A to the Arrangement Agreement, which is attached as Appendix C to this Information Circular.

Pursuant to the Plan of Arrangement, at the Effective Time, each of the events below shall occur and shall be deemed to occur in the following sequence (and the events set forth in each of paragraphs (b), (c) and (d) below shall occur and shall be deemed to occur one minute following the event(s) described in the immediately preceding paragraph), without any further act or formality, unless specifically noted:

(a) subject to Section 4 of the Plan of Arrangement, each of the Donnybrook Shares held by Dissenting Shareholders shall be, and shall be deemed to be, transferred to Donnybrook (free and clear of any Encumbrances) without any further act or formality and:

(i) such Dissenting Shareholder shall cease to be the holders of such Donnybrook Shares and to have any rights as holders of such Donnybrook Shares, other than the right to be paid the fair value for such Donnybrook Shares as set out in Section 4 of the Plan of Arrangement; and

(ii) such Dissenting Shareholders' names shall be removed as the holders of such Donnybrook Shares from the registers of Donnybrook Shares maintained by or on behalf of Donnybrook;

(b) the transactions contemplated by the Asset Exchange Agreement shall become effective and pursuant thereto, Donnybrook shall transfer, assign and convey to Cequence, all of its entire legal and beneficial right, title and interest in and to the Donnybrook Assets in consideration for:

(i) all of Cequence's entire beneficial right, title and interest in and to the Cequence Assets; and

(ii) the issuance by Cequence to Donnybrook of 10,300,000 fully paid and non-assessable Cequence Shares,

all in accordance with the terms of the Asset Exchange Agreement and a result thereof, Donnybrook shall be entered into the register of Cequence Shares maintained by or on behalf of Cequence;

(c) Donnybrook will distribute the 10,300,000 Cequence Shares received pursuant to the Asset Exchange Agreement to the Donnybrook Shareholders by way of a "reduction of capital" of Donnybrook such that each Donnybrook Shareholder will be entitled to receive a *pro rata* number of the Cequence Shares issued to Donnybrook pursuant to paragraph (b)(ii) above and as a result thereof:

(i) Donnybrook shall be removed as the holder of such Cequence Shares from the register of Cequence Shares maintained on or behalf of Cequence; and

(ii) such Donnybrook Shareholders' names shall be entered into the register of Cequence Shares maintained on or on behalf of Cequence; and

(d) the stated capital of the Donnybrook Shares shall be reduced by an amount equal to the fair market value of the issued and outstanding Cequence Shares.

Fractional Cequence Shares

Following the Effective Time, if the aggregate number of Cequence Shares to which a Donnybrook Shareholder would otherwise be entitled would include a fractional share, then the number of Cequence Shares that such Donnybrook Shareholder is entitled to receive shall be rounded down to the next whole number, and Donnybrook shall be entitled to retain such fractional interest.

Interests of Directors and Executive Officers in the Arrangement

The directors and executive officers of Donnybrook may have interests in the Arrangement that are, or may be, different from, or in addition to, the interests of other Donnybrook Shareholders as described herein. The Donnybrook Board was aware of these interests and considered them, among other matters described under the heading "*The Arrangement – Reasons for the Arrangement*", when recommending approval of the Arrangement by Donnybrook Shareholders.

Donnybrook Securities Ownership

The chart below sets forth the Donnybrook Shares and Donnybrook Options which the directors and executive officers of Donnybrook beneficially own, directly or indirectly, or exercise control or direction over, as of March 15, 2013. All of the Donnybrook Shares held by the directors and executive officers of Donnybrook will be voted in favour of the Arrangement Resolution pursuant to the terms of the Donnybrook Lock-up Agreements and will be treated in the same fashion under the Arrangement as Donnybrook Shares held by any other Donnybrook Shareholder:

Name and Position	Donnybrook Shares Held[(1)]	Donnybrook Options Held[(2)]
Malcolm F. W. Todd President, Chief Executive Officer and Director	4,700,000 (2.42%)	2,235,500 (13.18%)
Robert H.O. Todd Chief Financial Officer	4,650,001 (2.40%)	2,235,500 (13.18%)
Murray Scalf Chief Operating Officer and Director	3,998,189 (2.06%)	2,235,500 (13.18%)
Randy Kwasnicia Director	3,036,631 (1.57%)	1,635,000 (9.64%)

Name and Position	Donnybrook Shares Held[1]	Donnybrook Options Held[2]
Ken Stephenson Director	2,660,000 (1.37%)	1,635,000 (9.64%)
David Patterson Director and Chairman	3,205,601 (1.65%)	2,235,500 (13.18%)
Colin Watt Director	1,950,000 (1.00%)	1,787,500 (10.54%)
Total	**24,190,419** **(12.48%)**	**13,999,500** **(82.55%)**

Notes:
(1) Percentages based on 193,836,066 Donnybrook Shares outstanding as of March 15, 2013.
(2) Percentages based on 16,958,500 Donnybrook Options outstanding as of March 15, 2013.

Lock-Up Agreements

The directors and officers of Donnybrook, who, as at March 15, 2013, beneficially owned or exercised control or direction over, an aggregate of 24,190,419 Donnybrook Shares (representing an aggregate of approximately 12.5% of the issued and outstanding Donnybrook Shares), have entered into Donnybrook Lock-Up Agreements. Pursuant to the Donnybrook Lock-Up Agreements, each director and officer of Donnybrook has agreed:

(a) to vote, or cause to be voted, all of the Owned Shares (as defined in the Donnybrook Lock-up Agreements):

  (i) in favour of any and all resolutions to approve or implement the Asset Exchange and any actions required in furtherance of the actions contemplated thereby; and

  (ii) against any action that could impede, interfere, discourage, reduce the likelihood of, or delay completion of the Asset Exchange and/or any element thereof, including without limitation, not to tender any of the Owned Shares under any other offer or transaction, and not to take any action that would or could result in the Owned Shares not being voted in accordance with the Donnybrook Lock-up Agreement;

(b) not to, directly or indirectly, sell, transfer, gift, assign, pledge, hypothecate, encumber, option or otherwise dispose of any of the Owned Shares or the voting rights attached thereto, or enter into any agreement, arrangement or understanding in connection therewith, or grant to any person or company any option, or any right or privilege capable of becoming an agreement, arrangement, understanding or option for the purchase, acquisition or transfer from the Donnybrook Shareholder of any of the Owned Shares or any interest therein or right thereto, without having first obtained the prior written consent of Cequence;

(c) not to grant or agree to grant any proxy or other voting right to any of the Owned Shares, or enter into any voting trust, voting agreement, pooling agreement or other agreement with respect to the right to vote, or give consents or approvals of any kind with respect to, the Owned Shares, which would, in either case, impair the Donnybrook Shareholder's ability to perform its obligations under the Donnybrook Lock-up Agreement; or

(d) that, if Donnybrook and Cequence mutually agree that it is necessary or desirable to proceed with another form of transaction (an "**Alternative Transaction**"), the Donnybrook Shareholder will support the completion of such Alternative Transaction in the same manner as the Asset Exchange in accordance with the terms and conditions of the Donnybrook Lock-up Agreement.

Each Donnybrook Lock-Up Agreement terminates on the earliest of: (a) upon mutual written consent of Cequence and the Donnybrook Shareholder; (b) the Effective Time; (c) the time at which the Arrangement Agreement is terminated in accordance with its terms; and (d) May 15, 2013.

Stock Exchange Approvals

The Arrangement

The TSXV has conditionally approved the Arrangement. Approval of the TSXV is subject to Donnybrook fulfilling all of the requirements of the TSXV.

The TSXV has determined that the Due Bill trading procedure will be used in connection with the distribution of the Cequence Shares to Donnybrook Shareholders pursuant to the Arrangement. As a result of the use of Due Bills, any Donnybrook Shareholder who purchases their Donnybrook Shares on the TSXV in the period two days prior to the Effective Date up to and including the payment date of the Cequence Shares issuable pursuant to the Arrangement will be entitled to receive the Cequence Shares notwithstanding that such purchase will not settle until after the Effective Date. Any trades that are executed during this period will be automatically flagged to ensure that such purchasers receive the entitlement to the Cequence Shares and the sellers do not. See "*Procedure for the Receipt of Cequence Shares - Information Concerning Due Bills*".

Cequence Shares

The Cequence Shares are listed on the TSX under the symbol "CQE". It is a condition precedent to the completion of the Arrangement that the TSX will have conditionally approved the listing of the Cequence Shares to be issued pursuant to the Arrangement. The TSX has conditionally approved the listing of the Cequence Shares issuable pursuant to the Arrangement. Listing will be subject to Cequence fulfilling all of the requirements of the TSX.

Procedure for the Arrangement Becoming Effective

Procedural Steps

The Arrangement is proposed to be carried out pursuant to Section 193 of the ABCA. The following procedural steps must be taken for the Arrangement to become effective:

(a) the Arrangement must be approved by the Donnybrook Shareholders in the manner set forth in the Interim Order;

(b) the Court must grant the Final Order approving the Arrangement;

(c) all conditions precedent to the Arrangement, as set forth in the Arrangement Agreement, must be satisfied or waived by the appropriate Party;

(d) the Final Order and Articles of Arrangement in the form prescribed by the ABCA must be filed with the Registrar; and

(e) the Certificate of Arrangement giving effect to the Arrangement must be issued.

Donnybrook Shareholder Approval

At the Meeting, pursuant to the Interim Order, Donnybrook Shareholders will be asked to approve the Arrangement Resolution. Each Donnybrook Shareholder shall be entitled to vote on the Arrangement Resolution, with the Donnybrook Shareholders entitled to one vote per Donnybrook Share held. The requisite approval for the Arrangement Resolution is not less than 66⅔% of the votes cast on the Arrangement Resolution by the Donnybrook Shareholders present in person or represented by proxy at the Meeting. The Arrangement Resolution must receive the requisite Donnybrook Shareholder approval in order for Donnybrook to seek the Final Order and implement the Arrangement on the Effective Date in accordance with the terms of the Final Order.

For information with respect to the procedures for Donnybrook Shareholders to follow to receive their consideration pursuant to the Arrangement, see "*Procedure for the Receipt of Cequence Shares*".

See also "*The Arrangement*" and "*General Proxy Matters – Procedure and Votes Required*".

Court Approval

Interim Order

On March 15, 2013, the Court granted the Interim Order directing the calling of the Meeting and prescribing the conduct of the Meeting and other matters. The Interim Order is attached as Appendix B to this Information Circular.

Final Order

The ABCA provides that a plan of arrangement requires Court approval. Subject to the terms of the Arrangement Agreement, and if the Arrangement Resolution is approved by the Donnybrook Shareholders at the Meeting in the manner required by the Interim Order, Donnybrook will make application to the Court for the Final Order.

The application for the Final Order approving the Arrangement is scheduled for April 15, 2013 at 2:00 p.m. (Calgary time), or as soon thereafter as counsel may be heard, at the Calgary Courts Centre, 601 – 5th Street S.W., Calgary, Alberta. At the hearing, any Donnybrook Shareholder and any other interested party who wishes to participate or to be represented or to present evidence or argument may do so, subject to filing with the Court and serving upon Donnybrook a Notice of Intention to Appear together with any evidence or materials that such party intends to present to the Court on or before 12:00 noon (Calgary time) on April 8, 2013. **Service of such notice shall be effected by service upon the solicitors for Donnybrook: Borden Ladner Gervais LLP, Centennial Place, East Tower, 1900, 520 – 3rd Avenue S.W., Calgary, Alberta T2P 0R3, Attention: David T. Madsen. See the Notice of Originating Application accompanying this Information Circular.**

The Court has been advised that the Final Order, if granted, will constitute the basis for an exemption from the registration requirements of the U.S. Securities Act, pursuant to Section 3(a)(10) thereof, with respect to the distribution of the Cequence Shares issuable and distributable to Donnybrook Shareholders pursuant to the Arrangement.

Donnybrook has been advised by its counsel, Borden Ladner Gervais LLP, that the Court has broad discretion under the ABCA when making orders with respect to plans of arrangement and that the Court will consider, among other things, the fairness and reasonableness of the Arrangement, both from a substantive and a procedural point of view. The Court may approve the Arrangement either as proposed or as amended in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court thinks fit.

Depending upon the nature of any required amendments, the Corporation and/or Cequence may determine not to proceed with the Arrangement.

Timing

If the Meeting is held as scheduled and is not adjourned or postponed and the other necessary conditions at that point in time are satisfied or waived, Donnybrook will apply for the Final Order approving the Arrangement. If the Final Order is obtained on April 15, 2013 in form and substance satisfactory to the Corporation and Cequence, and all other conditions set forth in the Arrangement Agreement are satisfied or waived, including the receipt of all required Regulatory Approvals, the Corporation currently expects the Effective Date to occur on April 15, 2013. It is not possible, however, to state with certainty when the Effective Date will occur. The Effective Date could be delayed for a number of reasons, including an objection before the Court at the hearing of the application for the Final Order on April 15, 2013 or the failure to obtain all Regulatory Approvals in the time-frames anticipated.

The Arrangement will become effective upon the filing with the Registrar of the Articles of Arrangement and a copy of the Final Order, together with such other materials as may be required by the Registrar.

THE ARRANGEMENT AGREEMENT

The following is a summary only of the material terms of the Arrangement Agreement and is subject to, and qualified in its entirety by, the full text of the Arrangement Agreement. Donnybrook Shareholders are urged to read the Arrangement Agreement including the Plan of Arrangement in its entirety. A copy of the Arrangement Agreement is attached as Appendix C to this Information Circular and the Plan of Arrangement is attached to the Arrangement Agreement as Schedule A.

Mutual Covenants Regarding the Arrangement

Each of the Parties has given usual and customary mutual covenants for an agreement of the nature of the Arrangement Agreement, including: a mutual convent not to take, or cause to be taken, any action or cause anything to be done that would cause its obligations under the Arrangement Agreement not to be fulfilled in a timely manner, take any action, refrain from taking any commercially reasonable action, or permit any action to be taken or commercially reasonable action to not be taken, which is inconsistent with the Arrangement Agreement or which would render or may reasonably be expected to render any representation or warranty made by it in the Arrangement Agreement untrue in any material respect prior to the Effective Date or which would reasonably be expected to materially impede the consummation of the Arrangement or to prevent or delay the consummation of the transactions contemplated by the Arrangement Agreement, in each case, except as permitted by the Arrangement Agreement; take or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under Applicable Laws to complete the Arrangement; not conduct any activity or operations which might directly or indirectly interfere with or adversely affect the consummation of the Plan of Arrangement; and not take any action, refrain from taking any action, permit any action to be taken or not taken, inconsistent with the Arrangement Agreement, which might directly or indirectly interfere with or adversely affect the consummation of the Plan of Arrangement.

Covenants of the Corporation

The Corporation has given, in favour of Cequence, usual and customary covenants for an agreement of the nature of the Arrangement Agreement, including: convening and holding the Meeting; providing certain indemnification to Cequence and its directors, officers, employees, advisors and agents including with respect to any misrepresentation in this Information Circular other than in respect of information provided by Cequence or Donnybrook not complying with Applicable Laws in connection with the Arrangement; using reasonable commercial efforts to take all necessary actions to give effect to the transaction contemplated by the Arrangement Agreement and the Plan of Arrangement; ensuring that it has available funds to permit the payment of the Donnybrook Termination Fee; furnishing to Cequence with certain timely information; and making all necessary filings and applications under Applicable Laws for all Regulatory Approvals.

Covenants of Cequence

Cequence have given, in favour of the Corporation, usual and customary covenants for an agreement of the nature of the Arrangement Agreement, including: using reasonable commercial efforts to give effect to the transactions contemplated by the Arrangement Agreement and the Plan of Arrangement; providing certain indemnification to the Corporation and its directors, officers, employees, advisors and agents including with respect to any misrepresentation in this Information Circular in information provided by Cequence, or Cequence not complying with Applicable Laws in connection with the Arrangement; furnishing the Corporation with certain timely information; making all necessary filings and applications under Applicable Laws for all Regulatory Approvals; and ensuring that it has available funds to permit the payment of the Cequence Termination Fee.

Covenants of the Corporation Regarding Non-Solicitation

The Corporation has provided certain non-solicitation covenants in favour of Cequence as follows (the "**Non-Solicitation Covenants**"):

(a) Donnybrook shall immediately cease and cause to be terminated all existing discussions and negotiations, including through any of its Representatives, if any, with any parties conducted before the date of the Arrangement Agreement with respect to any Acquisition Proposal and, in connection therewith,

Donnybrook shall discontinue access to any of its confidential information in respect of the Donnybrook Assets (and not establish or allow access to any of its confidential information, or any data room, virtual or otherwise,. In respect of the Donnybrook Assets) and shall immediately request (and exercise all rights it has to require) the return or destruction of all information provided to any third parties who have entered into a confidentiality agreement with Donnybrook relating to an Acquisition Proposal and shall request (and exercise all rights to require) the destruction of all material including or incorporating or otherwise reflecting any confidential information regarding the Donnybrook Assets and shall use all reasonable commercial efforts to ensure that such requests are honoured. Donnybrook agrees that it shall not terminate, waive, amend or modify any provision of any existing confidentiality agreement relating to an Acquisition Proposal or any standstill agreement to which it is a party (it being acknowledged and agreed that the automatic termination of any standstill provisions of any such agreement as the result of the entering into an announcement of the Arrangement Agreement by Donnybrook, pursuant to the express terms of any such agreement, shall not be a violation of this paragraph (a)). Donnybrook undertakes to enforce all standstill, non-disclosure, non-disturbance, non-solicitation and similar covenants that it has entered into prior to the date of the Arrangement Agreement.

(b) Donnybrook shall not, directly or indirectly, do or authorize or permit any of its Representatives to do, any of the following:

(i) solicit, facilitate, initiate, encourage or take any action to solicit, facilitate, initiate, entertain or encourage any inquiries or communication regarding or the making of any proposal or offer that constitutes or may constitute an Acquisition Proposal, including by way of furnishing information;

(ii) enter into or participate in any negotiations or initiate any discussion regarding an Acquisition Proposal, or furnish to any other person any information with respect to its businesses, properties, operations or conditions (financial or otherwise) in connection with an Acquisition Proposal or otherwise cooperate in any way with, or assist or participate in, facilitate or encourage, any effort or attempt of any other person to do or seek to do any of the foregoing;

(iii) waive, modify or release any party from or otherwise forbear in the enforcement of, or enter into or participate in any discussions, negotiations or agreements to waive, modify or release any party from or otherwise forbear in respect of, and rights or other benefits under confidential information agreements, including without limitation any "standstill provisions" thereunder; or

(iv) accept, recommend, approve, agree to, endorse or propose to accept, recommend, approve, agree to or endorse, or enter into an agreement to implement an Acquisition Proposal;

provided, however, that notwithstanding any other provision of the Arrangement Agreement, Donnybrook and its Representatives may prior to the Outside Date:

(v) enter into or participate in any discussions or negotiations with a third party who (without any solicitation, initiation or encouragement, directly or indirectly, after the date of the Arrangement Agreement, by Donnybrook or any of its Representatives) seeks to initiate such discussions or negotiations and, subject to execution of a confidentiality and standstill agreement acceptable to Cequence, may furnish to such third party information concerning Donnybrook and its business, properties and assets, in each case if, and only to the extent that:

(A) the third party has first made a written bona fide Acquisition Proposal that the Donnybrook Board determines in good faith, after consultation with its outside financial advisors, is or would be reasonably expected to be a Superior Proposal;

(B) prior to furnishing such information to or entering into or participating in any such negotiations or initiating any discussions with such third party, Donnybrook shall: (1) provide prompt notice to Cequence to the effect that it is furnishing information to or entering into or participating in discussions or negotiations with such person or entity together with a copy of the confidentiality and standstill agreement referenced above and if not previously provided to Cequence, copies of all information provided to such third

party concurrently with the provision of such information to such third party; and (2) notify Cequence orally and in writing of any inquiries, offers or proposals with respect to an actual or contemplated Superior Proposal (which written notice shall include a summary of the details of such proposal (and any amendments or supplements thereto), the identity of the person making it, if not previously provided to Cequence, copies of all information provided to such party and all other information reasonably requested by Cequence), within 24 hours of the receipt thereof. Donnybrook shall also keep Cequence informed of the status and details of any such inquiry, offer or proposal and answer Cequence's questions with respect thereto;

(vi) to the extent applicable, comply with Multilateral Instrument 62-104 - *Take-over Bids and Issuer Bids* and similar provisions under Applicable Laws relating to the provision of directors' circulars and make appropriate disclosure with respect thereto to its securityholders; and

(vii) accept, recommend, approve or enter into an agreement to implement a Superior Proposal from a third party, but only if prior to such acceptance, recommendation, approval or implementation: (1) the Donnybrook Board shall have concluded in good faith, after considering all proposals to adjust the terms and conditions of the Arrangement Agreement and after receiving the advice of outside counsel as reflected in minutes of the Donnybrook Board, that the taking of such action is necessary for the Donnybrook Board in discharge of its fiduciary duties under Applicable Laws; (2) Donnybrook complies with its obligations set forth in paragraph (c) below; and (3) Donnybrook terminates the Arrangement Agreement in accordance with subsection 7.2(a)(viii) of the Arrangement Agreement and concurrently therewith pays the Cequence Termination Fee.

(c) Following receipt of a Superior Proposal, Donnybrook shall give Cequence, orally and in writing, at least five complete Business Days advance notice of any decision by the Donnybrook Board to accept, recommend, approve or enter into an agreement to implement a Superior Proposal, which notice shall: (1) confirm that the Donnybrook Board has determined that such Acquisition Proposal constitutes a Superior Proposal; (2) identify the third party making the Superior Proposal; (3) provide a true and complete copy thereof including all financing documents and any amendments thereto; and (4) confirm that the Donnybrook Board will unconditionally accept, recommend, approve or enter into the agreement to implement the Superior Proposal in the form provided to Cequence following the expiry of such five Business Day period if Cequence and its financial and legal advisors have not made such adjustments in the terms and conditions of the Arrangement Agreement and the Arrangement as would enable Donnybrook to proceed with the Arrangement as amended rather than the Superior Proposal. During such five Business Day period, Donnybrook agrees not to accept, recommend, approve or enter into any agreement to implement such Superior Proposal and not to release the party making the Superior Proposal from any standstill provisions and shall not withdraw, redefine, modify or change its recommendation in respect of the Arrangement. In addition, during such five Business Day period, Donnybrook shall, and shall cause its financial and legal advisors to, negotiate in good faith with Cequence and its financial and legal advisors to make such adjustments in the terms and conditions of the Arrangement Agreement and the Arrangement as would enable Donnybrook to proceed with the Arrangement as amended rather than the Superior Proposal. In the event that Cequence proposes to amend the Arrangement Agreement and the Arrangement on a basis such that the Donnybrook Board determines that the proposed transaction is no longer a Superior Proposal or to provide Donnybrook and the holders of Donnybrook Shares with consideration equal to or having a value greater than the value being provided in the Superior Proposal and so advises the Donnybrook Board prior to the expiry of such five Business Day period, the Donnybrook Board shall not accept, recommend, approve or enter into any agreement to implement such Superior Proposal and shall not release the party making the Superior Proposal from any standstill provisions and shall not withdraw, redefine, modify or change its recommendation in respect of the Arrangement. Notwithstanding the foregoing, and for greater certainty, Cequence shall have no obligation to make or negotiate any changes to the Arrangement Agreement or the Arrangement in the event that Donnybrook is in receipt of a Superior Proposal.

(d) Cequence agrees that all information that may be provided to it by Donnybrook with respect to any Acquisition Proposal pursuant to the Non-Solicitation Covenants will be treated as if it were confidential information and will not be disclosed or used except in order to enforce its rights under the Arrangement Agreement in legal proceedings.

(e) Donnybrook shall ensure that its Representatives are aware of the Non-Solicitation Covenants and Donnybrook shall be responsible for any breach of the Non-Solicitation Covenants by its Representatives.

(f) In the event that Donnybrook provides the notice contemplated by paragraph (c) above on a date which is less than five Business Days prior to the Meeting, Cequence shall be entitled to require Donnybrook to adjourn or postpone the Meeting to a date that is not more than ten Business Days after the date of such notice.

(g) Notwithstanding any other provision of the Arrangement Agreement, promptly, and in any event within one Business Day after the receipt by Donnybrook or by its Representatives of any Acquisition Proposal, or any material amendments to such Acquisition Proposal, or any request for non-public information relating to Donnybrook, Donnybrook shall notify Cequence at first orally and then in writing, and such written notification shall include a copy of any Acquisition Proposal or material amendments to such Acquisition Proposal.

Representations and Warranties

Each of the Corporation and Cequence made certain customary representations and warranties in the Arrangement Agreement, including representations and warranties related to their due organization and qualification and authorization to enter into the Arrangement Agreement and carry out their obligations thereunder. The representations and warranties are, in some cases, subject to specified exceptions and qualifications.

Conditions of Closing

Mutual Conditions

The Arrangement Agreement provides that the respective obligations of the Parties to consummate the transactions contemplated thereby are subject to the satisfaction of the following conditions:

(a) the Interim Order shall not have been set aside or modified in a manner unacceptable to Donnybrook and Cequence, acting reasonably, and such order will not have been set aside or modified in a manner unacceptable to Donnybrook or Cequence, each acting reasonably, on appeal or otherwise;

(b) the Arrangement Resolution shall have been approved by the Donnybrook Shareholders at the Meeting in accordance with the Interim Order;

(c) the Final Order will have been granted by the Outside Date in form and substance satisfactory to Donnybrook and Cequence, acting reasonably, and such order will not have been set aside or modified in a manner unacceptable to Donnybrook or Cequence, each acting reasonably, on appeal or otherwise;

(d) the closing of the transactions under the Asset Exchange Agreement including the transfer of the Donnybrook Assets from Donnybrook to Cequence, the transfer of the Cequence Assets from Cequence to Donnybrook and the issuance of 10,300,000 Cequence Shares to Donnybrook shall have been completed pursuant to the terms of the Asset Exchange Agreement;

(e) the TSX shall have conditionally approved the listing of the Cequence Shares issuable pursuant to the Asset Exchange Agreement;

(f) the TSXV shall have conditionally approved the completion of the transactions under the Asset Exchange Agreement and the Arrangement Agreement;

(g) each of Donnybrook and Cequence shall have obtained all consents, waivers, permissions and approvals necessary to complete the transactions provided for in the Arrangement Agreement and the Plan of Arrangement by or from relevant Governmental Authorities, on terms and conditions satisfactory to the Parties, acting reasonably;

(h) the Effective Date will be on or before the Outside Date;

(i) no action shall have been instituted and be continuing on the Effective Date for an injunction to restrain, a declaratory judgment in respect of, or damages on account of, or relating to, the Plan of Arrangement and there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by the Arrangement Agreement and no cease trading or similar order with respect to any securities of any of the Parties shall have been issued and remain outstanding; and

(j) no law, regulation or policy shall have been proposed, enacted, promulgated or applied which interferes or is inconsistent with the completion of the Plan of Arrangement, including, without limitation, any material change to the income tax laws of Canada, which would have a material adverse effect upon Donnybrook Shareholders if the Plan of Arrangement is completed.

Additional Conditions in Favour of the Corporation

The Arrangement Agreement provides that the obligation of the Corporation to consummate the transactions contemplated thereby, and in particular the Arrangement, is subject to the following conditions:

(a) the representations and warranties of Cequence set forth in the Arrangement Agreement and the Asset Exchange Agreement will be true and correct (for representations and warranties qualified as to materiality, true and correct in all respects, and for all other representations and warranties, true and correct in all material respects) as of the date of the Arrangement Agreement and as of the Effective Date as if made on and as of such date (except to the extent such representations and warranties speak as of an earlier date, the accuracy of which will be determined as of that specified date), and Cequence will have provided to Donnybrook a certificate of two senior officers or authorized signatories certifying such accuracy;

(b) Cequence will have complied in all material respects with its covenants in the Arrangement Agreement and in the Asset Exchange Agreement, and Cequence will have provided to Donnybrook a certificate of two senior officers or authorized signatories certifying compliance with such covenants;

(c) Cequence shall have provided Donnybrook with a certified copy of the resolution duly passed by the board of directors of Cequence approving the Arrangement Agreement, the Asset Exchange Agreement and the consummation of the transactions contemplated thereunder;

(d) Cequence shall not be in breach of its obligations under the Arrangement Agreement or the Asset Exchange Agreement, which breach would, or would reasonably be expected to materially impeded the completion of the Arrangement; and

(e) holders of Donnybrook Shares representing not more than 5.0% of the Donnybrook Shares then outstanding will have validly exercised, and not withdrawn, Dissent Rights.

The foregoing conditions are for the exclusive benefit of Donnybrook and may be asserted by Donnybrook regardless of the circumstances or may be waived by Donnybrook in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Donnybrook may have.

Additional Conditions in Favour of Cequence

The Arrangement Agreement provides that the obligation of Cequence to consummate the transactions contemplated thereby, and in particular the Arrangement, is subject to the following conditions:

(a) the representations and warranties of Donnybrook set forth in the Arrangement Agreement and the Asset Exchange Agreement will be true and correct (for representations and warranties qualified as to materiality, true and correct in all respects, and for all other representations and warranties, true and correct in all material respects) as of the date of the Arrangement Agreement and as of the Effective Date as if made on and as of such date (except to the extent such representations and warranties speak as of an earlier date, the

accuracy of which will be determined as of that specified date), and Donnybrook will have provided to Cequence a certificate of two senior officers or authorized signatories certifying such accuracy;

(b) Donnybrook will have complied in all material respects with its covenants in the Arrangement Agreement and in the Asset Exchange Agreement, and Donnybrook will have provided to Cequence a certificate of two senior officers or authorized signatories certifying compliance with such covenants;

(c) Donnybrook shall have provided Cequence with:

(i) certified copies of the resolutions duly passed by the Donnybrook Board approving the Arrangement Agreement, the Asset Exchange Agreement and the consummation of the transactions contemplated thereunder; and

(ii) certified copies of the resolutions of Donnybrook Shareholders, duly passed at the Meeting, approving the Arrangement Resolution; and

(d) Donnybrook shall not be in breach of its obligations under the Arrangement Agreement or the Asset Exchange Agreement, which breach would, or would reasonably be expected to materially impede the completion of the Arrangement.

The foregoing conditions are for the exclusive benefit of Cequence and may be asserted by Cequence regardless of the circumstances or may be waived by Cequence in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Cequence may have.

Termination of the Arrangement Agreement

The Arrangement Agreement may be terminated at any time prior to the Effective Date:

(a) by mutual written consent of the Parties;

(b) by either Donnybrook or Cequence if the Arrangement Resolution shall have failed to receive the requisite vote at the Meeting (including any adjournment or postponement thereof) in accordance with the Interim Order;

(c) by either Donnybrook or Cequence if the transactions contemplated by the Asset Exchange Agreement shall not have been consummated on or prior to the Outside Date;

(d) by either the Donnybrook or Cequence, if the Effective Time shall not have occurred on or prior to the Outside Date, except that the right to terminate the Arrangement Agreement under this paragraph (d) shall not be available to any Party whose failure to fulfill any of its obligations has been the cause of, or resulted in, the failure of the Effective Time to occur by such date;

(e) as provided in Section 5.4 of the Arrangement Agreement; provided that the Party seeking termination is not then in breach of the Arrangement Agreement so as to cause any of the conditions set forth in Sections 5.1, 5.2 and 5.3 of the Arrangement Agreement, as applicable, not to be satisfied;

(f) by Cequence upon the occurrence of a Cequence Damages Event as provided in Section 6.1 of the Arrangement Agreement;

(g) by Donnybrook upon the occurrence of a Donnybrook Damages event as provided in Section 6.2 of the Arrangement Agreement; or

(h) by Donnybrook if it accepts, recommends, approves or enters into an agreement to implement a Superior Proposal; provided that Donnybrook: (i) has complied with its obligations set forth in the Non-Solicitation Covenants; and (ii) concurrently pays the Cequence Termination Fee.

If the Arrangement Agreement is terminated in accordance with any of the foregoing provisions, the Arrangement Agreement shall forthwith become void and neither Party shall have any liability or further obligation to and of the other Party hereunder except with respect to the obligations set forth in or otherwise specified in Article 6 of the Arrangement Agreement which shall survive such termination provided that neither the termination of the Arrangement Agreement nor anything contained in this paragraph shall relieve either Party from any liability for any breach by it of the Arrangement Agreement, including from any inaccuracy in any of its representations and warranties and any non-performance by it of its covenants made in the Arrangement Agreement, prior to the date of such termination.

Termination Fee in Favour of Cequence

The Arrangement Agreement specifies that, if at any time after the execution of the Arrangement Agreement and provided that there is no unresolved material breach or non-performance by Cequence of any of its covenants, agreements, representations and warranties in the Arrangement Agreement:

(a) the Donnybrook Board fails to unanimously recommend, or changes, withdraws or modifies any of their recommendations or determinations in a manner adverse to Cequence or shall have resolved to do so prior to the Effective Date, or has failed to publicly reconfirm any such recommendation upon the written request of Cequence prior to the earlier of 72 hours following such request (or in the event that the Meeting to approve the Arrangement is scheduled to occur within such 72 hour period, prior to the Meeting), or otherwise fails to mail the Information Circular to the Donnybrook Shareholders containing the recommendations or determinations referred to in the Arrangement Agreement;

(b) (i) a bona fide Acquisition Proposal (or bona fide intention to make one) is publicly announced, proposed, offered or made to the Donnybrook Shareholders or to Donnybrook or any person shall have publicly announced an intention to make a bona fide Acquisition Proposal prior to the termination of the Arrangement Agreement; (ii) after such Acquisition Proposal shall have been made known, made or announced, the Donnybrook Shareholders do not approve the Arrangement, the Arrangement is not submitted for their approval or the Arrangement is not otherwise completed in the manner contemplated in the Arrangement Agreement; and (iii) within twelve months of the date the first Acquisition Proposal is publicly announced, proposed, offered or made a definitive agreement relating to any Acquisition Proposal is entered into or any Acquisition Proposal is consummated or effected;

(c) the Donnybrook Board fails to promptly reaffirm any of its resolutions, recommendations or determinations within 72 hours following the day that an Acquisition Proposal is publicly announced;

(d) Donnybrook accepts, recommends, approves or enters into an agreement to implement a Superior Proposal; or

(e) Donnybrook breaches any of its representations, warranties or covenants made in the Arrangement Agreement (without giving effect to the materiality qualifiers contained therein) which breach individually or in the aggregate causes or would reasonably be expected to materially impede the completion of the Arrangement and Donnybrook fails to cure such breach within five Business Days after receipt of written notice thereof from Cequence (except that no cure period shall be provided for a breach which by its nature cannot be cured and, in no event, shall any cure period extend beyond the Outside Date);

(each of the above being a "**Cequence Damages Event**"), then in the event of the termination of the Arrangement Agreement pursuant to Section 7.2(a)(vi) and Section 7.2(a)(viii) thereof as a result thereof, Donnybrook shall pay to Cequence $1,000,000 (the "**Cequence Termination Fee**") as liquidated damages in immediately available funds to an account designated by Cequence within two Business Days following Cequence's demand therefor, and after such event but prior to payment of such amount, Donnybrook shall be deemed to hold such funds in trust for Cequence. Donnybrook shall only be obligated to pay a maximum of $1,000,000 pursuant to the foregoing.

Termination Fee in Favour of Donnybrook

The Arrangement Agreement specifies that, if at any time after the execution of the Arrangement Agreement and provided there is no unresolved material breach or non-performance by Donnybrook of any of its covenants,

agreements, representations and warranties in the Arrangement Agreement, Cequence breaches any of its representations, warranties or covenants made in the Arrangement Agreement (without giving effect to the materiality qualifiers contained therein) which breach individually or in the aggregate causes or would reasonably be expected to materially impede the completion of the Arrangement and Cequence fails to cure such breach within five Business Days after receipt of written notice thereof from Donnybrook (except that no cure period shall be provided for a breach which by its nature cannot be cured and, in no event, shall any cure period extend beyond the Outside Date) (a "**Donnybrook Damages Event**"), then in the event of the termination of the Arrangement Agreement pursuant to Section 7.2(a)(vii) thereof as a result thereof, Cequence shall pay to Donnybrook $1,000,000 (the "**Donnybrook Termination Fee**") as liquidated damages in immediately available funds to an account designated by Donnybrook within two Business Days following Donnybrook's demand therefor, and after such event but prior to payment of such amount, Cequence shall be deemed to hold such funds in trust for Donnybrook. Cequence shall only be obligated to pay a maximum of $1,000,000 pursuant to the foregoing.

Amendment

The Arrangement Agreement may, at any time and from time to time before and after the holding of the Meeting, but not later than the Effective Date, be amended by the written agreement of the Parties without, subject to applicable law, further notice to or authorization on the part of their respective shareholders. Without limiting the generality of the foregoing, any such amendment may:

(a) waive compliance with or modify any of the covenants contained in the Arrangement Agreement or waive or modify performance of any of the obligations of the Parties or satisfaction of any of the conditions precedent set forth in Article 5 of the Arrangement Agreement;

(b) waive any inaccuracies or modify any representation contained in the Arrangement Agreement or in any document to be delivered pursuant to the Arrangement Agreement;

(c) change the time for performance of any of the obligations, covenants or other acts of the Parties; or

(d) make such alterations in the Arrangement Agreement as the Parties may consider necessary or desirable in connection with the Interim Order or otherwise,

provided that no such amendment reduces or materially adversely affects the consideration to be received by the Donnybrook Shareholders without approval by the affected Donnybrook Shareholders given in the same manner as required for the approval of the Arrangement or as may be ordered by the Court.

THE ASSET EXCHANGE AGREEMENT

The following is a summary only of the material terms of the Asset Exchange Agreement and is subject to, and qualified in its entirety by, the full text of the Asset Exchange Agreement. Donnybrook Shareholders are urged to read the Asset Exchange Agreement, a copy of which has been filed under Donnybrook's company profile on SEDAR.

The completion of the Arrangement is subject to the closing of the transactions under the Asset Exchange Agreement. Unless otherwise indicated, capitalized terms used in this section but not otherwise defined in the "*Glossary of Terms*" shall have the meanings ascribed thereto in the Asset Exchange Agreement.

Conveyance of the Assets

The completion of the Arrangement is conditional upon the closing of the transactions under the Asset Exchange Agreement including that the transfer of the Donnybrook Assets from Donnybrook to Cequence, the transfer of the Cequence Assets from Cequence to Donnybrook and the issuance of 10,300,000 Cequence Shares to Donnybrook shall have been completed pursuant to the terms of the Asset Exchange Agreement. See "*The Arrangement Agreement – Conditions of Closing*".

The Consideration

The consideration payable by Donnybrook to Cequence for the transfer of the Cequence Assets and the Cequence Shares (the "**Donnybrook Consideration**") shall be payable by Donnybrook to Cequence as follows: (i) the transfer of the Donnybrook Assets to Cequence; and (ii) if applicable, the payment of any apportionments pursuant to Section 6.1 of the Asset Exchange Agreement.

The consideration payable by Cequence to Donnybrook for the transfer of the Donnybrook Assets (the "**Cequence Consideration**") shall be payable by Cequence to Donnybrook as follows: (i) the transfer of the Cequence Assets to Donnybrook; (ii) the issuance of the Cequence Shares to Donnybrook; and (iii) if applicable, the payment of any apportionments pursuant to Section 6.1 of the Asset Exchange Agreement.

Except as provided under Section 6.1 of the Asset Exchange Agreement, the net amount of all revenues and benefits and expenditures and obligations of every kind and nature relating to the ownership and operation of the Assets and accruing in respect of the Assets, including rentals, drilling penalties, property taxes, maintenance, development, capital and operating costs, royalties, the proceeds from the sale of production and revenues from processing and transportation fees charged to Third Parties, shall be apportioned between the Transferor and the Transferee as of the Adjustment Date on an accrual basis using generally accepted accounting principles. Proceeds (net of royalties) from the sale of Petroleum Substances attributable to the Petroleum and Natural Gas Rights produced between the Adjustment Date and the Closing Date shall be for the account of the Transferee.

Interim Period Matters

Each of the Parties has provided the other Party with covenants with respect to the maintenance of the Assets; dealings by the Transferor with respect to the Assets; providing copies of notices received in connection with the Assets; access to books and records relating to the Assets; furnishing financial and operating information relating to the Assets and obtaining required consents to the disposition of the Assets.

In addition, Cequence has provided certain covenants regarding the operations of its business including conducting its business in the usual and ordinary course, consistent with past practices.

Representations and Warranties

Each of the Corporation and Cequence made certain customary representations and warranties in the Asset Exchange Agreement, including representations and warranties related to their due organization and qualification and authorization to enter into the Asset Exchange Agreement and carry out their obligations thereunder and with respect to the Assets. Cequence has also provided certain customary representations and warranties with respect to its business. The representations and warranties are, in some cases, subject to specified exceptions and qualifications.

Indemnified Liabilities

General Indemnities

Pursuant to the Asset Exchange Agreement, subject to the provisions under the heading "– *Environmental Indemnities*" below and certain limitation of claims under Section 9.3 of the Asset Exchange Agreement, Cequence:

(a) shall be liable to Donnybrook for Donnybrook's Losses; and

(b) as a separate covenant, shall indemnify and save Donnybrook and its Representatives harmless from and against all Losses that may be brought against them or which they may otherwise suffer, sustain pay or incur:

as a direct result of any act, omission, circumstance or other matter arising out of, resulting from, attributable to or connected with:

(c) any misrepresentation or breach of a representation, warranty or covenant of Cequence contained in the Asset Exchange Agreement; or

(d) provided Closing occurs, the ownership or operation of the Donnybrook Assets (other than Losses pertaining to Environmental Liabilities which are dealt with under "– *Environmental Indemnities*" below) arising or accruing from and after the Closing;

except any Losses insofar as they are caused by a breach of Donnybrook's representations, warranties or covenants contained in the Asset Exchange Agreement or by the gross negligence, fraud or willful misconduct of either Donnybrook or any of its Representatives.

Pursuant to the Asset Exchange Agreement, subject to the provisions under the heading "– *Environmental Indemnities*" below and certain limitation of claims under Section 9.3 of the Asset Exchange Agreement, Donnybrook:

(a) shall be liable to Cequence for Cequence's Losses; and

(b) as a separate covenant, shall indemnify and save Cequence and its Representatives harmless from and against all Losses that may be brought against them or which they may otherwise suffer, sustain pay or incur:

as a direct result of any act, omission, circumstance or other matter arising out of, resulting from, attributable to or connected with:

(c) any misrepresentation or breach of a representation, warranty or covenant of Donnybrook contained in the Asset Exchange Agreement; or

(d) provided Closing occurs, the ownership or operation of the Cequence Assets (other than Losses pertaining to Environmental Liabilities which are dealt with under "– *Environmental Indemnities*" below) arising or accruing from and after the Closing;

except any Losses insofar as they are caused by a breach of Cequence's representations, warranties or covenants contained in the Asset Exchange Agreement or by the gross negligence, fraud or willful misconduct of either Cequence or any of its Representatives.

Environmental Indemnities

Notwithstanding the provisions under the heading "– *General Indemnities*" above, provided Closing has occurred, the Transferor shall have no liability whatsoever for any Environmental Liabilities pertaining to the Assets except, to the extent related to a breach of the representations and warranties specifically made by the Transferor in Section 8.1 of the Asset Exchange Agreement. In this regard, provided Closing has occurred, the Transferee:

(a) shall be solely liable and responsible for all the Transferor's Losses; and

(b) as a separate covenant shall indemnify and save the Transferor and its Representatives harmless from and against all Losses that may be brought against or which they or any one of them may suffer, sustain, pay or incur;

as a result of any act, omission, matter or thing related to any Environmental Liabilities pertaining to the Assets, however and whenever arising or accruing, and the Transferee shall assume, perform, pay and discharge all such Environmental Liabilities. This liability and indemnity shall apply without limit and without regard to cause or causes, including the negligence, whether sole, concurrent, gross, active, passive, primary or secondary, or the willful or wanton misconduct of either the Transferor or the Transferee or any other Person or otherwise. The Transferee shall not be entitled to any rights or remedies as against the Transferor or its Representatives under the common law or statute in respect of any Environmental Liabilities pertaining to the Assets, including the right to

name the Transferor or its Representatives as a "third party" to any action commenced by any Person against the Transferee.

Nothing contained in the foregoing shall prejudice any claims or remedies that the Transferor may have against the Transferee in relation to such claim or remedy outside this contract, including rights and remedies under the common law or statute. Notwithstanding the foregoing, but subject to the limitations set out in Section 9.3 of the Asset Exchange Agreement, the liability of and indemnity provided by the Transferee in the foregoing paragraphs shall not apply to the extent related to a breach of the representations and warranties specifically made by the Transferor in Section 8.1 of the Asset Exchange Agreement.

Post-Closing Matters

Following Closing and to the extent that the Transferee must novated into, recognized as a party to or otherwise accepted as a transferee or assignee of the Transferor's interest in the Title and Operating Documents or otherwise recognized as the owner of any of the Assets, among other things, the Transferor shall hold title to such Assets as bare trustee for the Transferee, represent the Transferee and receive and hold, as bare trustee and agent of the Transferee, all proceeds, benefits and advantages accruing in respect of such Assets for the benefit, use and ownership of the Transferee, until that recognition, novation or acceptance has been effected

DESCRIPTION OF THE DONNYBROOK ASSETS

Unless otherwise indicated, capitalized terms used in this section but not otherwise defined in the "*Glossary of Terms*" shall have the meanings ascribed thereto in the Asset Exchange Agreement.

Pursuant to the Asset Exchange Agreement, the Donnybrook Assets include the Petroleum and Natural Gas Rights, the Tangibles and the Miscellaneous Interests where Donnybrook is the Transferor and includes the Corporation's interests in its Simonette and Resthaven oil and gas properties.

Simonette, Alberta

Donnybrook has interests in approximately 33 gross (16.5 net) sections; 8,448 gross (4,864 net) hectares of P&NG rights in this area located in the Deep Basin of west, central, Alberta and has developed several prospects which target liquids rich natural gas in the Montney formation. Donnybrook has 2 gross (0.75 net) Montney wells on production at Simonette.

Cequence, as operator, drilled and completed the Corporation's third Simonette Montney horizontal well at 1-11-61-27 W5M on a jointly held section (50% working interest) located in the southeast portion of the Corporation's contiguous land block and which was production tested in mid-February 2012 and was tied-in and put on production in March 2012. Total net well production to Donnybrook at Simonette is currently approximately 120 BOE/d from two producing Montney wells.

Resthaven, Alberta

Donnybrook has interests in approximately 5 gross (2.66 net) sections; 1,280 gross (680 net) hectares of P&NG rights in this area which are located 8 kilometres (5 miles) west of the western edge of the Corporation's Simonette acreage block.

The Resthaven horizontal Montney well at 11-27-61-02 W6M ("**Resthaven Hz 11-27**") (70% working interest) had been production tested in-line at rates of approximately 1 MMcf/d and 60 bbls/d of condensate. The line pressure in the gathering system that the Resthaven Hz 11-27 well is tied into is running at high line pressures which is affecting the Resthaven Hz 11-27 well's ability to flow consistently into the gathering system.

There are no reserves attributable to the Resthaven property.

Reserves Information

GLJ prepared the Donnybrook GLJ Report in accordance with the standards contained in the COGE Handbook and the reserves definitions contained in NI 51-101. The Donnybrook GLJ Report evaluated Donnybrook's Simonette oil and gas properties, which properties are located onshore in the Deep Basin of west central, Alberta, effective December 31, 2012. The tables below are a summary of the oil, NGLs and natural gas reserves attributable to the Donnybrook Assets and the net present value of future net revenue attributable to such reserves as evaluated in the Donnybrook GLJ Report, based on forecast price and cost assumptions. The tables summarize the data contained in the Donnybrook GLJ Report and, as a result, may contain slightly different numbers than such report due to rounding. Also due to rounding, certain columns may not add exactly.

In preparing its report, GLJ obtained basic information from Donnybrook, which included land data, well information, geological information, reservoir studies, estimates of on-stream dates, contract information, current hydrocarbon product prices, operating cost data, capital budget forecasts, financial data and future operating plans. Other engineering, geological or economic data required to conduct the evaluation and upon which the Donnybrook GLJ Report is based, was obtained from public records, other operators and from GLJ's non confidential files. The extent and character of ownership and the accuracy of all factual data supplied for the independent evaluation, from all sources, was accepted by GLJ as represented.

All evaluations and reviews of future net cash flow are stated prior to any provision for interest costs or general and administrative costs and after the deduction of estimated future capital expenditures for wells to which reserves have been assigned. It should not be assumed that the estimated future net cash flow shown below is representative of the fair market value of the Donnybrook Assets. There is no assurance that such price and cost assumptions will be attained and variances could be material. The recovery and reserve estimates of crude oil, NGLs and natural gas reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual crude oil, NGLs and natural gas reserves may be greater than or less than the estimates provided herein.

SUMMARY OF OIL AND GAS RESERVES AND NET PRESENT VALUES OF FUTURE NET REVENUE

RESERVES SUMMARY

Reserves Category	Light and Medium Oil		Natural Gas		Natural Gas Liquids		Total Oil Equivalent	
	Company Gross (Mbbl)	Company Net (Mbbl)	Company Gross (MMcf)	Company Net (MMcf)	Company Gross (Mbbl)	Company Net (Mbbl)	Company Gross (MBOE)	Company Net (MBOE)
PROVED								
Producing	7	6	796	793	8	8	147	146
Developed Non-producing	0	0	0	0	0	0	0	0
Undeveloped	208	165	9,412	8,705	89	87	1,866	1,703
TOTAL PROVED	215	171	10,208	9,498	97	95	2,013	1,849
TOTAL PROBABLE	434	331	19,796	18,217	188	184	3,921	3,551
TOTAL PROVED PLUS PROBABLE	649	502	30,004	27,715	284	279	5,934	5,400

NET PRESENT VALUE SUMMARY

Reserves Category	Net Present Value of Future Net Revenue Before Income Taxes Discounted at (%/year)					Unit Value Before Income Tax Discounted at 10%/year	
	0% (M$)	5% (M$)	10% (M$)	15% (M$)	20% (M$)	$/BOE	$/Mcfe
PROVED							
Producing	2,672	2,222	1,904	1,670	1,493	13.07	2.18
Developed Non-producing	0	0	0	0	0	0	0
Undeveloped	31,679	20,943	14,559	10,476	7,718	8.55	1.42
TOTAL PROVED	34,350	23,165	16,463	12,146	9,211	8.90	1.48
TOTAL PROBABLE	75,134	47,149	32,494	23,677	17,863	9.15	1.53
TOTAL PROVED PLUS PROBABLE	109,485	70,314	48,957	35,823	27,073	9.07	1.51

Reserves Category	Net Present Values of Future Net Revenue After Income Taxes Discounted at (%/year)[1]				
	0% (M$)	5% (M$)	10% (M$)	15% (M$)	20% (M$)
Proved					
Producing	2,672	2,222	1,904	1,670	1,493
Developed Non-Producing	0	0	0	0	0
Undeveloped	31,679	20,943	14,559	10,476	7,718
TOTAL PROVED	34,350	23,165	16,463	12,146	9,211
TOTAL PROBABLE	75,134	47,149	32,494	23,677	17,683
TOTAL PROVED PLUS PROBABLE	109,485	70,314	48,957	35,823	27,073

Note:

(1) Cequence has sufficient tax pools to shelter the expected income from the Donnybrook Assets.

TOTAL FUTURE NET REVENUE
(UNDISCOUNTED)

Reserves Category	Revenue (M$)	Royalties (M$)	Operating Costs (M$)	Capital Development Costs (M$)	Abandonment Costs (M$)	Future Net Revenue Before Income Taxes (M$)	Income Taxes[1] (M$)	Future Net Revenue After Income Taxes (M$)
Total Proved	81,972	7,958	19,851	19,508	305	34,350	0	34,350
Total Proved Plus Probable	247,255	26,381	60,364	50,261	764	109,485	0	109,485

Note:
(1) Cequence has sufficient tax pools to shelter the expected income from the Donnybrook Assets.

FUTURE NET REVENUE
BY PRODUCTION GROUP
as of December 31, 2012

FORECAST PRICES AND COSTS

RESERVES CATEGORY	PRODUCTION GROUP	FUTURE NET REVENUE BEFORE INCOME TAXES (discounted at 10%/year) (M$)	UNIT VALUE BEFORE INCOME TAXES (discounted at 10%/year) ($/BOE)
Proved Reserves	Light and Medium Crude Oil (including solution gas and other by-products)	-	-
	Heavy oil (including solution gas and other by-products)	-	-
	Natural Gas (including by-products but excluding solution gas)	16,463	8.90
Proved Plus Probable Reserves	Light and Medium Crude Oil (including solution gas and other by-products)	-	-
	Heavy oil (including solution gas and other by-products)	-	-
	Natural Gas (including by-products but excluding solution gas from oil wells)	48,957	9.07

Note:
(1) Unit Values are based on the net reserves.

Forecast Prices and Costs Employed by GLJ – January 1, 2013

GLJ employed the following pricing, exchange rate and inflation rate assumptions in estimating Donnybrook's reserves data using forecast prices and costs as of January 1, 2013.

FORECAST PRICES USED IN PREPARING RESERVES DATA
GLJ Petroleum Consultants
Crude Oil and Natural Gas Liquids
Price Forecast
Effective January 1, 2013

			Alberta			Saskatchewan		Edmonton				
Year	WTI Crude Oil $US/bbl[1]	Brent Crude Oil $US/bbl[2]	Edmonton Light Crude Oil $C/bbl[3]	Lloyd Blend Medium Crude Oil $C/bbl[4]	Heavy Crude Oil $C/bbl[5]	Cromer Medium Crude Oil $C/bbl[6]	Ethane $C/bbl	Propane $C/bbl	Butanes $C/bbl	Pentanes Plus $C/bbl	Inflation %	US/CAN Exchange Rate $US/$CAN
Forecast												
2013 Q1	90.00	110.00	82.50	66.00	55.10	77.55	10.63	28.88	63.53	99.00	2.0	1.000
2013 Q2	90.00	105.00	85.00	70.55	61.39	79.90	10.63	34.00	65.45	97.75	2.0	1.000
2013 Q3	90.00	102.50	85.00	70.55	62.66	79.90	11.25	34.00	65.45	93.50	2.0	1.000
2013 Q4	90.00	102.50	87.50	72.63	64.54	82.25	11.87	39.38	67.38	96.25	2.0	1.000
2013 Full Year	90.00	105.00	85.00	69.93	60.92	79.90	11.09	34.06	65.45	96.63	2.0	1.000
2014	92.50	102.50	91.50	75.94	68.36	84.18	12.65	45.75	70.46	97.91	2.0	1.000
2015	95.00	102.50	94.00	78.02	71.10	86.48	14.20	56.40	72.38	97.76	2.0	1.000
2016	97.50	102.50	96.50	80.09	73.02	88.78	15.75	57.90	74.31	100.36	2.0	1.000
2017	97.50	100.00	96.50	80.09	73.02	88.78	16.53	57.90	74.31	100.36	2.0	1.000
2018	97.50	100.00	96.50	80.09	73.02	88.78	17.46	57.90	74.31	100.36	2.0	1.000
2019	98.54	101.35	97.54	80.96	73.81	89.74	17.81	58.52	75.11	101.44	2.0	1.000
2020	100.51	103.38	99.51	82.59	75.32	91.55	18.18	59.71	76.62	103.49	2.0	1.000
2021	102.52	105.45	101.52	84.26	76.87	93.40	18.55	60.91	78.17	105.58	2.0	1.000
2022	104.57	107.55	103.57	85.96	78.44	95.28	18.92	62.14	79.75	107.71	2.0	1.000
Thereafter	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	2.0	

(1) West Texas Intermediate at Cushing Oklahoma
(2) North Sea Brent Blend
(3) Edmonton Light Sweet 40 degrees API, 0.3% sulphur
(4) Lloyd Blend Medium at Hardisty Alberta
(5) Heavy crude oil 12 degrees API at Hardisty Alberta
(6) Midale Cromer crude oil 29 degrees API, 2.0% sulphur

FORECAST PRICES USED IN PREPARING RESERVES DATA
GLJ Petroleum Consultants

Natural Gas and Sulphur
Price Forecast
Effective January 1, 2013

			Alberta	Saskatchewan		British Columbia	
Year	NYMEX Futures Contract $US/MMbtu	AECO Spot Price $C/MMbtu	Average Plantgate $C/MMbtu [(1)]	Prov. Gas SaskEnergy $C/MMbtu	Spot Sales Plantgate $C/MMbtu	Westcoast Station 2 $C/MMbtu	Spot Plantgate $C/ MMbtu
Forecast							
2013 Q1	3.60	3.24	2.99	3.09	3.16	3.04	2.87
2013 Q2	3.60	3.24	2.99	3.09	3.16	3.04	2.87
2013 Q3	3.80	3.42	3.17	3.27	3.34	3.22	3.05
2013 Q4	4.00	3.60	3.34	3.44	3.52	3.40	3.23
2013 Full Year	3.75	3.38	3.12	3.22	3.30	3.18	3.00
2014	4.25	3.83	3.56	3.66	3.74	3.63	3.45
2015	4.75	4.28	4.00	4.10	4.20	4.08	3.90
2016	5.25	4.72	4.44	4.54	4.64	4.52	4.34
2017	5.50	4.95	4.66	4.76	4.87	4.75	4.57
2018	5.80	5.22	4.92	5.02	5.14	5.02	4.83
2019	5.91	5.32	5.01	5.11	5.24	5.12	4.93
2010	6.03	5.43	5.12	5.22	5.35	5.23	5.04
2021	6.15	5.54	5.22	5.32	5.46	5.34	5.15
2022	6.27	5.64	5.33	5.43	5.56	5.44	5.25
Thereafter	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr

(1) This forecast also applies to direct sales contracts and the Alberta gas reference price used in the crown royalty calculations.

DESCRIPTION OF THE CEQUENCE ASSETS

Unless otherwise indicated, capitalized terms used in this section but not otherwise defined in the "*Glossary of Terms*" shall have the meanings ascribed thereto in the Asset Exchange Agreement.

Pursuant to the Asset Exchange Agreement, the Cequence Assets include the Petroleum and Natural Gas Rights, the Tangibles and the Miscellaneous Interests where Cequence is the Transferor and includes Cequence's interests in its Fir oil and gas property.

Fir, Alberta

Cequence has an interest in 14 gross (5 net) sections of P&NG rights in the Fir area of Alberta and has 13 gross producing wells with an average working interest of 30%. The current net production is approximately 220 BOE/d with a long life low decline production profile. The Fir property is proximal to Donnybrooks Bigstone property.

Reserves Information

GLJ prepared the Cequence GLJ Report in accordance with the standards contained in the COGE Handbook and the reserves definitions contained in NI 51-101. The Cequence GLJ Report evaluated Cequence's Fir oil and gas property, which are located onshore in the Deep Basin of west central, Alberta, effective December 31, 2012. The tables below are a summary of the oil, NGLs and natural gas reserves attributable to the Cequence Assets and the net present value of future net revenue attributable to such reserves as evaluated in the Cequence GLJ Report, based on forecast price and cost assumptions. The tables summarize the data contained in the Cequence GLJ Report and, as a

result, may contain slightly different numbers than such report due to rounding. Also due to rounding, certain columns may not add exactly.

In preparing its report, GLJ obtained basic information from Cequence, which included land data, well information, geological information, reservoir studies, estimates of on-stream dates, contract information, current hydrocarbon product prices, operating cost data, capital budget forecasts, financial data and future operating plans. Other engineering, geological or economic data required to conduct the evaluation and upon which the Cequence GLJ Report is based, was obtained from public records, other operators and from GLJ's non confidential files. The extent and character of ownership and the accuracy of all factual data supplied for the independent evaluation, from all sources, was accepted by GLJ as represented.

All evaluations and reviews of future net cash flow are stated prior to any provision for interest costs or general and administrative costs and after the deduction of estimated future capital expenditures for wells to which reserves have been assigned. It should not be assumed that the estimated future net cash flow shown below is representative of the fair market value of the Cequence Assets. There is no assurance that such price and cost assumptions will be attained and variances could be material. The recovery and reserve estimates of crude oil, NGLs and natural gas reserves provided herein are estimates only and there is no guarantee that the estimated reserves will be recovered. Actual crude oil, NGLs and natural gas reserves may be greater than or less than the estimates provided herein.

SUMMARY OF OIL AND GAS RESERVES
AND NET PRESENT VALUES OF FUTURE NET REVENUE

RESERVES SUMMARY

	Light and Medium Oil		Natural Gas		Natural Gas Liquids		Total Oil Equivalent	
Reserves Category	Company Gross (Mbbl)	Company Net (Mbbl)	Company Gross (MMcf)	Company Net (MMcf)	Company Gross (Mbbl)	Company Net (Mbbl)	Company Gross (MBOE)	Company Net (MBOE)
PROVED								
Producing	0	0	2,857	2,355	33	18	509	411
Developed Non-producing	0	0	131	107	2	1	23	19
Undeveloped	0	0	2,109	1,746	24	16	376	307
TOTAL PROVED	0	0	5,097	4,209	58	35	908	736
TOTAL PROBABLE	0	0	2,517	2,060	29	16	448	360
TOTAL PROVED PLUS PROBABLE	0	0	7,614	6,269	87	51	1,356	1,096

NET PRESENT VALUE SUMMARY

Reserves Category	Net Present Value of Future Net Revenue Before Income Taxes Discounted at (%/year) 0% (M$)	5% (M$)	10% (M$)	15% (M$)	20% (M$)	Unit Value Before Income Tax Discounted at 10%/year $/BOE	$/Mcfe
PROVED							
Producing	9,043	6,971	5,662	4,775	4,140	13.79	2.30
Developed Non-producing	472	351	274	222	186	14.66	2.44
Undeveloped	4,382	2,113	959	294	-118	3.12	0.52
TOTAL PROVED	13,898	9,435	6,895	5,292	4,208	9.36	1.56
TOTAL PROBABLE	9,319	4,137	2,201	1,295	806	6.12	1.02
TOTAL PROVED PLUS PROBABLE	23,217	13,571	9,096	6,587	5,014	8.30	1.38

Reserves Category	Net Present Values of Future Net Revenue After Income Taxes Discounted at (%/year)[1] 0% (M$)	5% (M$)	10% (M$)	15% (M$)	20% (M$)
Proved					
Producing	9,043	6,971	5,662	4,775	4,140
Developed Non-Producing	472	351	274	222	186
Undeveloped	4,382	2,113	959	294	-118
TOTAL PROVED	13,898	9,435	6,895	5,292	4,208
TOTAL PROBABLE	9,319	4,137	2,201	1,295	806
TOTAL PROVED PLUS PROBABLE	23,217	13,571	9,096	6,587	5,014

Note:
(1) Donnybrook has sufficient tax pools to shelter the expected income from the Cequence Assets.

TOTAL FUTURE NET REVENUE (UNDISCOUNTED)

Reserves Category	Revenue (M$)	Royalties (M$)	Operating Costs (M$)	Capital Development Costs (M$)	Abandonment Costs (M$)	Future Net Revenue Before Income Taxes (M$)	Income Taxes[1] (M$)	Future Net Revenue After Income Taxes (M$)
Total Proved	31,910	5,825	7,818	4,079	290	13,898	0	13,898
Total Proved Plus Probable	51,996	9,645	12,980	5,777	377	23,217	0	23,217

Note:
(1) Donnybrook has sufficient tax pools to shelter the expected income from the Cequence Assets.

FUTURE NET REVENUE
BY PRODUCTION GROUP
as of December 31, 2012

		FORECAST PRICES AND COSTS	
RESERVES CATEGORY	**PRODUCTION GROUP**	**FUTURE NET REVENUE BEFORE INCOME TAXES (discounted at 10%/year) (M$)**	**UNIT VALUE BEFORE INCOME TAXES (discounted at 10%/year) ($/BOE)**
Proved Reserves	Light and Medium Crude Oil (including solution gas and other by-products)	-	-
	Heavy oil (including solution gas and other by-products)	-	-
	Natural Gas (including by-products but excluding solution gas)	6,895	9.36
Proved Plus Probable Reserves	Light and Medium Crude Oil (including solution gas and other by-products)	-	-
	Heavy oil (including solution gas and other by-products)	-	-
	Natural Gas (including by-products but excluding solution gas from oil wells)	9,096	8.30

Note:
(1) Unit Values are based on the net reserves.

Forecast Prices and Costs Employed by GLJ – January 1, 2013

For a description of the pricing, exchange rate and inflation rate assumptions employed by GLJ in estimating Cequence's reserves data using forecast prices and costs as of January 1, 2013, please refer to the table under the heading "*Description of the Donnybrook Assets – Reserves Information – Forecast Prices and Costs Employed by GLJ – January 1, 2013*".

PRINCIPAL LEGAL MATTERS

Court Approval and Completion of the Arrangement

An arrangement under the ABCA requires Court approval. See "*The Arrangement – Procedure for the Arrangement Becoming Effective – Court Approval*".

Assuming that the Final Order is granted, and that the other conditions set forth in the Arrangement Agreement are satisfied or waived by the Party or Parties for whose benefit they exist, then the Articles of Arrangement will be filed with the Registrar to give effect to the Arrangement and all other arrangements and documents necessary to complete the Arrangement will be delivered as soon as reasonably practicable thereafter. Subject to receipt of the Final Order and the satisfaction of the other conditions to the completion of the Arrangement, Donnybrook currently expects the Effective Date of the Arrangement to occur on April 15, 2013.

Canadian Securities Laws Matters

Resale of Cequence Shares Received in the Arrangement

The Cequence Shares to be distributed to Donnybrook Shareholders pursuant to the Arrangement will be issued in reliance on exemptions from the prospectus requirements of Applicable Securities Laws in Canada and will generally not be subject to any resale restrictions under Applicable Securities Laws in Canada (provided the conditions set out in subsection 2.6(3) of National Instrument 45-102 – *Resale of Securities*, are satisfied).

Donnybrook Shareholders should consult with their own financial and legal advisors with respect to the tradability of Cequence Shares received on completion of the Arrangement.

United States Securities Laws Matters

The Cequence Shares issuable and distributable to Donnybrook Shareholders under the Arrangement have not been and will not be registered under the U.S. Securities Act, and such securities will be distributed in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof. Section 3(a)(10) exempts the issuance of securities issued in exchange for bona fide outstanding securities, claims or property interests from the general requirement of registration where the terms and conditions of the issuance and exchange of such securities have been approved by any court of competent jurisdiction, after a hearing upon the fairness of the terms and conditions of the issuance and exchange at which all persons to whom the securities will be issued have the right to appear and receive timely notice thereof. The Court is authorized to conduct a hearing at which the fairness of the terms and conditions of the Arrangement will be considered. The Court granted the Interim Order on March 15, 2013 and, subject to the approval of the Arrangement by the Donnybrook Shareholders, a hearing on the Arrangement will be held on April 15, 2013 by the Court.

The Cequence Shares receivable by Donnybrook Shareholders pursuant to the Arrangement will be freely tradable under the U.S. Securities Act, except by persons who are "affiliates" of Cequence after the Arrangement or were affiliates of Cequence within 90 days prior to completion of the Arrangement. Persons who may be deemed to be "affiliates" of an issuer include individuals or entities that control, are controlled by, or are under common control with, the issuer, whether through ownership of voting securities, by contract or otherwise, and generally include executive officers and directors of the issuer as well as principal shareholders of the issuer.

Any resale of such Cequence Shares by such an affiliate (or, if applicable, former affiliate) may be subject to the registration requirements of the U.S. Securities Act, absent an exemption therefrom. Subject to certain limitations, such affiliates (and former affiliates) may immediately resell such Cequence Shares outside the United States without registration under the U.S. Securities Act pursuant to and in accordance with Regulation S under the U.S. Securities Act. Such Cequence Shares may also be resold in transactions completed in accordance with Rule 144 under the U.S. Securities Act, if available.

The foregoing discussion is only a general overview of certain requirements of the U.S. Securities Act applicable to the resale of the Cequence Shares receivable by Donnybrook Shareholders upon completion of the Arrangement. **All holders of such securities are urged to consult with counsel to ensure that the resale of their securities complies with applicable securities legislation.**

Judicial Developments

The Plan of Arrangement will be implemented pursuant to Section 193 of the ABCA, which provides that, where it is impractical to effect an arrangement under any other provision of the ABCA, a corporation may apply to the Court for an order approving the arrangement proposed by such corporation. An application will be made by Corporation for approval of the Arrangement pursuant to this section of the ABCA. See "*The Arrangement – Procedure for the Arrangement Becoming Effective – Court Approval*". Although there have been a number of judicial decisions considering this section and applications to various arrangements, there have not been, to the knowledge of Donnybrook, any recent significant decisions that would apply in this instance.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

Donnybrook Shareholders should consult their legal advisors with respect to the legal rights available to them in relation to the Arrangement.

Subject to the qualifications and assumptions herein, in the opinion of Borden Ladner Gervais LLP, counsel to Donnybrook ("**Counsel**"), the following is, as of the date hereof, a fair and adequate summary of the material Canadian federal income tax considerations pursuant to the Tax Act in respect of the Arrangement generally applicable to Donnybrook Shareholders who, for the purposes of the Tax Act, hold their Donnybrook Shares and will hold their Cequence Shares acquired under the Arrangement as capital property and deal at arm's length with, and are not affiliated with, Donnybrook and Cequence. Generally, Donnybrook Shares and Cequence Shares will be

considered to be capital property for purposes of the Tax Act to the holder thereof unless they are held in the course of carrying on a business of trading or dealing in securities or were acquired in a transaction or transactions considered to be an adventure or concern in the nature of trade.

This summary is not applicable to a Donnybrook Shareholder: (i) that is a "financial institution" or a "specified financial institution", as defined in the Tax Act; (ii) that is exempt from tax under Part I of the Tax Act; (iii) an interest in which would be a "tax shelter" or a "tax shelter investment" as defined in the Tax Act; or (iv) to whom the "functional currency" reporting rules in subsection 261(4) of the Tax Act apply. In addition, this summary does not address all issues relevant to holders of Donnybrook Shares or Cequence Shares who acquired such shares on the exercise of options or warrants. **Any such Donnybrook Shareholder or Cequence Shareholders should consult their own tax advisors with respect to the Arrangement.**

This summary is based upon the current provisions of the Tax Act and the regulations thereunder (the "**Regulations**") in force as of the date hereof, all specific proposals to amend the Tax Act and the Regulations that have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**"), and Counsel's understanding of the current published administrative and assessing policies and practices of the Canada Revenue Agency ("**CRA**"). This summary assumes that the Proposed Amendments will be enacted as proposed, although there is no assurance that the Proposed Amendments will be enacted as proposed, or at all.

This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Proposed Amendments, does not take into account any changes in the law, whether by legislative, regulatory, or judicial action, or changes in administrative and assessing policies and practices of the CRA, nor does it take into account provincial, territorial or foreign tax legislation or considerations which may differ significantly from those discussed herein.

This summary also assumes that at the Effective Date under the Arrangement and all other material times thereafter that the Donnybrook Shares will be listed on the TSXV and subsequent to the Effective Date, the Cequence Shares will be listed on the TSX. In addition, this summary also assumes that the paid-up capital of the Donnybrook Shares, as computed for the purposes of the Tax Act, will not be less than the fair market value of the Cequence Shares on the Effective Date, and is qualified accordingly.

Holders Resident in Canada

This portion of the summary is applicable to Donnybrook Shareholders who are, or are deemed to be, resident in Canada for purposes of the Tax Act and any applicable income tax convention at all relevant times (a "**Resident Holder**").

Reduction of Stated Capital

Provided that the fair market value of the Cequence Shares that are distributed to Resident Holders on the reduction of stated capital does not exceed the "paid-up capital", for purposes of the Tax Act, of the Donnybrook Shares (which Donnybrook has advised Counsel is expected to be the case), no portion of the amount so distributed will be deemed to be a dividend for purposes of the Tax Act and the adjusted cost base to a Resident Holder of its Donnybrook Shares will be reduced by the amount of such fair market value. If such fair market value exceeds the adjusted cost base to the Resident Holder of its Donnybrook Shares immediately before the distribution, the Resident Holder will be deemed to realize a capital gain from a disposition of their Donnybrook Shares equal to the amount of such excess and the adjusted cost base to the Resident Holder of Donnybrook Shares will immediately thereafter be deemed to be nil. The tax treatment of capital gains is discussed below under the heading "*– Taxation of Capital Gains and Losses*" below.

If the amount paid by Donnybrook on the reduction of stated capital exceeds the "paid-up capital", for purposes of the Tax Act, of the Donnybrook Shares (which Donnybrook has advised Counsel is not expected to be the case) the amount of such excess will be deemed to be a dividend for purposes of the Tax Act and will not be deducted from the adjusted cost base to a Resident Holder of its Donnybrook Shares. *See* "*– Taxation of Dividends*" below.

Disposition of Cequence Shares

A Resident Holder who disposes or is deemed to dispose of a Cequence Share (other than to Cequence unless purchased by it in the open market in the manner in which shares are normally purchased by any member of the public in the open market) will realize a capital gain (capital loss) equal to the amount by which the proceeds of disposition of the share, less reasonable costs of disposition, exceed (are exceeded by) the adjusted cost base of the share to the Resident Holder determined immediately before the disposition in accordance with the provisions of the Tax Act. Any capital gain or loss so arising will be subject to the usual rules applicable to the taxation of capital gains and losses described below. See "– *Taxation of Capital Gains and Losses*" below.

Taxation of Capital Gains and Losses

A Resident Holder who realizes a capital gain or capital loss in a taxation year must include one half of the capital gain ("**taxable capital gain**") in income for the year, and must deduct one half of the capital loss ("**allowable capital loss**") against taxable capital gains realized in the year. Any remaining allowable capital losses may be deducted against taxable capital gains arising in any of the three preceding taxation years or in any subsequent taxation year, to the extent and under the circumstances described in the Tax Act.

The amount of any capital loss arising from a disposition or deemed disposition of a Cequence Share by a Resident Holder that is a corporation may, to the extent and under circumstances specified in the Tax Act, be reduced by the amount of certain dividends received or deemed to be received by the corporation on the share. Similar rules may apply if the corporation is a member of a partnership or beneficiary of a trust that owns shares, or where a partnership or trust of which the corporation is a member or beneficiary is a member of a partnership or a beneficiary of a trust that owns shares.

A Resident Holder that is a "Canadian-controlled private corporation" for the purposes of the Tax Act throughout the relevant taxation year may be required to pay an additional refundable tax of 6⅔% on its "aggregate investment income" for the year which will include net taxable capital gains that it realizes in that year on disposition of a Cequence Share.

Taxation of Dividends

A Resident Holder who is an individual will be required to include in income any dividend that the Resident Holder receives or is deemed to receive, on the Donnybrook Shares or Cequence Shares, and will be subject to the normal gross-up and dividend tax credit rules applicable to taxable dividends received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit rules for "eligible dividends" if so designated by Donnybrook or Cequence, as the case may be. A Resident Holder that is a corporation will be required to include in income any dividend that it receives or is deemed to be received on the Donnybrook Shares or Cequence Shares, and generally will be entitled to deduct an equivalent amount in computing its taxable income. A Resident Holder that is a "private corporation" (or a "subject corporation" within the meaning of the Tax Act) may be liable under Part IV of the Tax Act to pay a refundable tax of 33⅓% on any dividend that it receives or is deemed to be received on the Donnybrook Shares or Cequence Shares to the extent that such dividends are deductible in computing the corporation's taxable income. Any such Part IV tax will be refundable to it at the rate of $1 for every $3 of taxable dividends that it pays on its shares. Subsection 55(2) of the Tax Act provides that where certain corporate holders of shares receive a dividend or deemed dividend in specified circumstances, and such dividend is otherwise deductible in computing the corporation's taxable income, all or part of the dividend may be treated as proceeds of disposition from the disposition of capital property.

A Resident Holder that is throughout the relevant taxation year a "Canadian-controlled private corporation", as defined in the Tax Act, may be liable to pay an additional refundable tax of 6⅔% on its "aggregate investment income" for the year which will include dividends or deemed dividends that are not deductible in computing taxable income.

Alternative Minimum Tax on Individuals

A capital gain realized, or deemed to be realized and the actual amount of taxable dividends (not including the gross-up) by a Resident Holder who is an individual (including certain trusts and estates) may give rise to liability to

alternative minimum tax under the Tax Act. Any additional tax payable by an individual under the alternative minimum tax provisions may be carried forward and applied against certain tax otherwise payable in any of the seven immediately following taxation years, to the extent specified by the Tax Act.

Dissenting Resident Holders

A Resident Holder who validly exercises Dissent Rights (a "**Dissenting Resident Holder**") and consequently is paid the fair value for the Dissenting Resident Holder's Donnybrook Shares in accordance with the Arrangement will be deemed to have received a dividend equal to the amount, if any, by which the payment (other than the portion of the payment that is interest awarded by a Court) exceeds the paid-up capital of the Dissenting Resident Holder's Donnybrook Shares. Any such deemed dividend will be subject to tax as discussed above under the heading "– *Taxation of Dividends*" above. The Dissenting Resident Holder will also realize a capital gain (capital loss) equal to the amount, if any, by which the payment, less the deemed dividend (if any) and less reasonable costs of disposition, exceeds (is exceeded by) the adjusted cost base of the shares. The Dissenting Resident Holder will be required to include any resulting taxable capital in income, and to deduct any resulting allowable capital loss, in accordance with the usual rules applicable to capital gains and losses. See "– *Taxation of Capital Gains and Losses*" above.

In certain circumstances, the amount of the dividend deemed to be received by a dissenting Resident Holder that is a corporation resident in Canada may be treated under the Tax Act as proceeds of disposition. See "– *Taxation of Dividends*" above.

The Dissenting Resident Holder must also include in income any interest awarded by a court to the Dissenting Resident Holder.

Eligibility for Investment

The Cequence Shares received by a Resident Holder will be qualified investments under the Tax Act for registered retirement savings plans, registered retirement income funds, registered education savings plans, registered disability savings plans, deferred profit sharing plans and tax-free savings accounts. Notwithstanding that the Cequence Shares may be qualified investments for such plans, the holder of a tax-free savings account and the annuitant under a registered retirement savings plan or registered retirement income fund will be subject to a penalty tax if the Cequence Shares are a prohibited investment for purposes of section 207.01 of the Tax Act. The Cequence Shares will generally be a prohibited investment where the holder of the tax-free savings account or the annuitant under the registered retirement savings plan or registered retirement income fund has a significant interest in Cequence. A significant interest generally means ownership of 10% or more of the Cequence Shares.

Holders Not Resident in Canada

This portion of the summary is applicable to a Donnybrook Shareholder who is not resident in, nor deemed to be resident in Canada for purposes of the Tax Act, who does not and will not use or hold, and is not deemed to use or hold, Donnybrook Shares or Cequence Shares in, or in the course of, carrying on business in Canada, and is not an insurer who carries on an insurance business in Canada and elsewhere (a "**Non-Resident Holder**").

Reduction of Stated Capital

Provided that the fair market value of the Cequence Shares that are distributed to Resident Holders on the reduction of stated capital does not exceed the "paid-up capital", for purposes of the Tax Act, of the Donnybrook Shares (which Donnybrook has advised Counsel is expected to be the case) no portion of the amount so distributed will be deemed to be a dividend for purposes of the Tax Act and the adjusted cost base to a Non-Resident Holder of its Donnybrook Shares will be reduced by the amount of such fair market value. If such fair market value exceeds the adjusted cost base to the Non-Resident Holder of its Donnybrook Shares immediately before the distribution, the Non-Resident Holder will be deemed to realize a capital gain from a disposition of its Donnybrook Shares equal to the amount of such excess and the adjusted cost base to the Non-Resident Holder of its Donnybrook Shares immediately thereafter will be deemed to be nil. Such a Non-Resident Holder will be taxable on such capital gain only if such shares constitute "taxable Canadian property" and subject to an applicable income tax treaty or convention generally in the same manner as a Resident Holder.

If the amount paid by Donnybrook on the reduction of stated capital exceeds the "paid-up capital", for purposes of the Tax Act, of the Donnybrook Shares (which Donnybrook has advised Counsel is not expected to be the case) the amount of such excess will be deemed to be a dividend for purposes of the Tax Act and will not be deducted from the adjusted cost base to a Non-Resident Holder of its Donnybrook Shares. See "– *Taxation of Dividends*" below.

Taxation of Dividends

A Non-Resident Holder to whom a dividend on a Donnybrook Share or a Cequence Share is or is deemed to be paid, or credited, will be subject to Canadian withholding tax under the Tax Act at the rate of 25% of the gross amount of the dividend, unless reduced by an applicable income tax treaty, if any. In the case of a beneficial owner of dividends who is a resident of the United States for purposes of the Canada-U.S. Income Tax Convention (the "**U.S. Treaty**") and who is entitled to the benefits of the U.S. Treaty, the rate of withholding tax on dividends will be reduced to 15%. If the beneficial owner is a company that is a resident of the United States for the purposes of the U.S. Treaty, is entitled to the benefits of that treaty and owns at least 10% of the voting shares of Donnybrook or Cequence, as the case may be, the applicable rate of withholding tax on dividends will be reduced to 5%.

Disposition of Cequence Shares

A Non-Resident Holder who disposes of Cequence Shares will only be taxable on any resulting capital gain if such shares constitute "taxable Canadian property" to them and no relief is available to them under an applicable income tax treaty or convention. Non-Resident Holders to whom the Cequence Shares may constitute taxable Canadian property are encouraged to consult their own tax advisors.

Dissenting Non-Resident Holders

A Non-Resident Holder who validly exercises Dissent Rights (a "**Dissenting Non-Resident Holder**") and consequently is paid the fair value for the Dissenting Non-Resident Holder's Donnybrook Shares in accordance with the Arrangement, will be deemed to have received a dividend equal to the amount, if any, by which the payment exceeds the paid-up capital of the Dissenting Non-Resident Holder's Donnybrook Shares. Any such deemed dividend will be subject to tax generally as discussed above under "– *Taxation of Dividends*" above.

A Non Dissenting Non-Resident Holder will also be considered to have disposed of the Donnybrook Shares and will realize a capital gain (or a capital loss) to the extent that the payment received, less any deemed dividend and net of reasonable costs of disposition, exceeds (or is less than) the Dissenting Non-Resident Holder's adjusted cost base of the Donnybrook Shares. A Dissenting Non-Resident Holder will only be taxable on any such capital gain if such shares constitute "taxable Canadian property" for the purposes of the Tax Act, subject to the provisions of any applicable income tax treaty or exemption.

The Non-Resident Holder will not be subject to Canadian withholding tax on that portion of any such payment that is on account of interest.

Non-Resident Holders who are considering dissenting should consult their own tax advisors for advice regarding their particular circumstances.

OTHER TAX CONSIDERATIONS

This Information Circular does not address any tax considerations of the Arrangement other than Canadian federal income tax considerations to Donnybrook Shareholders. Donnybrook Shareholders, who are resident in jurisdictions other than Canada, should consult their tax advisors with respect to the relevant tax implications of the Arrangement, including any associated filing requirements, in such jurisdictions. All Donnybrook Shareholders should also consult their own tax advisors regarding relevant provincial, territorial or state tax considerations of the Arrangement.

RISK FACTORS

In evaluating whether to approve the Arrangement Resolution, Donnybrook Shareholders should carefully consider the following risk factors.

Risks Relating to the Arrangement

There can be no certainty that all conditions precedent to the Arrangement will be satisfied or waived, nor can there be any certainty of the timing of their satisfaction or waiver. Failure to complete the Arrangement could materially negatively impact the trading prices of the Donnybrook Shares.

The completion of the Arrangement is subject to a number of conditions precedent, some of which are outside of the control of the Corporation and Cequence, including receipt of the Regulatory Approvals, approval of the Donnybrook Shareholders and the granting by the Court of the Final Order. There can be no certainty, nor can the Corporation or Cequence provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. If the Arrangement is not completed, Donnybrook expects that the market price of the Donnybrook Shares will be adversely affected.

Termination of the Asset Exchange Agreement and Arrangement Agreement

The Asset Exchange Agreement and the Arrangement Agreement may be terminated by the Parties in certain circumstances. Accordingly, there is no certainty, nor can Donnybrook provide any assurance, that the Asset Exchange Agreement and the Arrangement Agreement will not be terminated by any Party before the completion of the Arrangement. Failure to complete the Arrangement could materially negatively impact the trading prices of the Donnybrook Shares. Moreover, if the Asset Exchange Agreement and the Arrangement Agreement are terminated, there is no assurance that the Donnybrook Board will be able to find a party willing to pay an equivalent or a more attractive price for the Donnybrook Assets than the price to be paid pursuant to the terms of the Asset Exchange Agreement.

Possible Failure to Realize Anticipated Benefits of the Arrangement

The ability to realize the benefits of the Arrangement, including among other things, those set forth under the heading "*The Arrangement – Reasons for the Arrangement*", will depend in part on Donnybrook's ability to realize the anticipated opportunities with respect to the acquisition of the Cequence Assets and Cequence's ability to realize the anticipated opportunities with respect to the acquisition of the Donnybrook Assets. The integration of such assets with their respective operations will require the dedication of management effort, time and resources which may divert management's focus and resources from other strategic opportunities available to Donnybrook or Cequence, as applicable, following completion of the Arrangement, and from operational matters during this process. Such integration may lead to the disruption of ongoing business and employee relationships which may adversely affect the ability of Donnybrook or Cequence, as applicable, to achieve the anticipated benefits of the Arrangement.

Risks Relating to the Reduction of Stated Capital

If the market price of the Cequence Shares increases between the date hereof and Closing, there can be no guarantee that the fair market value of the Cequence Shares that are distributed to Donnybrook Shareholders on the reduction of stated capital will not exceed the "paid-up capital", for the purposes of the Tax Act, of the Donnybrook Shares, in which case, the amount of such excess will be deemed to be a dividend for the purposes of the Tax Act and will not be deducted from the adjusted cost base to Donnybrook Shareholders of its Donnybrook Shares. See "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Reduction of Stated Capital*" and "*– Holders Not Resident In Canada – Reduction of Stated Capital*".

Risks Relating to the Corporation

If the Arrangement is not completed, the Corporation will continue to face the risks that it currently faces with respect to its affairs, business and operations and future prospects in respect of the Donnybrook Assets. Such risk

factors are set forth and described in the Corporation's Annual Information Form for the year ended December 31, 2011, which has been filed under Donnybrook's company profile on SEDAR.

In addition, the failure of Donnybrook to comply with certain terms of the Arrangement Agreement may result in Donnybrook being required to pay the Donnybrook Termination Fee to Cequence, the result of which could have a material adverse effect on Donnybrook's financial position and results of operations and its ability to fund growth prospects and current operations.

Other Risks

For a complete description of the other risks relating to the business and operations of Cequence, see Appendix E – "*Information Concerning Cequence – Risk Factors*".

PROCEDURE FOR THE RECEIPT OF CEQUENCE SHARES

As soon as practicable after the Effective Date, the transfer agent of Cequence will forward to each registered Donnybrook Shareholder of record at the Effective Date who has not dissented to the Arrangement, a share certificate evidencing ownership of Cequence Shares to which they are entitled to receive under the Arrangement.

Donnybrook Shareholders should not deliver certificates for Donnybrook Shares as certificates representing Donnybrook Shares are not being exchanged pursuant to the Arrangement.

Following the Effective Time, if the aggregate number of Cequence Shares to which a Donnybrook Shareholder would otherwise be entitled would include a fractional share, then the number of Cequence Shares that such Donnybrook Shareholder is entitled to receive shall be rounded down to the next whole number, and Donnybrook shall be entitled to retain such fractional interest.

Information Concerning Due Bills

Due Bills are entitlements that can be used to defer the ex-dividend trading of listed securities undergoing certain material corporate events such as stock-splits, spin-offs or distributions representing 25% or more of the value of the listed security. Due Bills attach to trades two trading days prior to the applicable record date and come off the day after the payable date. This allows the security to carry the appropriate market value until the entitlement has been paid.

Historically, the general process in the Canadian securities industry has been for the listed securities of an issuer to commence trading on an ex-distribution basis (the date on which purchases of the security will no longer have an attaching right to the distribution) at the opening two trading days prior to the record date (the "**ex-date**"). For example, in the event of a material corporate event, listed securities begin to trade on a post-event basis at the opening of trading on the ex-date. Since regular settlement occurs three trading days after the trade date (T+3), purchases that occur on or after the ex-date are settled without the entitlement to the additional securities. Valuation issues may occur because the market price drops on the ex-date, but the receipt of the entitlement does not occur until the payment date. Client account positions may therefore not be adjusted until the payment date which can lead to confusion.

The TSXV has determined that Due Bill trading procedures will apply to the distribution of Cequence Shares to Donnybrook Shareholders. Without the use of Due Bills, trading on an ex-distribution basis would commence two trading days prior to the Distribution Record Date, and Donnybrook Shareholders would then be deprived of the value of the distribution between the ex-date and the Distribution Payment Date. By deferring the ex-date through the use of Due Bills, sellers of the Donnybrook Shares during this period can realize the full value of the Donnybrook Shares they hold by selling the Donnybrook Shares with the Due Bills attached. The use of Due Bills will also avoid confusion regarding the market value of the Donnybrook Shares.

Pursuant to the TSXV's Due Bill trading procedures, trades of Donnybrook Shares entered into from and including two trading days prior to the Distribution Record Date, currently expected to be on or about April 10, 2013, until and

including the Distribution Payment Date will have a Due Bill attached which will allow the purchaser to receive the distribution instead of the seller, even if such trades are settled after the Distribution Record Date.

Ex-distribution trading of the Donnybrook Shares will commence at the opening of the TSXV on the first trading day after the Distribution Payment Date (being the Effective Date of the Arrangement), which is currently expected to be on or about April 16, 2013. Investors who enter into trades to purchase Donnybrook Shares on or after such ex-distribution date will not be entitled to the distribution. The Due Bills will be redeemed on or about April 18, 2013 once all trades with attached Due Bills entered into up to the Distribution Payment Date have settled.

Donnybrook Shareholders holding Donnybrook Shares through brokerage accounts will not be required to take any special action. The entitlement will continue to be received into their brokerage accounts on, or immediately after, the Distribution Payment Date. Any trades that are executed during the Due Bill period will be automatically flagged to ensure purchasers receive the entitlement and sellers do not.

LEGAL MATTERS

Certain legal matters in connection with the Arrangement will be passed upon for the Corporation by Borden Ladner Gervais LLP insofar as Canadian legal matters are concerned and by Dorsey & Whitney LLP insofar as U.S. legal matters are concerned.

Certain legal matters in connection with the Arrangement will be passed upon for Cequence by Norton Rose Canada LLP insofar as Canadian legal matters are concerned.

RIGHTS OF DISSENT

The following description of the rights of Dissenting Shareholders is not a comprehensive statement of the procedures to be followed by a Dissenting Shareholder who seeks payment of the fair value of their Donnybrook Shares and is subject to, and qualified in its entirety by, the reference to the full text of the Interim Order, which is attached to this Information Circular as Appendix B, and the text of Section 191 of the ABCA, which is attached to this Information Circular as Appendix F. Pursuant to the Interim Order, Dissenting Shareholders are given rights analogous to rights of dissenting shareholders under the ABCA. A Dissenting Shareholder who intends to exercise the right to dissent should carefully consider and comply with the provisions of Section 191 of the ABCA, as modified by the Interim Order. Failure to comply with the provisions of that section, as modified by the Interim Order, and to adhere to the procedures established therein may result in the loss of all rights thereunder.

The Court hearing the application for the Final Order has the discretion to alter the Dissent Rights described herein based on the evidence presented at such hearing.

Under the Interim Order, a registered Donnybrook Shareholder is entitled, in addition to any other rights the holder may have, to dissent and to be paid by the Corporation the fair value of the Donnybrook Shares held by the holder in respect of which the holder dissents, determined as of the close of business on the last business day before the day on which the resolution from which such holder dissents was adopted. **Only registered Donnybrook Shareholders may dissent. Persons who are beneficial owners of Donnybrook Shares registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent should be aware that they may only do so through the registered owner of such Donnybrook Shares. Accordingly, a beneficial owner of Donnybrook Shares desiring to exercise Dissent Rights must make arrangements for the registered holder of such Donnybrook Shares to dissent on behalf of the holder. Alternatively, Beneficial Shareholders could make arrangements for the Donnybrook Shares to be registered in such holder's name prior to the time the written objection to the Arrangement Resolution is required to be received by the Corporation.**

A Dissenting Shareholder must send to Donnybrook a written objection to the Arrangement Resolution, which written objection must be received by Donnybrook, c/o Borden Ladner Gervais LLP, Centennial Place, East Tower, 1900, 520 – 3rd Avenue S.W., Calgary, Alberta, T2P 0R3, Attention: David T. Madsen, by 5:00 p.m. (Calgary time) on April 11, 2013 (or the business day that is two business days prior to the date of the Meeting if it is not held on April 15, 2013). No Donnybrook Shareholder who has voted Donnybrook Shares in favour of the Arrangement Resolution shall be entitled to exercise Dissent Rights with respect to such

Donnybrook Shares. Pursuant to the Interim Order, a registered Donnybrook Shareholder may not exercise the right to dissent in respect of only a portion of such holder's Donnybrook Shares.

It is a condition to Donnybrook's obligation to complete the Arrangement that Donnybrook Shareholders holding not more than 5% of the Donnybrook Shares shall have exercised Dissent Rights that have not been withdrawn as at the Effective Date.

An application may be made to the Court by the Corporation or by a Dissenting Shareholder to fix the fair value of the Dissenting Shareholder's Donnybrook Shares. If such an application to the Court is made by either the Corporation or a Dissenting Shareholder, the Corporation must, unless the Court otherwise orders, send to each Dissenting Shareholder who holds the same type of shares for which the application was made, a written offer to pay such person an amount considered by the Corporation to be the fair value of the Donnybrook Shares held by such Dissenting Shareholders. The offer, unless the Court otherwise orders, will be sent at least 10 days before the date on which the application is returnable, if the Corporation is the applicant, or within 10 days after the Corporation is served with notice of the application, if a Dissenting Shareholder is the applicant. The offer will be made on the same terms to each Dissenting Shareholder who holds the same type of shares for which the application was made and will be accompanied by a statement showing how the fair value was determined.

In such circumstances, a Dissenting Shareholder may make an agreement with the Corporation for the purchase of its Donnybrook Shares in the amount of the Corporation's offer (or otherwise) at any time before the Court pronounces an order fixing the fair value of the applicable Donnybrook Shares.

A Dissenting Shareholder is not required to give security for costs in respect of an application and, except in special circumstances, will not be required to pay the costs of the application and appraisal. On the application, the Court will make an order fixing the fair value of the Donnybrook Shares of all Dissenting Shareholder who are parties to the application, giving judgment in that amount against the Corporation and in favour of each of those Dissenting Shareholders, and fixing the time within which the Corporation must pay that amount payable to the Dissenting Shareholders. The Court may, in its discretion, allow a reasonable rate of interest on the amount payable to each Dissenting Shareholder calculated from the date on which the Dissenting Shareholder ceases to have any rights as a Donnybrook Shareholder until the date of payment.

On the Arrangement becoming effective, or upon the making of an agreement between the Corporation and the Dissenting Shareholder as to the payment to be made by the Corporation to the Dissenting Shareholder, or the pronouncement of a Court order, whichever first occurs, the Dissenting Shareholder will cease to have any rights as a Donnybrook Shareholder other than the right to be paid the fair value of such Donnybrook Shareholder's Donnybrook Shares in the amount agreed to between the Corporation and the Donnybrook Shareholder or in the amount of the judgment, as the case may be. Until one of these events occurs, the Donnybrook Shareholder may withdraw its dissent, or if the Arrangement has not yet become effective, the Corporation may rescind the Arrangement Resolution, and in either event, the dissent and appraisal proceedings in respect of that Donnybrook Shareholder will be discontinued.

The Corporation shall not make a payment to a Dissenting Shareholder if there are reasonable grounds for believing that the Corporation is or would after the payment be unable to pay its liabilities as they become due, or that the realizable value of the assets of the Corporation would thereby be less than the aggregate of its liabilities. In such event, the Corporation shall notify each Dissenting Shareholder that it is lawfully unable to pay Dissenting Shareholder for their Donnybrook Shares in which case the Dissenting Shareholder may, by written notice to the Corporation within 30 days after receipt of such notice, withdraw its written objection, in which case such Donnybrook Shareholder shall, in accordance with the Interim Order, be deemed to have participated in the Arrangement as a Donnybrook Shareholder. If the Dissenting Shareholder does not withdraw its written objection it retains its status as a claimant against the Corporation to be paid as soon as the Corporation is lawfully entitled to do so or, in a liquidation, to generally be ranked subordinate to creditors but prior to its shareholders.

A registered Donnybrook Shareholder who exercise Dissent Rights will, if the holder is ultimately entitled to be paid the fair value thereof, be deemed to be transferred his or her Donnybrook Shares in consideration for a debt claim against Donnybrook to be paid the fair value of such shares, and shall not be entitled to any other payment or consideration, including any payment under the Arrangement had such holder not exercised their Dissent Rights. If such Donnybrook Shareholder is ultimately not entitled to be paid the fair value for its Donnybrook Shares, such

Donnybrook Shares shall be deemed to have participated in the Arrangement as of the Effective Time on the same terms and at the same time as a non-dissenting Donnybrook Shareholder and shall be issued only the same consideration which a Donnybrook Shareholder is entitled to receive under the Arrangement as if such Dissenting Shareholder would not have exercised Dissent Rights.

The above summary does not purport to provide a comprehensive statement of the procedures to be followed by a Dissenting Shareholder who seeks payment of the fair value of their Donnybrook Shares. Section 191 of the ABCA, as modified by the Interim Order, requires adherence to the procedures established therein and failure to do so may result in the loss of all rights thereunder. **Accordingly, each Dissenting Shareholder who is considering exercising Dissent Rights should carefully consider and comply with the provisions of that section, the full text of which is set out in Appendix F to this Information Circular, as modified by the Interim Order, and consult their own legal advisor.**

INFORMATION CONCERNING DONNYBROOK

General

Donnybrook was incorporated pursuant to the ABCA on April 14, 2000 under the name "Coastport Capital Inc." On June 1, 2005, Donnybrook was continued from Alberta to British Columbia pursuant to the *Business Corporations Act* (British Columbia). In August 2010, Donnybrook continued from British Columbia to Alberta pursuant to the ABCA and changed its name to "Donnybrook Energy Inc." On November 1, 2010, Donnybrook amalgamated with its wholly-owned subsidiary, Prairie Exploration Inc. Pursuant to a plan of arrangement on November 4, 2011, Donnybrook spun-off certain of its non-core assets to Donnycreek Energy Inc.

The head office of Donnybrook is located at Suite 700, 717 – 7th Avenue S.W., Calgary, Alberta T2R 0Z3 and its registered office is located at 1900, 520 – 3rd Avenue S.W., Calgary, Alberta T2P 0R3.

Donnybrook is a Western Canadian petroleum and natural gas exploration and production company with petroleum and natural rights in the Bigstone-Simonette-Resthaven liquid rich natural gas resource play in the Deep Basin area of West Central Alberta.

On a pro forma basis, following completion of the transactions contemplated under the Asset Exchange Agreement and the Arrangement Agreement, Donnybrook will hold its existing Bigstone property with 8 gross (3.75 net) sections of land and the newly acquired Cequence Assets, which consists of a total of 5 net sections of land and long life, low decline net production, which is currently producing approximately 220 BOE/d. The Cequence Assets are approximately 35 kilometers from the Bigstone property.

Market for Donnybrook Shares

The Donnybrook Shares are listed and traded on the TSXV. The trading symbol for the Donnybrook Shares is "DEI".

The following sets forth trading information for the Donnybrook Shares on the TSXV for the periods indicated:

Period	High	Low	Volume
2012			
January	$0.395	$0.250	5,236,976
February	$0.290	$0.210	9,726,649
March	$0.250	$0.165	4,615,615
April	$0.170	$0.130	3,800,788
May	$0.160	$0.100	5,352,235
June	$0.135	$0.100	2,150,963
July	$0.120	$0.100	1,684,348
August	$0.190	$0.115	3,867,604
September	$0.150	$0.115	899,025
October	$0.150	$0.100	6,567,893
November	$0.170	$0.110	5,696,563
December	$0.145	$0.100	7,505,795
2013			
January	$0.140	$0.085	11,865,895
February	$0.095	$0.050	18,953,191
March 1-14	$0.110	$0.085	3,491,286

On February 22, 2013, the last trading day prior to the date of the public announcement of the Arrangement, the closing price of the Donnybrook Shares on the TSXV was $0.055. On March 14, 2013, the last trading day prior to the date of this Information Circular, the closing price of the Donnybrook shares on the TSXV was $0.110.

Auditors

Smythe Ratcliffe LLP have been the auditors of Donnybrook since 2002.

Additional Information

Additional information relating to the Corporation is available to the public free of charge under Donnybrook's company profile on the SEDAR website at www.sedar.com. Financial information in respect of the Corporation and its affairs is provided in the Corporation's annual audited financial statements for the year ended December 31, 2012 and the related management's discussion and analysis. Copies of the Corporation's financial statements and related management's discussion and analysis are available upon request and without charge from the Corporation at Suite 300-5704 Balsam Street, Vancouver, British Columbia V6M 4B9, Attention: Chief Financial Officer.

INFORMATION CONCERNING CEQUENCE

Cequence was originally incorporated pursuant to the provisions of the *Business Corporations Act* (Ontario) as "Metrophotonics Inc." on April 4, 2000 and was continued under the ABCA as "Sabretooth Energy Ltd." on September 5, 2005. In addition, the articles of Cequence have been amended as follows: (i) on January 31, 2005, to add an unlimited number of Cequence Non-Voting Shares to its authorized capital, to consolidate the issued and outstanding Cequence Shares on a hundred-for-one basis and to reduce the stated capital of the issued and outstanding Cequence Shares; (ii) on February 4, 2005, to change its name to "1395177 Ontario Inc."; (iii) on February 15, 2006, Cequence amalgamated with Stratagem Energy Corp. and the amalgamated corporation continued under the name "Sabretooth Energy Ltd."; (iv) on July 18, 2007, to convert all the issued and outstanding Cequence Non-Voting Shares into Cequence Shares and, immediately thereafter, to consolidate the issued and outstanding Cequence Shares on a four-for-one basis; (v) on January 1, 2008, Cequence amalgamated with its wholly-owned subsidiary, Sabretooth Resources Inc. (formerly Bear Ridge Resources Inc.), and the amalgamated corporation continued under the name "Sabretooth Energy Ltd."; (vi) on July 30, 2009, to change the rights, privileges, restrictions and conditions attached to the Cequence Non-Voting Shares to ensure equitable economic treatment between holders of Cequence Shares and holders of Cequence Non-Voting Shares in certain circumstances; (vii) on July 31, 2009, to change its name to "Cequence Energy Ltd."; (viii) on August 17, 2009, to

consolidate the issued and outstanding Cequence Shares on a four-for-one basis; (ix) on July 1, 2010, Cequence amalgamated with Peloton Exploration Corp. and continued under the name of "Cequence Energy Ltd."; and (x) on January 1, 2011, Cequence amalgamated with Cequence Acquisitions Ltd.

The principal and head office of Cequence is located at 3100, 525 - 8th Avenue S.W., Calgary, Alberta, T2P 1G1 and its registered office is located at 3700, 400 - 3rd Avenue S.W., Calgary, Alberta, T2P 4H2.

Cequence is a public company engaged in the acquisition, exploration, development and production of petroleum and natural gas reserves in Western Canada. During the year ended December 31, 2012, Cequence focused its activities in the Deep Basin area of Northwest Alberta, the Peace River Arch area of Northwest Alberta and Northeast British Columbia. Cequence pursues a strategy of drilling for low decline, long life, liquids rich natural gas and crude oil targets with multiple prospective horizons.

The Cequence Shares are listed and traded on the TSX under the trading symbol "CQE".

See Appendix E – "*Information Concerning Cequence*".

GENERAL PROXY MATTERS

This Information Circular and forms of proxy are not being sent to registered or beneficial owners using the Notice and Access procedures contained in NI 54-101. The Corporation is sending this Information Circular and forms of proxy directly to non-objecting beneficial holders (as defined in NI 54-101). The Corporation will not pay for intermediaries to deliver this Information Circular and forms of proxy to objecting beneficial holders (as defined in NI 54-101), and objecting beneficial holders will not receive this Information Circular and forms of proxy unless their intermediary assumes the cost of delivery.

Solicitation of Proxies

This Information Circular is furnished in connection with the solicitation of proxies by the management of Donnybrook to be used at the Meeting. Solicitations of proxies will be primarily by mail, but may also be by newspaper publication, in person or by telephone, fax or oral communication by directors, officers, employees or agents of Donnybrook. All costs of the solicitation will be borne by the Corporation.

Appointment and Revocation of Proxies

Holders of Donnybrook Shares are entitled to consider and vote upon each of the matters to the considered at the Meeting. Accompanying this Information Circular is a form of proxy for use at the Meeting. Beneficial holders of Donnybrook Shares should read the information under the heading "*– Advice for Beneficial Holders*" below.

The persons named in the enclosed form of proxy are directors and/or officers of Donnybrook. A Donnybrook Shareholder desiring to appoint a person (who need not be a Donnybrook Shareholder) to represent such Donnybrook Shareholder at the Meeting other than the persons designated in the accompanying form of proxy may do so by crossing out the names of the persons designated in the form of proxy and by inserting such person's name in the blank space provided in the appropriate form of proxy and delivering the completed proxy to the offices of Computershare Trust Company of Canada, 9th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1 (Attention: Proxy Department). A form of proxy must be received by Computershare Trust Company of Canada at least 48 hours (excluding Saturdays, Sundays and holidays) prior to the time set for the Meeting or any adjournment or postponement thereof. Failure to so deposit a form of proxy shall result in its invalidation. The time limit for the deposit of proxies may be waived by the Chairman of the Meeting at his discretion, without notice.

A Donnybrook Shareholder who has given a form of proxy may revoke it as to any matter on which a vote has not already been cast pursuant to its authority by an instrument in writing executed by such Donnybrook Shareholder or by his attorney duly authorized in writing or, if the Donnybrook Shareholder is a corporation, by an officer or attorney thereof duly authorized, and deposited either at the above mentioned office of Computershare Trust Company of Canada on or before the last business day in Calgary, Alberta preceding the day of the Meeting or any

adjournment or postponement thereof or with the Chairman of the Meeting on the day of the Meeting or any adjournment or postponement thereof.

The Donnybrook Board has fixed the Record Date for the Meeting as at the close of business on March 11, 2013. Donnybrook Shareholders of record as at the Record Date are entitled to receive notice of, to attend and to vote at the Meeting on the resolutions applicable to them, provided that, to the extent a Donnybrook Shareholder transfers ownership of any Donnybrook Shares after the Record Date and the transferee of those Donnybrook Shares produces properly endorsed certificates evidencing such Donnybrook Shares or otherwise establishes ownership of such shares and demands, not later than 10 days before the Meeting, to be included in the list of Donnybrook Shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those Donnybrook Shares at the Meeting.

Signature of Proxy

The form of proxy must be executed by the Donnybrook Shareholder, or if the Donnybrook Shareholder is a corporation, the form of proxy should be signed in its corporate name and its corporate seal must be affixed to the form of proxy or the form of proxy must be signed by an authorized officer whose title should be indicated. A proxy signed by a person acting as attorney, executor, administrator or trustee, or in some other representative capacity, should reflect such person's full title as such and should be accompanied by the appropriate instrument evidencing qualification and authority to act (unless such instrument has been previously filed with the Corporation).

Voting of Proxies

The persons named in the accompanying forms of proxy will vote the Donnybrook Shares in respect of which they are appointed in accordance with the direction of the Donnybrook Shareholder appointing them. **In the absence of such direction, such Donnybrook Shares will be voted FOR the approval of each resolution.**

Exercise of Discretion of Proxy

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the accompanying Notice of Meeting and this Information Circular and with respect to other matters that may properly come before the Meeting. At the date of this Information Circular, management of Donnybrook knows of no amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice of Meeting.

Voting Donnybrook Shares and Principal Holders Thereof

As at March 15, 2013, there were 193,836,066 Donnybrook Shares issued and outstanding. To the knowledge of the directors and officers of Donnybrook, as of March 15, 2013, no person or company beneficially owns, directly or indirectly, or exercises control or direction, over more than 10% of the Donnybrook Shares.

Advice for Beneficial Holders

The information set forth in this section is of significant importance to many Donnybrook Shareholders, as a substantial number of the Donnybrook Shareholders do not hold Donnybrook Shares in their own name.

Beneficial Shareholders

Donnybrook Shareholders who do not hold their Donnybrook Shares in their own name ("**Beneficial Shareholders**") should note that only proxies deposited by the Donnybrook Shareholders whose name appears on the records of the Corporation as a registered holder of Donnybrook Shares can be recognized and acted upon at the Meeting. If Donnybrook Shares are listed in an account statement provided to a Donnybrook Shareholder by a broker, then in almost all cases those Donnybrook Shares will not be registered in the Donnybrook Shareholder's name on the records of the Corporation. Such Donnybrook Shares will more likely be registered under the name of the Donnybrook Shareholder's broker or an agent of that broker. In Canada, the vast majority of such Donnybrook Shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository

Services Inc., which acts as nominee for many Canadian brokerage firms). Donnybrook Shares held by brokers or their nominees can only be voted upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers/nominees are prohibited from voting Donnybrook Shares for their clients. The Corporation does not know and cannot determine for whose benefit the Donnybrook Shares registered in the name of CDS & Co. are held.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of Donnybrook Shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Donnybrook Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided to registered Donnybrook Shareholders. However, its purpose is limited to instructing the registered Donnybrook Shareholder how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge"**). Broadridge typically mails a scannable Voting Instruction Form in lieu of the form of proxy. The Beneficial Shareholder is requested to complete and return the Voting Instruction Form to them by mail or facsimile. Alternatively, the Beneficial Shareholder can call a toll-free telephone number to vote the Donnybrook Shares held by the Beneficial Shareholder or the Beneficial Shareholder can complete an on-line voting form to vote their Donnybrook Shares. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of the Donnybrook Shares to be represented at the Meeting. **A Beneficial Shareholder receiving a Voting Instruction Form cannot use that Voting Instruction Form to vote Donnybrook Shares directly at the Meeting as the Voting Instruction Form must be returned as directed by Broadridge well in advance of the Meeting in order to have the Donnybrook Shares voted.**

Procedure and Votes Required

The Interim Order provides that each holder of Donnybrook Shares at the close of business on the Record Date will be entitled to receive notice of, to attend and to vote on the Arrangement Resolution at the Meeting. Each such Donnybrook Shareholder will be entitled to vote in accordance with the provisions set out below.

Pursuant to the Interim Order:

(a) each Donnybrook Shareholder entitled to vote at the Meeting will be entitled to one vote for each Donnybrook Share held;

(b) subject to further order of the Court, the required vote to approve the Arrangement Resolution by Donnybrook Shareholders, shall be not less than 66⅔% of the votes cast at the Meeting;

(c) the quorum at the Meeting shall be persons present not being less than two (2) in number and holding or representing by proxy not less than five percent (5%) of the Donnybrook Shares entitled to be voted at the Meeting; and

(d) if within 30 minutes of the appointed time of the Meeting a quorum of Donnybrook Shareholders is not present, the Meeting will be reconvened to a date, time and place determined by the Chairman. If the Chairman selects a new Meeting date that is less than thirty days after the original Meeting date, it shall not be necessary to give any further notice of the reconvened Meeting. If the Chairman selects a new Meeting date that is more than thirty days after the original Meeting date, notice of the reconvened Meeting shall be given to each Donnybrook Shareholder in any matter permitted by the Interim Order. At such reconvened Meeting, the quorum will consist of the Donnybrook Shareholders then present in person or represented by proxy.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, executive officer, employee or former director, executive officer or employee of the Corporation, or any associate of any such director, executive officer or employee is, or has been at any time since the beginning of the most recently completed financial year of the Corporation, indebted to the Corporation or, at any time since the beginning of the most recently completed financial year of the Corporation has any indebtedness of any such person

been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed under the heading "*The Arrangement – Interests of Directors and Executive Officers in the Arrangement*" or as otherwise disclosed in this Information Circular, no informed person (as defined in Form 51-102F5 under NI 51-102) of the Corporation, or any associate or affiliate of any informed person, has had any material interest, direct or indirect, in any transaction, or proposed transaction, which has materially affected or would materially affect the Corporation since the commencement of the most recently completed financial year of the Corporation.

INDEPENDENT AUDITOR'S CONSENT

Consent of Deloitte LLP

We have read the information circular of Donnybrook Energy Inc. ("**Donnybrook**") dated March 15, 2013 with respect to a proposed plan of arrangement involving Donnybrook, Cequence Energy Ltd. ("**Cequence**") and the shareholders of Donnybrook. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the incorporation by reference in the above-mentioned information circular of our report to the shareholders of Cequence on the consolidated balance sheets of Cequence as at December 31, 2012 and December 31, 2011, and the consolidated statements of comprehensive loss, changes in equity and cash flows for the years then ended. Our report is dated March 7, 2013.

(signed) "*Deloitte LLP*"
Chartered Accountants
March 15, 2013
Calgary, Canada

APPENDIX A

ARRANGEMENT RESOLUTION

"**BE IT RESOLVED THAT:**

(a) The arrangement (the "**Arrangement**") under Section 193 of the *Business Corporations Act* (Alberta) (the "**ABCA**") of Donnybrook Energy Inc. ("**Donnybrook**"), Cequence Energy Ltd. ("**Cequence**") and the shareholders of Donnybrook, as more particularly described and set forth in the information circular and proxy statement of Donnybrook dated March 15, 2013 (the "**Circular**") and the Arrangement Agreement, as defined below, and all transactions contemplated thereby, all as may be amended or modified in accordance with their terms, are hereby authorized, approved and adopted.

(b) The disposition of the Donnybrook Assets (as defined in the Arrangement Agreement) in consideration for the Cequence Assets (as defined in the Arrangement Agreement) and 10,300,000 common shares of Cequence pursuant to the asset exchange agreement between Donnybrook and Cequence dated as of February 22, 2013, is hereby authorized, approved and adopted.

(c) The plan of arrangement, as it may be or have been amended or modified in accordance with its terms, involving Donnybrook (the "**Plan of Arrangement**"), the full text of which is set out in Schedule A to the arrangement agreement between Donnybrook and Cequence dated as of February 22, 2013 (the "**Arrangement Agreement**"), is hereby authorized, approved and adopted.

(d) The Arrangement Agreement is hereby ratified and approved.

(e) Notwithstanding that this resolution has been passed (and the Arrangement adopted) by any or all of the shareholders of Donnybrook or that the Arrangement has been approved by the Court of Queen's Bench of Alberta (the "**Court**"), the directors of Donnybrook are hereby authorized and empowered, at their discretion, without further notice to or approval of the shareholders of Donnybrook: (i) to amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or the Plan of Arrangement, as applicable, and, if required, approved by the Court; and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement.

(f) Any officer or director of Donnybrook is hereby authorized and directed for and on behalf of Donnybrook to make an application to the Court for an order approving the Arrangement and to deliver to the Registrar the Articles of Arrangement, a certified copy of the Final Order (both as defined in the Arrangement Agreement) and to execute and, if appropriate, deliver such other documents as are necessary or desirable to the Registrar pursuant to the ABCA in accordance with the Arrangement Agreement.

(g) Any officer or director of Donnybrook is hereby authorized and directed for and on behalf of Donnybrook to execute or cause to be executed and to deliver or cause to be delivered, all such other documents and instruments and to perform or cause to be performed all such other acts and things as in such person's opinion may be necessary or desirable to give full force and effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing."

APPENDIX B

INTERIM ORDER

COURT FILE NUMBER	1301 - 02433
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
APPLICANT	**DONNYBROOK ENERGY INC.**
	IN THE MATTER OF Section 193 of the *Business Corporations Act*, R.S.A. 2000, c. B-9, as amended
	AND IN THE MATTER OF a proposed arrangement involving Donnybrook Energy Inc., Cequence Energy Ltd. and the holders of common shares of Donnybrook Energy Inc.
DOCUMENT	**INTERIM ORDER**

Clerk's Stamp

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

BORDEN LADNER GERVAIS LLP
Centennial Place, East Tower
1900, 520 – 3rd Avenue S.W.
Calgary, Alberta T2P 0R3
Telephone: (403) 232-9500
Facsimile: (403) 266-1395

Attention: David T. Madsen

File No. 438994/000016

DATE ON WHICH ORDER WAS PRONOUNCED: MARCH 15, 2013

LOCATION WHERE ORDER WAS PRONOUNCED: CALGARY

NAME OF JUDGE WHO MADE THIS ORDER: THE HONOURABLE JUSTICE J. STREKAF

UPON the Originating Application (the "**Application**") of Donnybrook Energy Inc. ("**Donnybrook**") pursuant to Section 193 of the *Business Corporations Act*, R.S.A. 2000, c. B-9, as amended ("**ABCA**"); AND UPON reading the said Originating Application and the Affidavit of Malcolm F.W. Todd sworn on March 14, 2013 and the documents sworn to therein (the "**Affidavit**"); AND UPON hearing counsel for Donnybrook; AND UPON being advised that the Executive Director of the Alberta Securities Commission (the "**Executive Director**") has been served with notice of the Application as required by

subsection 193(8) of the ABCA and that the Executive Director neither consents to nor opposes the Application;

FOR THE PURPOSES OF THIS ORDER:

(a) the capitalized terms not otherwise defined in this Order shall have the meaning ascribed to them in the draft information circular and proxy statement of Donnybrook (the "**Information Circular**"), which is attached as Exhibit "A" to the Affidavit of Malcolm F.W. Todd sworn on March 14, 2013;

(b) all references to the "**Arrangement**" mean the plan of arrangement pursuant to the ABCA involving Donnybrook, Cequence and the holders of Donnybrook Shares in the form attached as Schedule A to the Arrangement Agreement attached as Appendix C to the Information Circular.

IT IS HEREBY ORDERED THAT:

General

1. The proposed course of action is an "arrangement" within the definition in the ABCA and Donnybrook may proceed with the Arrangement.

2. Donnybrook shall seek approval of the Arrangement by the Donnybrook Shareholders in the manner set forth below.

The Meeting

3. Donnybrook shall convene a special meeting (the "**Meeting**") of Donnybrook Shareholders at 9:00 a.m. (Calgary Time) on April 15, 2013 to consider passing, with or without variation, a special resolution (the "**Arrangement Resolution**") to approve the Arrangement and to transact such further and other business as may properly be brought before the Meeting or any adjournment or postponement thereof. A true copy of the Arrangement Resolution in its substantially final form is attached as Appendix A to the Information Circular.

4. The only persons entitled to attend and speak at the Meeting shall be the Donnybrook Shareholders and their authorized representatives, the directors and officers of Donnybrook, professional legal and financial advisors of Donnybrook, as well as representatives of Cequence, and such other persons permitted by the Chairman of the Meeting ("**Chairman**").

Notice of Meeting

5. Donnybrook shall send: the (i) Notice of Meeting; (ii) Notice of Application; (iii) this Order; and (iv) the Information Circular in substantially the form contained in the Affidavit (the "**Meeting Materials**"), with such amendments thereto as counsel for Donnybrook may advise are necessary or desirable, provided that such amendments are not inconsistent with the terms of this Order, to the Donnybrook Shareholders of record as of March 11, 2013 (the "**Record Date**") (which shall not change in the event of any postponement or adjournment of the Meeting) and to the directors and auditors of Donnybrook, by one or more of the following methods: (a) in the case of registered Donnybrook Shareholders, by mailing them by prepaid ordinary mail, or by sending them by direct courier at the expense of Donnybrook, to such persons at least 21 days prior to the date of the Meeting; (b) in the case of non-registered Donnybrook Shareholders, by providing sufficient copies of the finalized Meeting Materials to intermediaries and registered nominees in a timely manner, in accordance with National Instrument 54-101 of the Canadian Securities Administrators; and (c) in the case of the directors and auditors of Donnybrook, by email, facsimile, prepaid first class or ordinary mail, by courier or by delivery in person, addressed to the individual directors or firm of auditors, as applicable, at least 21 days prior to the Meeting. In calculating the 21-day period referred to in subparagraphs (a) and (c) above, the date of mailing shall be included and the date of the Meeting shall be excluded. Such mailing or sending by courier shall constitute good and sufficient service of the Notice of Application, the Meeting, this Order, the hearing in respect of the Originating Application and the application for the Final Order approving the Arrangement.

6. Donnybrook Shareholders entitled to receive notice and to attend and vote at the Meeting shall be the registered Donnybrook Shareholders as they may appear on the records of Donnybrook as at the close of business on the Record Date, provided that, to the extent a Donnybrook Shareholder transfers ownership of any Donnybrook Shares after the Record Date and the transferee of those Donnybrook Shares provides properly endorsed certificates evidencing such Donnybrook Shares or otherwise established ownership of such shares and demands, not later than 10 days before the Meeting, to be included in the list of Donnybrook Shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those Donnybrook Shares at the Meeting. Any usual or common form of instruments of proxy may be used for such purpose.

7. The mailings specified in paragraph 5 hereof shall be deemed, for the purposes of this Order, to have been received by the Donnybrook Shareholders: (a) in the case of mailing, when deposited

in a post office box or public letter box; (b) in the case of delivery in person, upon personal delivery to such person at the address as it appears on the security registers of Donnybrook as at the Record Date; and (c) in the case of any means of transmitted, recorded or electronic communication, when dispatched or delivered for dispatch.

8. The accidental omission to give notice of the Meeting to, or the non-receipt of such notice by, one or more of the persons specified in paragraph 5 hereof, shall not constitute a breach of this Order or a defect in the calling of the Meeting and shall not invalidate any resolution passed or proceedings taken at the Meeting.

9. Subsequent to the provision to the registered Donnybrook Shareholders of information referred to in paragraph 5 herein, Donnybrook and Cequence are authorized to make such amendments, revisions, updates or supplements to the Arrangement as they may determine necessary and proper, and the Arrangement as so amended, revised or supplemented shall be the Arrangement submitted to the Meeting and the subject of the Arrangement Resolution, as the case may be.

10. Notice of any material amendments, revisions, updates, or supplements to any of the information provided pursuant to paragraph 5 of this Order may be communicated to Donnybrook Shareholders by press release, newspaper advertisement or by notice to the Donnybrook Shareholders by one of the methods specified in paragraph 5 of this Order, as determined to be the most appropriate method of communication by the Donnybrook Board.

Chairman

11. Any director or officer of Donnybrook, or, failing them, any person to be chosen at the Meeting, shall be the Chairman.

Scrutineers

12. Scrutineers for the Meeting shall be Computershare Trust Company of Canada (acting through its representatives for that purpose) (the "**Scrutineers**"). The duties of the Scrutineers shall be, *inter alia*, to monitor and report on attendance and to monitor and report on all ballots and motions taken at the Meeting. The duties of the Scrutineers shall extend to:

    (a) monitoring and reporting to the Chairman on the deposit and validity of proxies;

    (b) reporting to the Chairman on the quorum of the Meeting;

(c) reporting to the Chairman on any polls taken or ballots cast at the Meeting; and

(d) providing to Donnybrook and to the Chairman written reports on matters related to their duties.

Deposit of Proxies

13. To be valid, proxies must be deposited with the Scrutineers at the office of the Scrutineers designated in the Notice of Meeting, or with persons appointed by the Scrutineers for that purpose, not later than 9:00 a.m. (Calgary time) two business days immediately preceding the date of the Meeting or any adjournment or postponement thereof.

14. To be valid, proxies must be completed and executed in accordance with the instructions contained thereon. Proxies must be delivered to the Scrutineers either in person, or mail or courier or by facsimile prior to or by the time prescribed in paragraph 13 above.

15. The Chairman is authorized to, but need not, accept any form of proxy other than the forms prescribed herein which is reasonably believed by the Chairman to be in a lawful form, to be genuine, and to indicate the voting intention of the Donnybrook Shareholder or its proxy.

Revocation of Proxies

16. Proxies given by Donnybrook Shareholders for use at the Meeting may be revoked before the proxy is exercised. In addition to revocation in any other manner permitted by law, Donnybrook Shareholders giving a proxy may revoke the proxy by an instrument in writing signed and delivered to the Scrutineers, at any time up to and including the last business day preceding the day of the applicable Meeting or any adjournment or postponement thereof, or deposited with the Chairman at or before the Meeting or any adjournment or postponement thereof at or prior to the commencement of the Meeting. The document used to revoke a proxy must be in writing, completed and signed by the Donnybrook Shareholders or his attorney authorized in writing or, if the Donnybrook Shareholders is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized to execute same. A registered Donnybrook Shareholders who has given a proxy may attend the Meeting in person (or where the Donnybrook Shareholders is a corporation, its authorized representative may attend), revoke the proxy (by indicating such intention to the Chairman before the proxy is exercised) and vote in person (or abstain from voting).

Waiver

17. The right is reserved to the Chairman to waive any timing or deposit requirement (individually in any particular case or collectively in any series of cases) prescribed above with respect to the deposit of proxies, provided that he instructs the Scrutineers prior to the last time at which any proxy or revocation is to be used.

Quorum, Adjournments and Postponements

18. The quorum at the Meeting shall be persons present not being less than two (2) in number and holding or representing not less than five percent (5%) of the Donnybrook Shares entitled to vote at the Meeting. If within 30 minutes of the appointed time of the Meeting a quorum in respect of the Donnybrook Shareholders is not present, the Meeting will be reconvened to a date, time and place determined by the Chairman. If the Chairman selects a new Meeting date that is less than thirty days after the original Meeting date, it shall not be necessary to give any further notice of the reconvened Meeting. If the Chairman selects a new Meeting date that is more than thirty days after the original Meeting date, notice of the reconvened Meeting shall be given to each Donnybrook Shareholder in any matter permitted by this Order. At such reconvened Meeting, the quorum will consist of the Donnybrook Shareholders then present in person or represented by proxy.

19. Notwithstanding the provisions of the ABCA, Donnybrook, if it deems it so advisable, is specifically authorized to adjourn or postpone the Meeting on one or more occasions, without the necessity of first convening the Meeting or first obtaining any vote of the Donnybrook Shareholders respecting the adjournment or postponement and without the need for approval of the Court. Notice of any such adjournments or postponements shall be given by such method as Donnybrook may determine is appropriate in the circumstances, including by press release, news release, newspaper advertisement, or by notice sent to the Donnybrook Shareholders by one of the methods specified in this Order. In all other respects, the Meeting shall be conducted in accordance with the ABCA, subject to such modifications as may be adopted herein or provided for in the Arrangement Agreement and all references to the Meeting in this Order shall be deemed to be to the Meeting as adjourned or postponed.

Voting

20. Spoiled votes, illegible votes, defective votes and abstentions shall be deemed not to be votes cast. Proxies that are properly signed, but which do not contain voting instructions shall be voted in favour of the Arrangement Resolution.

Approval

21. At the Meeting, each Donnybrook Shareholder entitled to vote at the Meeting will be entitled to one vote for each Donnybrook Share held. The requisite votes required to approve the Arrangement Resolution shall be not less than 66⅔% of the votes cast by Donnybrook Shareholders present in person or represented by proxy at the Meeting.

Dissent Rights of Donnybrook Shareholders

22. The registered Donnybrook Shareholders as of the Record Date are entitled to a right of dissent analogous to the right under section 191 of the ABCA, as modified by this Order and the Arrangement, in connection with the Arrangement Resolution ("**Dissent Rights**"). Upon compliance with the provisions of section 191 of the ABCA as modified by this Order and the Arrangement, a dissenting Donnybrook Shareholder is entitled to receive from Donnybrook, under the Arrangement and subject to the provisions of the ABCA, the fair value of their Donnybrook Shares for which they exercise Dissent Rights, determined as of the close of business on the last business day before the date on which the Arrangement Resolution is approved by the Donnybrook Shareholders.

23. A holder of Donnybrook Shares cannot exercise Dissent Rights in respect of only a portion of such holder's Donnybrook Shares but may dissent only with respect to all of the Donnybrook Shares held by the holder.

24. Notwithstanding section 191(5) of the ABCA, the written objection required to be sent to Donnybrook by a dissenting Donnybrook Shareholder pursuant to section 191(5) of the ABCA must be received by Donnybrook c/o Borden Ladner Gervais LLP, Centennial Place, East Tower, 1900, 520 – 3rd Avenue S.W. Calgary, Alberta T2P 0R3 (Attention: David T. Madsen) by 5:00 p.m. (Calgary time) on the business day that is two business days immediately preceding the date

of the Meeting (or any date to which the Meeting may be adjourned or postponed), and the objection must otherwise comply with the requirements of section 191 of the ABCA.

25. Any Donnybrook Shareholder who votes Donnybrook Shares at the Meeting, either in person or by proxy, in favour of the Arrangement Resolution approving the Arrangement shall not be entitled to exercise Dissent Rights.

26. The Dissent Rights shall constitute the only rights of dissent regarding the Arrangement for the Donnybrook Shareholders.

27. Notice to Donnybrook Shareholders of the Dissent Rights regarding the Arrangement Resolution approving the Arrangement and the right to receive, subject to the provisions of the ABCA, the fair value of their Donnybrook Shares, shall be sufficiently given by a description of those rights in the Information Circular to be sent to Donnybrook Shareholders in accordance with this Order.

28. A vote against the Arrangement Resolution or an abstention shall not constitute the written objection required under paragraph 24 above.

29. Any dissenting Donnybrook Shareholder who duly exercises Dissent Rights shall be entitled to be paid by Donnybrook the fair value of his or her Donnybrook Shares held by such Dissenting Shareholder, provided that any such Dissenting Shareholder who exercises such right to dissent and who:

    (a) is ultimately entitled to be paid fair value for his or her Donnybrook Shares (less all applicable withholding taxes) shall be deemed to have transferred his or her Donnybrook Shares to Donnybrook in consideration for a debt claim against Donnybrook to be paid fair value of such Dissent Shares, and shall not be entitled to any other payment or consideration, including any payment under the Arrangement had such holders not exercised their Dissent Rights; or

    (b) is for any reason ultimately not entitled to be paid fair value for its Donnybrook Shares, shall be deemed to have participated in the Arrangement as of the Effective Time on the same terms and at the same time as a non-dissenting Donnybrook Shareholder and shall be issued only the same consideration which a Donnybrook Shareholder is entitled to receive under the Arrangement as if such Dissenting Shareholder would not have exercised Dissent Rights.

Final Application

30. Upon approval of the Arrangement at the Meeting in the manner set forth in this Order, Donnybrook may proceed with an application before this Court for a Final Order for approval of the Arrangement at 2:00 p.m. (Calgary time) on April 15, 2013 at the Calgary Courts Centre, Calgary, Alberta or so soon thereafter as counsel may be heard or on such other date and time as this Honourable Court may direct.

31. Any Donnybrook Shareholder or other interested party desiring to support or oppose the application for final approval of the Arrangement may appear at the time of the hearing in person or by counsel for that purpose, provided such Donnybrook Shareholder or other interested party files with the Court and serves upon Borden Ladner Gervais LLP on or before 12:00 Noon (Calgary time) on April 8, 2013, a Notice of Intention to Appear, setting out such Donnybrook Shareholder's or other interested party's address for service in the Province of Alberta and indicating whether such Donnybrook Shareholder or other interested party intends to support or oppose the application or make submissions thereat, together with a summary of the position of such Donnybrook Shareholder or other interested party intends to advocate before the Court and any evidence or materials which are to be presented to the Court. Service of such notice shall be effected by service upon Borden Ladner Gervais LLP, 1900, 520-3rd Avenue S.W., Calgary, Alberta, T2P 0R3, Attention: David T. Madsen.

32. In the event that the application for final approval of the Arrangement is adjourned, only those parties appearing before this Court for the application of the Final Order and those parties who have filed and served a Notice of Intention to Appear in accordance with paragraph 31 above shall have notice of the adjourned date.

General

33. Service of notice of the Application for this Order on any person is hereby deemed good and sufficient.

34. Donnybrook shall be entitled at any time to seek leave to vary this Order upon such terms and the giving of such notice as this Honourable Court may direct.

(signed) "*J. Strekaf*"

J.C.C.Q.B.A.

APPENDIX C

ARRANGEMENT AGREEMENT

ARRANGEMENT AGREEMENT

THIS AGREEMENT made as of the 22nd day of February, 2013.

BETWEEN:

> **DONNYBROOK ENERGY INC.,** a company amalgamated under the laws of the Province of Alberta (hereinafter referred to as, "**Donnybrook**")
>
> - and -
>
> **CEQUENCE ENERGY LTD.,** a company amalgamated under the laws of the Province of Alberta (hereafter referred to as "**Cequence**")

WHEREAS Donnybrook and Cequence have agreed to effect a statutory plan of arrangement under Section 193 of the *Business Corporations Act* (Alberta) on the terms and conditions set out in this Agreement and the Plan of Arrangement annexed hereto as Schedule A.

NOW THEREFORE THIS AGREEMENT WITNESSES that, in consideration of the promises and the covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties to the other, the Parties covenant and agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Agreement, terms used herein and defined in the Plan of Arrangement attached hereto as Schedule A shall have the meaning ascribed thereto in the Plan of Arrangement and the following terms have the following meanings, respectively:

"**ABCA**" means the *Business Corporations Act*, R.S.A. 2000, c. B-9, as amended, including the regulations promulgated thereunder;

"**Acquisition Proposal**" means any inquiry or the making of any proposal to Donnybrook from any person which constitutes, or may reasonably be expected to lead to (in either case whether in one transaction or a series of transactions) an alternative sale of the Donnybrook Assets or any other transaction, the consummation of which would or could reasonably be expected to impede, interfere with, prevent or delay the transactions contemplated by this Agreement or the Arrangement or which would or could reasonably be expected to materially reduce the benefits to Cequence under this Agreement or the Arrangement;

"**Agreement**" means this arrangement agreement entered into between the Parties as first referenced above, including Schedule A attached hereto and all amendments made hereto;

"**Applicable Laws**" (in the context that refers to one or more Persons) means any domestic or foreign, federal, state, provincial or local law (statutory, common or otherwise, and including Applicable Securities Laws), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated or applied by a Governmental Entity, and any terms and conditions of any grant of approval, permission, authority or license of any Governmental Entity, that is binding upon or applicable to such Person or Persons or its or their business, undertaking, property or securities and emanate from a Person having jurisdiction over the Person or Persons or its or their business, undertaking, property or securities, as the same may be amended from time to time prior to the Effective Date;

"**Applicable Securities Laws**" means, collectively, and as the context may require: (i) the applicable securities legislation of each of the provinces and territories of Canada, and the rules, regulations, instruments, orders and policies published and/or promulgated thereunder and the polices and rules of the TSX or the TSXV; and (ii) U.S. Securities Laws, as the foregoing may be amended from time to time prior to the Effective Date;

"**Arrangement Resolution**" means the special resolution of Donnybrook Shareholders authorizing and approving the Plan of Arrangement;

"**Articles of Arrangement**" means the articles of arrangement in respect of the Arrangement required under subsection 193(10) of the ABCA to be filed with the Registrar after the Final Order has been granted, giving effect to the Arrangement;

"**Asset Exchange Agreement**" means the asset exchange agreement entered into between Donnybrook and Cequence dated February 22, 2013;

"**Business Day**" means a day which is not a Saturday, Sunday or a civic or statutory holiday in Calgary, Alberta;

"**Certificate**" means the proof of filing to be issued by the Registrar pursuant to subsection 193(11) of the ABCA in respect of the Arrangement;

"**Cequence Assets**" has the meaning attributed to that term in the Asset Exchange Agreement;

"**Cequence Circular Information**" means all information in respect of Cequence required to be included in the Information Circular under Applicable Securities Laws and the Interim Order;

"**Cequence Shares**" means the common shares in the capital of Cequence;

"**Court**" means the Court of Queen's Bench of Alberta;

"**Closing**" means the completion of the transactions contemplated by this Agreement;

"**Donnybrook Assets**" has the meaning attributed to that term in the Asset Exchange Agreement;

"**Donnybrook Board**" means the board of directors of Donnybrook;

"**Donnybrook Lock-up Agreements**" means the support agreements between Cequence and each of the Donnybrook Lock-up Shareholders pursuant to which each of the Donnybrook Lock-up Shareholders has agreed to vote the Donnybrook Shares beneficially owned or controlled by such Donnybrook Lock-up Shareholder in favour of the Arrangement Resolution and to otherwise support the Arrangement and other related matters to be considered at the Meeting;

"**Donnybrook Lock-up Shareholders**" means those Donnybrook Shareholders that have entered into Donnybrook Lock-up Agreements with Cequence;

"**Donnybrook Shareholders**" means the holders of Donnybrook Shares;

"**Donnybrook Shares**" means the common shares in the capital of Donnybrook;

"**Effective Date**" has the meaning ascribed thereto in the Plan of Arrangement;

"**Effective Time**" has the meaning ascribed thereto in the Plan of Arrangement;

"**Fairness Opinion**" means the opinion from RBC Dominion Securities Inc. as to the fairness, from a financial point of view, of the consideration being offered under the Arrangement for the Donnybrook Assets;

"**Final Order**" means the final order of the Court approving the Arrangement pursuant to subsection 193(9)(a) of the ABCA, as such order may be affirmed, amended or modified by any court of competent jurisdiction;

"**Governmental Entity**" means any: (i) national, international, multinational, federal, provincial, state, regional, municipal, local or other government or any governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau ministry or agency, domestic or foreign; (ii) any subdivision, agent, commission, board or authority of any of the foregoing; (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; and (iv) the TSX and the TSXV;

"**Information Circular**" means the management information circular dated on or about March 19, 2013, together with all appendices, distributed by Donnybrook in connection with the Meeting;

"**Interim Order**" means the interim order of the Court pursuant to subsection 193(4) of the ABCA providing for, among other things, the calling and holding of the Meeting, as such order may be amended, supplemented or varied by the Court;

"**Meeting**" means the special meeting of Donnybrook Shareholders, including any adjournment or adjournments or postponement or postponements thereof, to be held for the purpose of obtaining approval by Donnybrook Shareholders of the Arrangement Resolution;

"**Misrepresentation**", "**Material Change**" and "**Material Fact**" have the meanings ascribed thereto under Applicable Securities Laws of Canada;

"**Outside Date**" means April 22, 2013 or such later date as may be agreed to in writing by Donnybrook and Cequence;

"**Parties**" means, together, Donnybrook and Cequence and "**Party**" means any one of them;

"**Person**" means an individual, general partnership, limited partnership, corporation, company, limited liability company, unincorporated association, unincorporated syndicate, unincorporated organization, trust, trustee, executor, administrator or other legal representative;

"**Plan of Arrangement**" means the plan of arrangement set out as Schedule A hereto and any amendments, variations or supplements thereto made from time to time in accordance with the terms thereof, the Arrangement Agreement or made at the direction of the Court in the Final Order;

"**Registrar**" means the Registrar of Corporations duly appointed under the ABCA;

"**Regulatory Approvals**" means, collectively such sanctions, rulings, consents, orders, exemptions, permits and other approvals (including the lapse, without objection, of a prescribed time under any Applicable Laws that states that a transaction may be implemented if a prescribed time lapses following the giving of notice without an objection being made) of Governmental Entities required in connection with the Plan of Arrangement; except for those sanctions, rulings, consents, orders, exemptions, permits and other approvals, the failure of which to obtain individually or in the aggregate, would not reasonably be expected to have a material adverse effect on Cequence or on Donnybrook (either before or after giving effect to the Arrangement) or would not materially impede or delay the completion of the Arrangement;

"**Representative**" means any director, officer, employee, agent, advisor or consultant of either Party;

"**Superior Proposal**" means an unsolicited written *bona fide* Acquisition Proposal: (i) that did not result from a breach of this Agreement or any other agreement between the third party making such Acquisition Proposal and Donnybrook; (ii) that is not subject to a financing condition and in respect of which any funds or other consideration necessary to complete the Acquisition Proposal have been demonstrated to the satisfaction of the Donnybrook Board, acting in good faith (after receiving advice from its financial advisor(s) and outside legal counsel), to have been obtained or are reasonably likely to be obtained (as evidenced by a written financing commitment from one or more reputable financial institutions) to fund completion of the Acquisition Proposal at the time and on the basis set out therein; (iii) that the Donnybrook Board determines in good faith after consultation with its financial advisor(s), is, if consummated in accordance with its terms, a transaction that is more favourable, from a financial point of view, to the Donnybrook Shareholders compared to the transaction contemplated by this Agreement; (iv) that the Donnybrook Board determines in good faith after consultation with its financial advisor(s) and outside legal counsel, is reasonably likely to be consummated without undue delay within the time and on the terms proposed, taking into account all legal, financial, regulatory and other aspects of such Acquisition Proposal; (v) in respect of which the Donnybrook Board determines in good faith after receiving the advice of outside legal counsel, as reflected in minutes of the Donnybrook Board, that the taking of such action is necessary for the Donnybrook Board to act in a manner consistent with its fiduciary duties under applicable Laws; (vi) complies with all Applicable Laws; and (vii) is not subject to any due diligence or access condition;

"**Securities Act**" means the *Securities Act* (Alberta) together with all rules and regulations promulgated thereunder or with respect thereto;

"**Securities Authorities**" means, collectively, the securities commissions or similar securities regulatory authorities in each of the provinces or territories of Canada, the TSX and the TSXV;

"**TSX**" means the Toronto Stock Exchange;

"**TSXV**" means the TSX Venture Exchange; and

"**U.S. Securities Act**" means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

1.2 Schedule

Schedule A – the Plan of Arrangement is attached to this Agreement and forms part hereof.

1.3 Construction

In this Agreement, unless otherwise expressly stated or the context otherwise requires:

(a) references to "herein", "hereby", "hereunder", "hereof" and similar expressions are references to this Agreement and not to any particular section, subsection or Schedule;

(b) references to an "Article", "section" or "Schedule" are references to an Article, section or Schedule of or to this Agreement;

(c) words importing the singular shall include the plural and *vice versa* and words importing gender shall include the masculine, feminine and neuter genders, all as may be applicable in the context;

(d) the use of headings is for convenience of reference only and shall not affect the construction or interpretation hereof;

(e) the word "including", when following any general term or statement, is not to be construed as limiting the general term or statement to the specific items or matters set forth or to similar items or matters, but rather as referring to all other items or matters that could reasonably fall within the broadest possible scope of the general term or statement; and

(f) a reference to a statute or code includes every regulation made pursuant thereto, all amendments to the statute or code or to any such regulation in force from time to time, and any statute, code or regulation which supplements or supersedes such statute, code or regulation.

ARTICLE 2
THE ARRANGEMENT

2.1 Plan of Arrangement

(a) The Parties agree to carry out the Arrangement and to use their commercially reasonable efforts to cause the Effective Date to occur on April 15, 2013 but in any event no later than the Outside Date.

(b) Donnybrook agrees that as soon as reasonably practicable after the date hereof (and use its best commercial efforts by March 19, 2013 but in any event no later than March 26, 2013), it will, in a manner reasonably acceptable to Cequence, pursuant to Section 193 of the ABCA and, in cooperation with Cequence, prepare, file and diligently pursue an application for the Interim Order, which will provide, among other things:

(i) for the calling and holding of the Meeting, including confirming the record date for determining the class of Persons to whom notice is to be provided in respect of the Arrangement and the Meeting and for the manner in which such notice is to be provided;

(ii) that all Donnybrook Shareholders as at the record date established for the Meeting shall be entitled to vote on the Arrangement Resolution, with each Donnybrook Share being entitled to one vote for each Donnybrook Share held by them;

(iii) that, subject to the approval of the Court, the requisite approval for the Arrangement Resolution by the Donnybrook Shareholders will be at least $66^{2}/_{3}\%$ of the votes cast on the Arrangement Resolution by the Donnybrook Shareholders present in person or represented by proxy at the Meeting;

(iv) that, in all other respects, the terms, restrictions and conditions of Donnybrook's constating documents and by-laws, including quorum requirements and all other matters, will apply in respect of the Meeting, except as modified by the Interim Order;

(v) for the grant of the Dissent Rights in the manner contemplated in the Plan of Arrangement and the Interim Order;

(vi) for the notice requirements with respect to the presentation of the application to the Court for a Final Order; and

(vii) that the Donnybrook Meeting may be adjourned or postponed from time to time by Donnybrook with the consent of Cequence without the need for additional approval of the Court.

(c) The Arrangement shall be structured such that, assuming the Arrangement Resolution is approved and the Final Order is obtained, the issuance of the Cequence Shares issuable to the Donnybrook Shareholders under the Arrangement, will not require registration under the U.S. Securities Act in reliance on subsection 3(a)(10) thereof.

(d) The Arrangement shall become effective at the Effective Time on the Effective Date. Following issuance of the Final Order and subject to the satisfaction or waiver of the conditions precedent in Article 5, each of Donnybrook and Cequence shall, as soon as practicable, execute and deliver such closing documents and instruments and Donnybrook shall proceed to file the Articles of Arrangement, the Final Order and such other documents as may be required to give effect to the Arrangement with the Registrar pursuant to Section 193 of the ABCA, whereupon the transactions comprising the Arrangement shall occur and shall be deemed to have occurred in the order set out therein without any further act or formality. The Certificate will be conclusive evidence that the Arrangement has become effective on, and be binding on and after the Effective Time.

2.2 Information Circular

As promptly as practical following the execution of this Agreement and in compliance with Applicable Laws:

(a) Donnybrook shall:

(i) prepare the Information Circular, in consultation with Cequence, and cause such circular to be mailed to the Donnybrook Shareholders and filed with applicable regulatory authorities and other governmental authorities in all jurisdictions where the same are required to be mailed and filed; and

(ii) convene the Meeting;

(b) Cequence shall cooperate with Donnybrook in Donnybrook's preparation, filing and mailing of the Information Circular;

(c) Donnybrook shall provide Cequence and its Representatives with a reasonable opportunity to review and comment on the Information Circular and any other relevant documentation and reasonable consideration shall be given to any comments made by Cequence, provided that all information relating solely to Donnybrook included in the Information Circular shall be in form and content satisfactory to Donnybrook and provided that the Information Circular shall comply in all respects with Applicable Laws; and

(d) Cequence shall provide Donnybrook and its Representatives with a reasonable opportunity to review and comment on the Cequence Circular Information for inclusion in the Information Circular and any other relevant documentation and reasonable consideration shall be given to any comments made by Donnybrook, provided that all information relating solely to Cequence included in the Information Circular shall be in form and content satisfactory to Cequence and provided that the Cequence Circular Information to be included in the Information Circular shall comply in all respects with Applicable Laws.

2.3 Closing

The closing of the transactions contemplated herby and by the Arrangement will take place at the offices of Borden Ladner Gervais LLP, in Calgary, Alberta, on the Effective Date.

2.4 Asset Exchange Agreement

Pursuant to the Arrangement and the Asset Exchange Agreement, Donnybrook will transfer the Donnybrook Assets to Cequence and Cequence will transfer the Cequence Assets and issue 10,300,000 Cequence Shares to Donnybrook, in accordance with the terms and conditions of the Asset Exchange Agreement.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of Donnybrook

Donnybrook represents and warrants to and in favour of Cequence as follows, and acknowledges that Cequence is relying on such representations and warranties in connection with the matters contemplated in this Agreement:

(a) Donnybrook has been duly amalgamated and validly exists under the Applicable Laws of Alberta and has the requisite power and authority to own its assets as now owned and to carry on its business as now conducted. Donnybrook is duly registered or authorized to conduct its affairs or do business, as applicable, and is in good standing in each jurisdiction in which the character of its assets, owned, leased, operated, licensed or otherwise held, or the nature of its activities makes such registration or authorization necessary.

(b) Donnybrook has the requisite corporate power and authority to execute this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement and the consummation by Donnybrook of the transactions contemplated by the Arrangement have been duly authorized by the Donnybrook Board and no other proceedings on the part of Donnybrook are necessary to authorize this Agreement, the Arrangement or the other transactions contemplated herein, subject to obtaining the Regulatory Approvals and the approval of the Arrangement Resolution. This Agreement has been duly executed and delivered by Donnybrook and constitutes a legal, valid and binding obligation of Donnybrook enforceable against Donnybrook in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other Applicable Laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are discretionary and may not be ordered.

(c) Except as contemplated by this Agreement:

(i) neither the execution and delivery of this Agreement by Donnybrook nor the consummation of the transactions contemplated by the Arrangement nor compliance by Donnybrook with any of the provisions hereof will violate, conflict with, or result in a breach of any provision of, require any consent, approval or notice under, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under any of the terms, conditions or provisions of (A) the articles, by-laws or other constating documents of Donnybrook; (B) any note, bond, mortgage, indenture, loan agreement, deed of trust, agreement, lien, contract or other instrument or obligation to which Donnybrook is a party or to which it or the Donnybrook Assets may be subject or by which Donnybrook is bound; or (C) any judgment, decree, order, statue, rule or regulation applicable to Donnybrook; or

(ii) other than in connection with or in compliance with the provisions of Applicable Laws in relation to the completion of the Arrangement or which are required to be fulfilled post Arrangement, and except for the requisite approvals of the Court and Governmental Entities (including the Regulatory Approvals):

(A) there is no legal impediment to Donnybrook's consummation of the Arrangement; and

(B) no filing or registration with, or authorization, consent or approval of, any domestic or foreign public body or authority is required of Donnybrook in connection with the consummation of the Arrangement, except for such filings or registrations which, if not made, or for such authorizations, consents or approvals which, if not received, would not, individually or in the aggregate, materially impede the ability of Donnybrook to consummate the Arrangement.

(d) There is no claim, action, inquiry, suit, hearing, arbitration, investigation or other proceeding pending or, to the knowledge of Donnybrook, threatened against or relating to Donnybrook before any Governmental Entity nor is Donnybrook subject to any outstanding order, writ, injunction or decree that, either individually or in the aggregate, is reasonably likely to prevent or materially delay consummation of the Arrangement.

(e) Other than as contemplated herein, no other Regulatory Approvals are required to be obtained by Donnybrook to allow Donnybrook to fulfill its obligations hereunder and under the Plan of Arrangement.

(f) All of the directors and officers of Donnybrook holding in the aggregate at least 17% of the outstanding Donnybrook Shares (on a fully diluted basis), have executed the Donnybrook Lock-up Agreements.

(g) Based upon, among other things, the Fairness Opinion, the Donnybrook Board has unanimously: (i) determined that the Arrangement is fair to the Donnybrook Shareholders; (ii) determined that the Arrangement is in the best interests of Donnybrook; and (iii) resolved to recommend to the Donnybrook Shareholders to vote in favour of the Arrangement.

3.2 Representations and Warranties of Cequence

Cequence represents and warrants to and in favour of Donnybrook as follows, and acknowledges that Donnybrook is relying upon such representations and warranties in connection with the matters contemplated by this Agreement:

(a) Cequence has been duly amalgamated and validly exists under the Applicable Laws of Alberta and has the requisite power and authority to own its assets as now owned and to carry on its business as now conducted. Cequence is duly registered or authorized to conduct its affairs or do business, as applicable, and is in good standing in each jurisdiction in which the character of its assets, owned, leased, operated, licensed or otherwise held, or the nature of its activities makes such registration or authorization necessary.

(b) Cequence has the requisite corporate power and authority to execute this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement and the consummation by Cequence of the transactions contemplated by the Arrangement have been duly authorized by the board of directors of Cequence and no other proceedings on the part of Cequence are necessary to authorize this Agreement, the

Arrangement or the other transactions contemplated herein, subject to obtaining the Regulatory Approvals. This Agreement has been duly executed and delivered by Cequence and constitutes a legal, valid and binding obligation of Cequence enforceable against Cequence in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other Applicable Laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are discretionary and may not be ordered.

(c) Except as contemplated by this Agreement:

(i) neither the execution and delivery of this Agreement by Cequence nor the consummation of the transactions contemplated by the Arrangement nor compliance by Cequence with any of the provisions hereof will violate, conflict with, or result in a breach of any provision of, require any consent, approval or notice under, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under any of the terms, conditions or provisions of the (A) the articles, by-laws or other constating documents of Cequence; (B) any note, bond, mortgage, indenture, loan agreement, deed of trust, agreement, lien, contract or other instrument or obligation to which Cequence is a party or to which the Cequence Assets may be subject or by which Cequence is bound; or (C) any judgment, decree, order, statue, rule or regulation applicable to Cequence;

(ii) other than in connection with or in compliance with the provisions of Applicable Laws in relation to the completion of the Arrangement or which are required to be fulfilled post Arrangement, and except for the requisite approvals of the Court and Governmental Entities (including the Regulatory Approvals):

(A) there is no legal impediment to Cequence's consummation of the Arrangement; and

(B) no filing or registration with, or authorization, consent or approval of, any domestic or foreign public body or authority is required of Cequence in connection with the consummation of the Arrangement, except for such filings or registrations which, if not made, or for such authorizations, consents or approvals which, if not received, would not, individually or in the aggregate, materially impede the ability of Cequence to consummate the Arrangement.

(d) There is no claim, action, inquiry, suit, hearing, arbitration, investigation or other proceeding pending or, to the knowledge of Cequence, threatened against or relating to Cequence before any Governmental Entity nor is Cequence subject to any outstanding order, writ, injunction or decree that, either individually or in the aggregate, is reasonably likely to prevent or materially delay consummation of the Arrangement.

(e) Other than as contemplated herein, no other Regulatory Approvals are required to be obtained by Cequence to allow Cequence to fulfill its obligations hereunder and under the Plan of Arrangement.

3.3 Survival of Representations and Warranties

The representations and warranties of each of the Parties contained herein will survive the execution and delivery of this Agreement and will terminate on the earlier of the termination of this Agreement in accordance with its terms and the Effective Time.

ARTICLE 4
COVENANTS

4.1 Mutual Covenants of Donnybrook and Cequence

From the date of this Agreement until the Effective Date or termination of this Agreement, subject to the other provisions of this Agreement, each party will:

(a) not take, or cause to be taken, any action or cause anything to be done that would cause its obligations hereunder not to be fulfilled in a timely manner; and not take any action, refrain from taking any commercially reasonable action, or permit any action to be taken or commercially reasonable action to not be taken, which is inconsistent with this Agreement or which would render or may reasonably be expected to render any representation or warranty made by it in this Agreement untrue in any material respect prior to the Effective Date or which would reasonably be expected to materially impede the consummation of the Arrangement or to prevent or delay the consummation of the transactions contemplated hereby, in each case, except as permitted by this Agreement;

(b) take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under Applicable Laws to complete the Arrangement, including using reasonable commercial efforts to oppose, lift or rescind any injunction or restraining or other order seeking to stop, or otherwise adversely affecting its ability to consummate, the Arrangement and to defend, or cause to be defended, any proceedings to which it is a party or brought against it or its directors or officers challenging this Agreement or the consummation of the transactions contemplated hereby;

(c) not conduct any activity or operations which might directly or indirectly interfere with or adversely affect the consummation of the Plan of Arrangement; and

(d) not take any action, refrain from taking any action, permit any action to be taken or not taken, inconsistent with this Agreement, which might directly or indirectly interfere with or adversely affect the consummation of the Plan of Arrangement.

Each Party will use its reasonable commercial efforts to cooperate with the other in connection with the performance by the other of their obligations under this Section 4.1 and this Agreement.

4.2 Covenants of Donnybrook

Subject to the other provisions of this Agreement, Donnybrook covenants and agrees that, from the date of this Agreement until the Effective Date or termination of this Agreement, except with the prior written consent of Cequence (such consent not to be unreasonably withheld or delayed), and except as otherwise expressly permitted or specifically contemplated by this Agreement (including the Plan of Arrangement) or required by Applicable Laws, it will:

(a) provide Cequence and its legal counsel with reasonable opportunity to review and comment upon drafts of all materials to be filed with the Court in connection with the Arrangement, including by providing on a timely basis a description of any information required to be supplied by Cequence for inclusion in such material, prior to the service and filing of such material, and will give reasonable consideration to the comments of Cequence and its counsel with respect to any information to be included in such material and any other matters contained therein;

(b) ensure that all material filed with the Court in connection with the Arrangement is consistent in all material respects with the terms of this Agreement and the Plan of Arrangement;

(c) not object to legal counsel to Cequence making such submissions on the application for the Interim Order and the application for the Final Order as such counsel considers appropriate, provided such submissions are in all material respects consistent with this Agreement and the Plan of Arrangement;

(d) subject to the terms of this Agreement and in accordance and compliance with the Interim Order, as soon as practicable (and use its best commercial efforts by April 15, 2013 but in any event, no later than the Outside Date), convene and hold the Meeting in accordance with the Interim Order and Applicable Laws for the purpose of considering the Arrangement Resolution;

(e) subject to compliance by Cequence with its obligations set forth in subsection 4.3(c), as soon as practicable after the execution and delivery of this Agreement, prepare the Information Circular together with any other documents required by Applicable Securities Laws or other Applicable Laws in connection with the Meeting required to be filed or prepared by Donnybrook (including in respect of the distribution of the Cequence Shares to the Donnybrook Shareholders), and, subject to subsection 4.3(c), as soon as practicable after the execution and delivery of this Agreement (and use its best commercial efforts by March 19, 2013 but in any event no later than March 26, 2013), Donnybrook shall, unless otherwise agreed by Cequence, cause the Information Circular and other documentation required in connection with the Meeting to be sent to the Donnybrook Shareholders and be filed as required by the Interim Order and Applicable Laws;

(f) provide Cequence and its legal counsel a reasonable opportunity to review and comment on drafts of the Information Circular and other documents to be sent to the Donnybrook Shareholders in connection with the Meeting or the Arrangement, and will give reasonable consideration to any comments made by Cequence and its legal counsel, provided that all information included in the Information Circular and any other documents to be sent to the Donnybrook Shareholders in connection with the Meeting or the Arrangement relating to Cequence will be in form and content satisfactory to Cequence, acting reasonably;

(g) ensure that the Information Circular (other than any Cequence Circular Information included in the Information Circular that was provided to Donnybrook by Cequence expressly for inclusion in the Information Circular) complies with Applicable Laws and, without limiting the generality of the foregoing, that the Information Circular is consistent with the terms of the Interim Order, will not contain a Misrepresentation and provides the Donnybrook Shareholders with information in sufficient detail to permit them to form a reasoned judgment concerning the matters before them and, will include, subject to the discharge of the fiduciary duties of the Donnybrook Board under Applicable Laws: (i) based upon, among other things, the Fairness Opinion, the unanimous determination of the Donnybrook Board that the Arrangement is in the best interest of Donnybrook, is fair to the Donnybrook Shareholders, and the unanimous recommendation that the Donnybrook Shareholders vote in favour of the Arrangement; and (ii) the Fairness Opinion stating that the consideration to be received for the Donnybrook Assets is fair, from a financial point of view, to the Donnybrook Shareholders;

(h) indemnify and save harmless Cequence and its directors, officers, employees, advisors and agents from and against any and all liabilities, claims, demands, losses, costs, damages and expenses (excluding any loss of profits or consequential damages) to which Cequence or its directors, officers, employees, advisors or agents may be subject or which Cequence or its directors, officers, employees, advisors or agents may suffer, whether under the provisions of any statute or otherwise, in any way caused by, or arising, directly or indirectly, from or in consequence of:

(i) any Misrepresentation or alleged Misrepresentation in the Information Circular other than in respect of the Cequence Circular Information or in any material filed by Donnybrook in connection with the transactions contemplated by this Agreement in compliance or intended compliance with any Applicable Laws;

(ii) any order made or any inquiry, investigation or proceeding by any securities commission or other competent authority based upon any Misrepresentation or any alleged Misrepresentation in the Information Circular other than in respect of the Cequence Circular Information or in any material filed by or on behalf of Donnybrook in compliance or intended compliance with Applicable Securities Laws; and

(iii) Donnybrook not complying with any requirement of Applicable Laws in connection with the transactions contemplated in this Agreement;

except that Donnybrook will not be liable in any such case to the extent that any such liabilities, claims, demands, losses, costs, damages and expenses arise out of any Cequence Circular Information included in the Information Circular that was provided to Donnybrook by Cequence expressly for inclusion in the Information Circular or the negligence of Cequence or the non-compliance by Cequence with any requirements of Applicable Laws in connection with the transactions contemplated by this Agreement;

(i) provide notice to Cequence of the Meeting and allow Cequence's Representatives to attend the Meeting;

(j) solicit proxies to be voted at the Meeting in favour of matters to be considered at the Meeting, including the Arrangement Resolution;

(k) promptly advise Cequence of the number or amount of Donnybrook Shares for which Donnybrook receives notices of dissent or written objections to the Arrangement and provide Cequence with copies of such notices and written objections and subject to Applicable Laws, will provide Cequence with an opportunity to review and comment upon any written communications proposed to be sent by or on behalf of Donnybrook to any Donnybrook Shareholder exercising or purporting to exercise Dissent Rights in relation to the Arrangement Resolution and reasonable consideration will be given to any comments made by Cequence and its counsel prior to sending any such written communications;

(l) promptly inform Cequence of any requests or comments made by Securities Authorities in connection with the Information Circular; and each of the Parties will cooperate with the other and will diligently do all such acts and things as may be necessary in the manner contemplated in the context of the preparation of the Information Circular and use its reasonable commercial efforts to resolve all requests or comments made by Securities Authorities with respect to the Information Circular and any other required filings under Applicable Laws as promptly as practicable after receipt thereof;

(m) advise Cequence, as Cequence may request, and on a daily basis on each of the last ten Business Days prior to the proxy cutoff date for the Meeting, as to the aggregate tally of the proxies received by Donnybrook in respect of the Arrangement Resolution and any other matters to be considered at the Meeting;

(n) subject to obtaining such approvals as are required by the Interim Order, proceed with and diligently pursue the application to the Court for the Final Order;

(o) provide Cequence's legal counsel, on a timely basis, with copies of any notice and evidence served on Donnybrook or its legal counsel in respect of the application for the Final Order or any appeal therefrom;

(p) use reasonable commercial efforts to take all necessary actions to give effect to the transactions contemplated by this Agreement and the Plan of Arrangement, including using reasonable commercial efforts to satisfy or cause the satisfaction of the conditions set forth in Sections 5.1 and 5.3 as soon as reasonably practicable, to the extent the satisfaction of the same is within the control of Donnybrook;

(q) in accordance with subsection 2.1(d): (i) file the Articles of Arrangement, the Final Order and such other documents as may be required to give effect to the Arrangement with the Registrar; and (ii) obtain the Certificate from the Registrar;

(r) ensure that it has available funds to permit the payment of the amount which may be required by Section 6.1 having regard to its other liabilities and obligations, and shall take all such actions as may be necessary to ensure that it maintains such availability to ensure that it is able to pay such amount when required;

(s) promptly notify Cequence in writing of any change in any representation or warranty provided by Donnybrook in this Agreement, which change is or may be of such a nature as to render any representation or warranty misleading or untrue;

(t) promptly advise Cequence in writing of any breach by Donnybrook of any covenant, obligation or agreement of Donnybrook contained in this Agreement, or of any matter which, either individually or in the aggregate, could reasonably be expected to prevent, delay or impede the consummation of the Arrangement or the transactions contemplated hereby, or Donnybrook from performing its obligations under this Agreement or the Arrangement; and

(u) make all necessary filings and applications under Applicable Laws, including Applicable Securities Laws, required to be made on the part of Donnybrook in connection with the transactions contemplated herein, including, without limitation, for all Regulatory Approvals, and will take all actions necessary to be in compliance with such Applicable Laws including, without limitation, the TSXV.

4.3 Covenants of Cequence

Subject to the other provisions of this Agreement, Cequence covenants and agrees that, from the date of this Agreement until the Effective Date or termination of this Agreement, except with the prior written consent of Donnybrook (such consent not to be unreasonably withheld or delayed), and except as otherwise expressly permitted or specifically contemplated by this Agreement (including the Plan of Arrangement) or required by Applicable Laws, it will:

(a) use reasonable commercial efforts to take all necessary actions to give effect to the transactions contemplated by this Agreement and the Plan of Arrangement, including using its reasonable commercial efforts to satisfy or cause the satisfaction of the conditions set forth in Section 5.1 and Section 5.2 as soon as reasonably practicable, to the extent the fulfillment of the same is within the control of Cequence;

(b) promptly advise Donnybrook in writing of any breach by Cequence of any of its representations, warranties, covenants, obligations or agreements contained in this Agreement, or of any matter which, either individually or in the aggregate, could reasonably be expected to prevent, delay or impede the consummation of the

Arrangement or the transactions contemplated hereby, or Cequence from performing its obligations under this Agreement or the Arrangement;

(c) provide Donnybrook with the Cequence Circular Information in a timely manner and ensure that the Cequence Circular Information provided by them expressly for inclusion in the Information Circular does not, at the time of the mailing of the Information Circular, contain any Misrepresentation;

(d) indemnify and save harmless Donnybrook and its directors, officers, employees, advisors and agents from and against any and all liabilities, claims, demands, losses, costs, damages and expenses (excluding any loss of profits or consequential damages) to which Donnybrook or its directors, officers, employees advisors and agents may be subject or which Donnybrook or its directors, officers, employees, advisors or agents may suffer, whether under the provisions of any statute or otherwise, in any way caused by, or arising, directly or indirectly, from or in consequence of:

(i) any Misrepresentation or alleged Misrepresentation contained solely in any Cequence Circular Information included in the Information Circular that was provided to Donnybrook by Cequence expressly for inclusion in the Information Circular;

(ii) any order made or any inquiry, investigation or proceeding by any securities commission or other competent authority based upon any Misrepresentation or alleged Misrepresentation contained solely in the Cequence Circular Information included in the Information Circular that was provided to Donnybrook by Cequence expressly for inclusion in the Information Circular; and

(iii) Cequence not complying with any requirement of Applicable Laws in connection with the transactions contemplated in this Agreement,

except that Cequence will not be liable in any such case to the extent that any such liabilities, claims, demands, losses, costs, damages and expenses arise out of any information contained in the Information Circular other than the Cequence Circular Information included in the Information Circular that was provided to Donnybrook by Cequence expressly for inclusion in the Information Circular or the negligence of Donnybrook or the non-compliance by Donnybrook with any requirement of Applicable Laws in connection with the transactions contemplated by this Agreement;

(e) furnish to Donnybrook or Donnybrook's counsel any request from any Governmental Entity for any information in respect of any third party complaint, investigation or hearing (or investigations indicating the same may be contemplated) to the extent that it relates to or could materially impede the completion of the Arrangement;

(f) make all necessary filings and applications under Applicable Laws required to be made on the part of Cequence in connection with the transactions contemplated herein, including, without limitation, for all Regulatory Approvals, and shall take all commercially reasonable action necessary to be in compliance with such Applicable Laws, including the TSX;

(g) ensure that it has available funds under its lines of credit or other bank facilities to permit the payment of the amount which may be required by Section 6.2 having regard to its other liabilities and obligations, and shall take all such actions as may be necessary to ensure that it maintains such availability to ensure that it is able to pay such amount when required; and

(h) promptly notify Donnybrook in writing of any change in any representation or warranty provided by Cequence in this Agreement, which change is or may be of such a nature as to render any representation or warranty misleading or untrue.

4.4 Donnybrook's Covenants Regarding Non-Solicitation

(a) Donnybrook shall immediately cease and cause to be terminated all existing discussions and negotiations, including through any of its Representatives, if any, with any parties conducted before the date of this Agreement with respect to any Acquisition Proposal and, in connection therewith, Donnybrook shall discontinue access to any of its confidential information in respect of the Donnybrook Assets (and not establish or allow access to any of its confidential information, or any data room, virtual or otherwise,. In respect of the Donnybrook Assets) and shall immediately request (and exercise all rights it has to require) the return or destruction of all information provided to any third parties who have entered into a confidentiality agreement with Donnybrook relating to an Acquisition Proposal and shall request (and exercise all rights to require) the destruction of all material including or incorporating or otherwise reflecting any confidential information regarding the Donnybrook Assets and shall use all reasonable commercial efforts to ensure that such requests are honoured. Donnybrook agrees that it shall not terminate, waive, amend or modify any provision of any existing confidentiality agreement relating to an Acquisition Proposal or any standstill agreement to which it is a party (it being acknowledged and agreed that the automatic termination of any standstill provisions of any such agreement as the result of the entering into an announcement of this Agreement by Donnybrook, pursuant to the express terms of any such agreement, shall not be a violation of this subsection 4.4(a)). Donnybrook undertakes to enforce all standstill, non-disclosure, non-disturbance, non-solicitation and similar covenants that it has entered into prior to the date hereof.

(b) Donnybrook shall not, directly or indirectly, do or authorize or permit any of its Representatives to do, any of the following:

(i) solicit, facilitate, initiate, encourage or take any action to solicit, facilitate, initiate, entertain or encourage any inquiries or communication regarding or the making of any proposal or offer that constitutes or may constitute an Acquisition Proposal, including by way of furnishing information;

(ii) enter into or participate in any negotiations or initiate any discussion regarding an Acquisition Proposal, or furnish to any other person any information with respect to its businesses, properties, operations or conditions (financial or otherwise) in connection with an Acquisition Proposal or otherwise cooperate in any way with, or assist or participate in, facilitate or encourage, any effort or attempt of any other person to do or seek to do any of the foregoing;

(iii) waive, modify or release any party from or otherwise forbear in the enforcement of, or enter into or participate in any discussions, negotiations or agreements to waive, modify or release any party from or otherwise forbear in respect of, any rights or other benefits under confidential information agreements, including without limitation any "standstill provisions" thereunder; or

(iv) accept, recommend, approve, agree to, endorse or propose to accept, recommend, approve, agree to or endorse, or enter into an agreement to implement an Acquisition Proposal;

provided, however, that notwithstanding any other provision hereof, Donnybrook and its Representatives may prior to the Outside Date:

(v) enter into or participate in any discussions or negotiations with a third party who (without any solicitation, initiation or encouragement, directly or indirectly, after the date of this Agreement, by Donnybrook or any of its Representatives) seeks to initiate such discussions or negotiations and, subject to execution of a confidentiality and standstill agreement acceptable to Cequence, may furnish to such third party information concerning Donnybrook and its business, properties and assets, in each case if, and only to the extent that:

(A) the third party has first made a written *bona fide* Acquisition Proposal that the Donnybrook Board determines in good faith, after consultation with its outside financial advisors, is or would be reasonably expected to be a Superior Proposal;

(B) prior to furnishing such information to or entering into or participating in any such negotiations or initiating any discussions with such third party, Donnybrook shall: (1) provide prompt notice to Cequence to the effect that it is furnishing information to or entering into or participating in discussions or negotiations with such person or entity together with a copy of the confidentiality and standstill agreement referenced above and if not previously provided to Cequence, copies of all information provided to such third party concurrently with the provision of such information to such third party; and (2) notify Cequence orally and in writing of any inquiries, offers or proposals with respect to an actual or contemplated Superior Proposal (which written notice shall include a summary of the details of such proposal (and any amendments or supplements thereto), the identity of the person making it, if not previously provided to Cequence, copies of all information provided to such party and all other information reasonably requested by Cequence), within 24 hours of the receipt thereof. Donnybrook shall also keep Cequence informed of the status and details of any such inquiry, offer or proposal and answer Cequence's questions with respect thereto;

(vi) to the extent applicable, comply with Multilateral Instrument 62-104 - *Take-over Bids and Issuer Bids* and similar provisions under Applicable Laws relating to the provision of directors' circulars and make appropriate disclosure with respect thereto to its securityholders; and

(vii) accept, recommend, approve or enter into an agreement to implement a Superior Proposal from a third party, but only if prior to such acceptance, recommendation, approval or implementation: (1) the Donnybrook Board shall have concluded in good faith, after considering all proposals to adjust the terms and conditions of this Agreement and after receiving the advice of outside counsel as reflected in minutes of the Donnybrook Board, that the taking of such action is necessary for the Donnybrook Board in discharge of its fiduciary duties under Applicable Laws; (2) Donnybrook complies with its obligations set forth in subsection 4.4(c) and (3) Donnybrook terminates this Agreement in accordance with subsection 7.2(a)(viii) and concurrently therewith pays the amount required by Section 6.1.

(c) Following receipt of a Superior Proposal, Donnybrook shall give Cequence, orally and in writing, at least five complete Business Days advance notice of any decision by the Donnybrook Board to accept, recommend, approve or enter into an agreement to implement a Superior Proposal, which notice shall: (1) confirm that the Donnybrook Board has determined that such Acquisition Proposal constitutes a Superior Proposal; (2) identify the third party making the Superior Proposal; (3) provide a true and complete

copy thereof including all financing documents and any amendments thereto; and (4) confirm that the Donnybrook Board will unconditionally accept, recommend, approve or enter into the agreement to implement the Superior Proposal in the form provided to Cequence following the expiry of such five Business Day period if Cequence and its financial and legal advisors have not made such adjustments in the terms and conditions of this Agreement and the Arrangement as would enable Donnybrook to proceed with the Arrangement as amended rather than the Superior Proposal. During such five Business Day period, Donnybrook agrees not to accept, recommend, approve or enter into any agreement to implement such Superior Proposal and not to release the party making the Superior Proposal from any standstill provisions and shall not withdraw, redefine, modify or change its recommendation in respect of the Arrangement. In addition, during such five Business Day period, Donnybrook shall, and shall cause its financial and legal advisors to, negotiate in good faith with Cequence and its financial and legal advisors to make such adjustments in the terms and conditions of this Agreement and the Arrangement as would enable Donnybrook to proceed with the Arrangement as amended rather than the Superior Proposal. In the event that Cequence proposes to amend this Agreement and the Arrangement on a basis such that the Donnybrook Board determines that the proposed transaction is no longer a Superior Proposal or to provide Donnybrook and the holders of Donnybrook Shares with consideration equal to or having a value greater than the value being provided in the Superior Proposal and so advises the Donnybrook Board prior to the expiry of such five Business Day period, the Donnybrook Board shall not accept, recommend, approve or enter into any agreement to implement such Superior Proposal and shall not release the party making the Superior Proposal from any standstill provisions and shall not withdraw, redefine, modify or change its recommendation in respect of the Arrangement. Notwithstanding the foregoing, and for greater certainty, Cequence shall have no obligation to make or negotiate any changes to this Agreement or the Arrangement in the event that Donnybrook is in receipt of a Superior Proposal.

(d) Cequence agrees that all information that may be provided to it by Donnybrook with respect to any Acquisition Proposal pursuant to this Section 4.4 will be treated as if it were confidential information and will not be disclosed or used except in order to enforce its rights under this Agreement in legal proceedings.

(e) Donnybrook shall ensure that its Representatives are aware of the provisions of this Section 4.4 and Donnybrook shall be responsible for any breach of this Section 4.4 by its Representatives.

(f) In the event that Donnybrook provides the notice contemplated by subsection 4.4(c) on a date which is less than five Business Days prior to the Meeting, Cequence shall be entitled to require Donnybrook to adjourn or postpone the Meeting to a date that is not more than ten Business Days after the date of such notice.

(g) Notwithstanding any other provision hereof, promptly, and in any event within one Business Day after the receipt by Donnybrook or by its Representatives of any Acquisition Proposal, or any material amendments to such Acquisition Proposal, or any request for non-public information relating to Donnybrook, Donnybrook shall notify Cequence at first orally and then in writing, and such written notification shall include a copy of any Acquisition Proposal or material amendments to such Acquisition Proposal.

4.5 Notice of Certain Events

Each of Donnybrook and Cequence shall promptly notify the other Party of any written notice or other written communication (or site visit) from:

(a) any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement;

(b) any Governmental Authority in connection with the transactions contemplated by this Agreement;

(c) any Person regarding the initiation of any action, suits, investigations or proceedings relating to or otherwise affecting the Donnybrook Assets, in the case of Donnybrook, and the Cequence Assets, in the case of Cequence; and

(d) any Person regarding the occurrence or non-occurrence of any event the occurrence or non-occurrence of which would be reasonably likely to cause any condition to the obligations of the other Party to consummate the transaction contemplated hereby, not to be satisfied.

ARTICLE 5
CONDITIONS

5.1 Mutual Conditions Precedent

The respective obligations of the Parties to complete the transactions contemplated by this Agreement and otherwise to give effect to the Plan of Arrangement shall be subject to the satisfaction of the following conditions:

(a) the Interim Order shall not have been set aside or modified in a manner unacceptable to Donnybrook and Cequence, acting reasonably, and such order will not have been set aside or modified in a manner unacceptable to Donnybrook or Cequence, each acting reasonably, on appeal or otherwise;

(b) the Arrangement Resolution shall have been approved by the Donnybrook Shareholders at the Meeting in accordance with the Interim Order;

(c) the Final Order will have been granted by the Outside Date in form and substance satisfactory to Donnybrook and Cequence, acting reasonably, and such order will not have been set aside or modified in a manner unacceptable to Donnybrook or Cequence, each acting reasonably, on appeal or otherwise;

(d) the closing of the transactions under the Asset Exchange Agreement including the transfer of the Donnybrook Assets from Donnybrook to Cequence, the transfer of the Cequence Assets from Cequence to Donnybrook and the issuance of 10,300,000 Cequence Shares to Donnybrook shall have been completed pursuant to the terms of the Asset Exchange Agreement;

(e) the TSX shall have conditionally approved the listing of the Cequence Shares issuable pursuant to the Asset Exchange Agreement;

(f) the TSXV shall have conditionally approved the completion of the transactions under the Asset Exchange Agreement and hereunder;

(g) each of Donnybrook and Cequence shall have obtained all consents, waivers, permissions and approvals necessary to complete the transactions provided for in this Agreement and the Plan of Arrangement by or from relevant Governmental Authorities, on terms and conditions satisfactory to the Parties, acting reasonably;

(h) the Effective Date will be on or before the Outside Date;

(i) no action shall have been instituted and be continuing on the Effective Date for an injunction to restrain, a declaratory judgment in respect of, or damages on account of, or relating to, the Plan of Arrangement and there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement and no cease trading or similar order with respect to any securities of any of the Parties shall have been issued and remain outstanding; and

(j) no law, regulation or policy shall have been proposed, enacted, promulgated or applied which interferes or is inconsistent with the completion of the Plan of Arrangement, including, without limitation, any material change to the income tax laws of Canada, which would have a material adverse effect upon Donnybrook Shareholders if the Plan of Arrangement is completed.

5.2 Additional Conditions to Obligations of Donnybrook

The obligation of Donnybrook to consummate the transactions contemplated hereby, and in particular the Arrangement, is subject to the following conditions:

(a) the representations and warranties of Cequence set forth in this Agreement and the Asset Exchange Agreement will be true and correct (for representations and warranties qualified as to materiality, true and correct in all respects, and for all other representations and warranties, true and correct in all material respects) as of the date of this Agreement and as of the Effective Date as if made on and as of such date (except to the extent such representations and warranties speak as of an earlier date, the accuracy of which will be determined as of that specified date), and Cequence will have provided to Donnybrook a certificate of two senior officers or authorized signatories certifying such accuracy;

(b) Cequence will have complied in all material respects with its covenants herein and in the Asset Exchange Agreement, and Cequence will have provided to Donnybrook a certificate of two senior officers or authorized signatories certifying compliance with such covenants;

(c) Cequence shall have provided Donnybrook with a certified copy of the resolution duly passed by the Cequence Board approving this Agreement, the Asset Exchange Agreement and the consummation of the transactions contemplated thereunder;

(d) Cequence shall not be in breach of its obligations under this Agreement or the Asset Exchange Agreement, which breach would, or would reasonably be expected to materially impeded the completion of the Arrangement; and

(e) holders of Donnybrook Shares representing not more than 5.0% of the Donnybrook Shares then outstanding will have validly exercised, and not withdrawn, Dissent Rights.

The conditions in this Section 5.2 are for the exclusive benefit of Donnybrook and may be asserted by Donnybrook regardless of the circumstances or may be waived by Donnybrook in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Donnybrook may have.

5.3 Additional Conditions to the Obligations of Cequence

The obligation of Cequence to consummate the transactions contemplated hereby, and in particular the Arrangement, is subject to the following conditions:

(a) the representations and warranties of Donnybrook set forth in this Agreement and the Asset Exchange Agreement will be true and correct (for representations and warranties

qualified as to materiality, true and correct in all respects, and for all other representations and warranties, true and correct in all material respects) as of the date of this Agreement and as of the Effective Date as if made on and as of such date (except to the extent such representations and warranties speak as of an earlier date, the accuracy of which will be determined as of that specified date), and Donnybrook will have provided to Cequence a certificate of two senior officers or authorized signatories certifying such accuracy;

(b) Donnybrook will have complied in all material respects with its covenants herein and in the Asset Exchange Agreement, and Donnybrook will have provided to Cequence a certificate of two senior officers or authorized signatories certifying compliance with such covenants;

(c) Donnybrook shall have provided Cequence with:

(i) certified copies of the resolutions duly passed by the Donnybrook Board approving this Agreement, the Asset Exchange Agreement and the consummation of the transactions contemplated thereunder; and

(ii) certified copies of the resolutions of Donnybrook Shareholders, duly passed at the Meeting, approving the Arrangement Resolution; and

(d) Donnybrook shall not be in breach of its obligations under this Agreement or the Asset Exchange Agreement, which breach would, or would reasonably be expected to materially impede the completion of the Arrangement.

The conditions in this Section 5.3 are for the exclusive benefit of Cequence and may be asserted by Cequence regardless of the circumstances or may be waived by Cequence in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Cequence may have.

5.4 Notice and Effect of Failure to Comply with Conditions

(a) Each Party shall give prompt notice to the other Parties of the occurrence, or failure to occur, at any time from the date hereof to the Effective Date of any event or state of facts which occurrence or failure would, or would be likely to: (i) cause any of the representations or warranties of any Party contained herein or in the Asset Exchange Agreement to be untrue or inaccurate in any material respect; or (ii) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by any Party hereunder or in the Asset Exchange Agreement; provided, however, that no such notification will affect the representations or warranties of the Parties or the conditions to the obligations of the Parties hereunder.

(b) If any of the conditions precedents set forth in Sections 5.1, 5.2 or 5.3 hereof shall not be complied with or waived by the Party or Parties for whose benefit such conditions are provided on or before the date required for the performance thereof, then a Party for whose benefit the condition precedent is provided may, in addition to any other remedies they may have at law or equity, rescind and terminate this Agreement provided that, prior to the filing of the Articles of Arrangement for the purpose of giving effect to the Arrangement, the Party intending to rely thereon has delivered a written notice to the other Party, specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which the Party delivering such notice is asserting as the basis for the non-fulfillment of the applicable condition or the availability of a termination right, as the case may be. If any such notice is delivered, provided that a Party is proceeding diligently to cure any such matter capable of being cured, and that has not occurred as a result of a willful breach, to the satisfaction of the other Party, acting reasonably, no Party may terminate this Agreement until the expiration of a period of five

Business Days from the date of receipt of such notice (provided that no such cure period shall extend beyond the Outside Date and no such cure period shall be provided for a breach which by its nature cannot be cured). More than one such notice may be delivered by a Party. If a Party seeking termination of this Agreement hereunder delivers a notice of such termination within five Business Days of the scheduled date of the Meeting, unless the Parties agree otherwise, Donnybrook shall postpone or adjourn the Meeting to the earlier of: (i) the date that is ten Business Days from receipt of the termination notice; and (ii) five Business Days prior to the Outside Date.

5.5 Satisfaction of Conditions

The conditions set out in this Article 5 are conclusively deemed to have been satisfied, waived or released when, with the agreement of the Parties, Articles of Arrangement are filed under the ABCA to give effect to the Arrangement.

ARTICLE 6
AGREEMENT AS TO DAMAGES AND OTHER ARRANGEMENTS

6.1 Cequence Damages

If at any time after the execution of this Agreement and provided there is no unresolved material breach or non-performance by Cequence of any of its covenants, agreements, representations and warranties in this Agreement:

(a) the Donnybrook Board fails to unanimously recommend, or changes, withdraws or modifies any of their recommendations or determinations in a manner adverse to Cequence or shall have resolved to do so prior to the Effective Date, or has failed to publicly reconfirm any such recommendation upon the written request of Cequence prior to the earlier of 72 hours following such request (or in the event that the Meeting to approve the Arrangement is scheduled to occur within such 72 hour period, prior to the Meeting), or otherwise fails to mail the Information Circular to the Donnybrook Shareholders containing the recommendations or determinations referred to herein;

(b) (i) a *bona fide* Acquisition Proposal (or *bona fide* intention to make one) is publicly announced, proposed, offered or made to the Donnybrook Shareholders or to Donnybrook or any person shall have publicly announced an intention to make a *bona fide* Acquisition Proposal prior to the termination of this Agreement; (ii) after such Acquisition Proposal shall have been made known, made or announced, the Donnybrook Shareholders do not approve the Arrangement, the Arrangement is not submitted for their approval or the Arrangement is not otherwise completed in the manner contemplated in this Agreement; and (iii) within twelve months of the date the first Acquisition Proposal is publicly announced, proposed, offered or made a definitive agreement relating to any Acquisition Proposal is entered into or any Acquisition Proposal is consummated or effected;

(c) the Donnybrook Board fails to promptly reaffirm any of its resolutions, recommendations or determinations within 72 hours following the day that an Acquisition Proposal is publicly announced;

(d) Donnybrook accepts, recommends, approves or enters into an agreement to implement a Superior Proposal; or

(e) Donnybrook breaches any of its representations, warranties or covenants made in this Agreement (without giving effect to the materiality qualifiers contained therein) which breach individually or in the aggregate causes or would reasonably be expected to

materially impede the completion of the Arrangement and Donnybrook fails to cure such breach within five Business Days after receipt of written notice thereof from Cequence (except that no cure period shall be provided for a breach which by its nature cannot be cured and, in no event, shall any cure period extend beyond the Outside Date);

(each of the above being a "**Cequence Damages Event**"), then in the event of the termination of this Agreement pursuant to Section 7.2(a)(vi) and Section 7.2(a)(viii) as a result thereof, Donnybrook shall pay to Cequence $1,000,000 as liquidated damages in immediately available funds to an account designated by Cequence within two Business Days following Cequence's demand therefor, and after such event but prior to payment of such amount, Donnybrook shall be deemed to hold such funds in trust for Cequence. Donnybrook shall only be obligated to pay a maximum of $1,000,000 pursuant to this Section 6.1.

6.2 Donnybrook Damages

If at any time after the execution of this Agreement and provided there is no unresolved material breach or non-performance by Donnybrook of any of its covenants, agreements, representations and warranties in this Agreement, Cequence breaches any of its representations, warranties or covenants made in this Agreement (without giving effect to the materiality qualifiers contained therein) which breach individually or in the aggregate causes or would reasonably be expected to materially impede the completion of the Arrangement and Cequence fails to cure such breach within five Business Days after receipt of written notice thereof from Donnybrook (except that no cure period shall be provided for a breach which by its nature cannot be cured and, in no event, shall any cure period extend beyond the Outside Date) (a "**Donnybrook Damages Event**"), then in the event of the termination of this Agreement pursuant to Section 7.2(a)(vii) as a result thereof, Cequence shall pay to Donnybrook $1,000,000 as liquidated damages in immediately available funds to an account designated by Donnybrook within two Business Days following Donnybrook's demand therefor, and after such event but prior to payment of such amount, Cequence shall be deemed to hold such funds in trust for Donnybrook. Cequence shall only be obligated to pay a maximum of $1,000,000 pursuant to this Section 6.2.

6.3 Liquidated Damages

Each Party acknowledges that the payment of the amounts set out in Sections 6.1 and 6.2 are payment of liquidated damages which are a genuine pre-estimate of the damages which Cequence or Donnybrook, as applicable, will suffer or incur as a result of the event giving rise to such damages and resultant termination of this Agreement and is not a penalty. The Parties each irrevocably waives any right it may have to raise as a defence that any such liquidated damages are excessive or punitive. For greater certainty, each Party agrees that if the payment of any amount pursuant to Section 6.1 is made to Cequence or if the payment of any amount pursuant to Section 6.2 is made to Donnybrook, such payment is the sole monetary remedy of the applicable Party; provided, however, that this limitation shall not apply in the event of fraud or willful breach of this Agreement by Cequence or Donnybrook, as applicable and nothing herein will preclude either Party from seeking injunctive relief to restrain any breach or threatened breach of the covenants or agreements of the other Party set forth in this Agreement or otherwise to obtain specific performance of any of such acts, covenants or agreements, without the necessity of posting bond or security in connection therewith, in accordance with Section 9.13.

ARTICLE 7
AMENDMENT AND TERMINATION

7.1 Amendment and Waiver

This Agreement may, at any time and from time to time before and after the holding of the Meeting, but not later than the Effective Date, be amended by the written agreement of the Parties without, subject to applicable law, further notice to or authorization on the part of their respective shareholders. Without limiting the generality of the foregoing, any such amendment may:

(a) waive compliance with or modify any of the covenants contained herein or waive or modify performance of any of the obligations of the Parties or satisfaction of any of the conditions precedent set forth in Article 5 of this Agreement;

(b) waive any inaccuracies or modify any representation contained herein or in any document to be delivered pursuant hereto;

(c) change the time for performance of any of the obligations, covenants or other acts of the Parties; or

(d) make such alterations in this Agreement as the Parties may consider necessary or desirable in connection with the Interim Order or otherwise,

provided that no such amendment reduces or materially adversely affects the consideration to be received by the Donnybrook Shareholders without approval by the affected Donnybrook Shareholders given in the same manner as required for the approval of the Arrangement or as may be ordered by the Court.

7.2 Termination

(a) This Agreement may be terminated, at any time prior to the Effective Date:

(i) by mutual written consent of the Parties;

(ii) by either Donnybrook or Cequence if the Arrangement Resolution shall have failed to receive the requisite vote at the Meeting (including any adjournment or postponement thereof) in accordance with the Interim Order;

(iii) by either Donnybrook or Cequence if the transactions contemplated by the Asset Exchange Agreement shall not have been consummated on or prior to the Outside Date;

(iv) by either the Donnybrook or Cequence, if the Effective Time shall not have occurred on or prior to the Outside Date, except that the right to terminate this Agreement under this subsection 7.2(a)(iv) shall not be available to any Party whose failure to fulfill any of its obligations has been the cause of, or resulted in, the failure of the Effective Time to occur by such date;

(v) as provided in Section 5.4; provided that the Party seeking termination is not then in breach of this Agreement so as to cause any of the conditions set forth in Sections 5.1, 5.2 and 5.3, as applicable, not to be satisfied;

(vi) by Cequence upon the occurrence of a Cequence Damages Event as provided in Section 6.1;

(vii) by Donnybrook upon the occurrence of a Donnybrook Damages event as provided in Section 6.2; or

(viii) by Donnybrook if it accepts, recommends, approves or enters into an agreement to implement a Superior Proposal; provided that Donnybrook: (i) has complied with its obligations set forth in Section 4.4; and (ii) concurrently pays the amount required pursuant to Section 6.1.

(b) If this Agreement is terminated in accordance with the foregoing provisions of this Section 7.2, this Agreement shall forthwith become void and neither Party shall have any liability or further obligation to and of the other Party hereunder except with respect to

the obligations set forth in or otherwise specified in Article 6 which shall survive such termination provided that neither the termination of this Agreement nor anything contained in this subsection 7.2(b) shall relieve either Party from any liability for any breach by it of this Agreement, including from any inaccuracy in any of its representations and warranties and any non-performance by it of its covenants made herein, prior to the date of such termination.

ARTICLE 8
NOTICES

8.1 Notices

All notices that may or are required to be given pursuant to any provision of this Agreement are to be given or made in writing and served personally or sent by facsimile transmission or email:

(a) in the case of Donnybrook, to:

Donnybrook Energy Inc.
Suite 300, 5704 Balsam Street
Vancouver, British Columbia V6M 4B9
Attention: Malcolm Todd, Chief Executive Officer
Facsimile: (604) 684-4265
Email: mfwtodd@donnybrookenergy.ca

with a copy to:

Borden Ladner Gervais LLP
Suite 1900, 520-3rd Avenue S.W.
Calgary, Alberta T2P 0R3
Attention: Steven Pearson
Facsimile: (403) 266-1395
Email: spearson@blg.com

(b) in the case of Cequence, to:

Cequence Energy Ltd.
Suite 3100,525-8th Avenue S.W.
Calgary, Alberta T2P 1G1
Attention: David Gillis
Facsimile: (403) 299-0603
Email: DGillis@cequence-energy.com

with a copy to:

Norton Rose Canada LLP
Suite 3700, 400-3rd Avenue S.W.
Calgary, Alberta T2P 4H2
Attention: Kirk Litvenenko
Facsimile: (403) 299-0603
Email: kirk.litvenenko@nortonrose.com

or such other address as the Parties may, from time to time, advise the other Party hereto by notice in writing. The date or time of receipt of any such notice will be deemed to be the date of delivery or the time such facsimile transmission or email is received.

ARTICLE 9
GENERAL

9.1 Assignment

This Agreement may not be assigned by any Party without the prior written consent of each of the other Parties.

9.2 Enurement

This Agreement will be binding upon and enure to the benefit of the Parties and their respective successors and permitted assigns from time to time.

9.3 Public Communications

Donnybrook and Cequence agree to consult with each other prior to issuing, or permitting any of its directors, officers, employees or agents to issue, any press releases or otherwise making public statements with respect to this Agreement or the Arrangement or making any filing with any Governmental Entity with respect thereto. Without limiting the generality of the foregoing, no Party will issue any press release regarding the Arrangement, this Agreement or any transaction relating to this Agreement without first providing a draft of such press release to the other Party and reasonable opportunity for comment; provided, however, that the foregoing will be subject to each Party's overriding obligation to make any such disclosure required in accordance with Applicable Laws. If such disclosure is required and the other Party has not reviewed or commented on the disclosure, the Party making such disclosure will use all commercially reasonable efforts to give prior oral or written notice to the other Party, and if such prior notice is not possible, to give such notice promptly following such disclosure.

9.4 Costs

Except as otherwise expressly provided, all fees, costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby will be paid by the Party incurring such cost or expense, whether or not the Arrangement is completed.

9.5 Severability

If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule, law, or public policy, all other conditions and provisions of this Agreement will nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated by this Agreement is not affected in any manner materially adverse to any Party. Upon any determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties will negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated by this Agreement are fulfilled to the fullest extent possible.

9.6 No Consequential Damages

No Party shall be liable in an action initiated by one against the other for special, indirect, consequential, exemplary or punitive damages resulting from or arising out of this Agreement, including, without limitation, loss of profit or business interruptions, however same may be caused.

9.7 Further Assurances

Each Party hereto will, from time to time and at all times hereafter, at the request of the other Party hereto, but without further consideration, do all such further acts, and execute and deliver all such further

documents and instruments and provide all such further assurances as may be reasonably required in order to fully perform and carry out the terms and intent hereof.

9.8 Time of Essence

Time is of the essence in respect of this Agreement.

9.9 Governing Law

This Agreement will be governed, including as to validity, interpretation and effect, by the laws of the Province of Alberta and the laws of Canada applicable therein, and will be construed and treated in all respects as an Alberta contract. Each of the Parties hereby irrevocably attorns to the non-exclusive jurisdiction of the Courts of the Province of Alberta in respect of all matters arising under and in relation to this Agreement and the Arrangement. Each Party hereby waives any right to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Agreement or the transactions contemplated hereby or the actions of the Parties in the negotiation, administration, performance and enforcement of this Agreement.

9.10 Injunctive Relief

The Parties agree that irreparable harm would occur for which money damages would not be an adequate remedy at law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that, the Parties will be entitled to equitable remedies, including specific performance, a restraining order and interlocutory, preliminary and permanent injunctive relief and other equitable relief to prevent breaches of this Agreement, any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief hereby being waived. Such remedies will not be the exclusive remedies for any breach of this Agreement but will be in addition to all other remedies available at law or equity to each of the Parties.

9.11 Waiver

Any Party may, on its own behalf only, (i) extend the time for the performance of any of the obligations or acts of the other Party, (ii) waive compliance with the other Party's agreements or the fulfillment of any conditions to its own obligations contained herein, or (iii) waive inaccuracies in the other Party's representations or warranties contained herein or in any document delivered by the other Party; provided, however, that any such extension or waiver will be valid only if set forth in an instrument in writing signed on behalf of such Party and, unless otherwise provided in the written waiver, will be limited to the specific breach or condition waived.

9.12 No Consequential Damages

No Party shall be liable in an action initiated by one against the other for special, indirect, consequential, exemplary or punitive damages resulting from or arising out of this Agreement, including, without limitation, loss of profit or business interruptions, however same may be caused.

9.13 Injunctive Relief

The Parties agree that irreparable harm would occur for which money damages would not be an adequate remedy at law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that, except as provided for in Sections 6.1 and 6.2, the Parties will be entitled to equitable remedies, including specific performance, a restraining order and interlocutory, preliminary and permanent injunctive relief and other equitable relief to prevent breaches of this Agreement, any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief hereby being waived. Such remedies will

not be the exclusive remedies for any breach of this Agreement but will be in addition to all other remedies available at law or equity to each of the Parties.

9.14 Counterparts, Execution

This Agreement may be executed in two or more counterparts, each of which will be deemed to be an original but all of which together will constitute one and the same instrument. The Parties will be entitled to rely upon delivery of an executed facsimile or similar executed electronic copy of this Agreement, and such facsimile or similar executed electronic copy will be legally effective to create a valid and binding agreement between the Parties.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF the Parties hereto have executed this Arrangement Agreement as of the date first written above.

DONNYBROOK ENERGY INC.

Per: (signed)"*Malcolm Todd*"
Name: Malcolm Todd
Title: Chief Executive Officer

CEQUENCE ENERGY LTD.

Per: (signed) "*Christopher Soby*"
Name: Christopher Soby
Title: Vice President, Land

SCHEDULE A

PLAN OF ARRANGEMENT UNDER SECTION 193 OF THE *BUSINESS CORPORATIONS ACT* (ALBERTA)

1. INTERPRETATION

(a) In this Plan of Arrangement, unless the context otherwise requires, the following words and terms shall have the meaning hereinafter set out:

(i) "**ABCA**" means the *Business Corporations Act*, R.S.A. 2000, c. B-9, as amended, including the regulations promulgated thereunder;

(ii) "**Arrangement**" means the arrangement under the provisions of Section 193 of the ABCA set forth in this Plan of Arrangement;

(iii) "**Arrangement Agreement**" means the arrangement agreement dated February 22, 2013 between Donnybrook and Cequence to which this Plan of Arrangement is attached as Schedule A, and all amendments thereto;

(iv) "**Arrangement Resolution**" means the Special Resolution of Donnybrook Shareholders authorizing and approving the Arrangement;

(v) "**Asset Exchange Agreement**" means the asset exchange agreement entered into between Donnybrook and Cequence dated February 22, 2013;

(vi) "**Articles of Arrangement**" means the articles of arrangement of Donnybrook in respect of the Arrangement required under subsection 193(10) of the ABCA to be filed with the Registrar after the Final Order has been made to give effect to the Arrangement;

(vii) "**Business Day**" means a day which is not a Saturday, Sunday or a civic or statutory holiday in Calgary, Alberta;

(viii) "**Certificate**" means the proof of filing to be issued by the Registrar pursuant to subsection 193(11) of the ABCA in respect of the Arrangement;

(ix) "**Cequence**" means Cequence Energy Ltd., a corporation amalgamated under the laws of Alberta;

(x) "**Cequence Assets**" has the meaning attributed to that term in the Asset Exchange Agreement;

(xi) "**Cequence Shares**" means the common shares in the capital of Cequence;

(xii) "**Computershare**" means Computershare Trust Company of Canada;

(xiii) "**Court**" means the Court of Queen's Bench of Alberta;

(xiv) "**Dissenting Shareholder**" means a Donnybrook Shareholder who has duly and validly exercised a Dissent Right in strict compliance with the Dissent Procedures;

(xv) "**Dissent Procedures**" means the procedures set forth in Section 191 of the ABCA and the Interim Order required to be taken by a Donnybrook Shareholder to exercise the

right of dissent in respect of Donnybrook Shares in connection with the Arrangement as set forth and as defined in Section 4 hereof;

(xvi) "**Dissent Rights**" means the rights of dissent of Donnybrook Shareholders in respect of the Arrangement Resolution as defined in Section 4 hereof;

(xvii) "**Donnybrook**" means Donnybrook Energy Inc., a corporation amalgamated under the laws of Alberta;

(xviii) "**Donnybrook Assets**" has the meaning attributed to that term in the Asset Exchange Agreement;

(xix) "**Donnybrook Shareholder**" means a Person who is a registered holder of Donnybrook Shares as shown on the share register of Donnybrook and for the purposes of the Meeting, is a registered holder of Donnybrook Shares as of the record date therefor, and for the purposes of the Arrangement, is a registered holder of Donnybrook Shares immediately prior to the Effective Time;

(xx) "**Donnybrook Shares**" means the common shares in the capital of Donnybrook;

(xxi) "**Effective Date**" means the date shown in the Certificate;

(xxii) "**Effective Time**" means the time when the Arrangement will be deemed to have been completed, which shall be 12:01 a.m., Calgary time, on the Effective Date;

(xxiii) "**Eligible Dividend**" has the meaning attributed to that term in subsection 89(1) of the Tax Act;

(xxiv) "**Encumbrance**" means any mortgage, hypothec, prior claim, lien, pledge, assignment for security, security interest, guarantee, right of third parties or other charge, encumbrance, or any collateral securing the payment obligations of any Person, as well as any other agreement or arrangement with any similar effect whatsoever;

(xxv) "**Final Order**" means the final order of the Court approving the Arrangement pursuant to subsection 193(9)(a) of the ABCA, as such order may be affirmed, amended or modified by any court of competent jurisdiction;

(xxvi) "**Interim Order**" means the interim order of the Court pursuant to subsection 193(4) of the ABCA providing for, among other things, the calling and holding of the Meeting, as such order may be amended, supplemented or varied by the Court;

(xxvii) "**Meeting**" means the special meeting of Donnybrook Shareholders, including any adjournment or adjournments or postponement or postponements thereof, to be held for the purpose of obtaining approval by Donnybrook Shareholders of the Arrangement Resolution;

(xxviii) "**Person**" means an individual, general partnership, limited partnership, corporation, company, limited liability company, unincorporated association, unincorporated syndicate, unincorporated organization, trust, trustee, executor, administrator or other legal representative;

(xxix) "**Plan of Arrangement**" means this Plan of Arrangement and any amendments, variations or supplements hereto made from time to time in accordance with the terms hereof, the Arrangement Agreement or made at the direction of the Court in the Final Order;

(xxx) "**Registrar**" means the Registrar of Corporations duly appointed under the ABCA;

(xxxi) "**Special Resolution**" has the meaning ascribed to such term in the ABCA; and

(xxxii) "**Tax Act**" means the *Income Tax Act* (Canada) and the regulations thereunder as amended from time to time.

(b) The headings contained in this Plan of Arrangement are for convenience reference only and shall not affect in any way the meaning or interpretation of this Plan of Arrangement. The terms "**this Plan of Arrangemen**t", "**hereof**", "**herein**", "**hereto**", "**hereunder**" and similar expressions refer to this Plan of Arrangement and not to any particular article, section, subsection, paragraph, subparagraph, clause or sub-clause hereof and include any agreement or instrument supplementary or ancillary hereto.

(c) If the date on which any action is required to be taken hereunder is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

(d) In this Plan of Arrangement, unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders and neuter.

(e) A reference to a Person includes any successor to that Person. A reference to any statute includes all regulations made pursuant to such statute and the provisions of any statute or regulation which amends, supplements or supersedes any such statute or regulation.

(f) Unless otherwise stated in this Plan of Arrangement, all references herein to amounts of money are expressed in lawful money of Canada.

2. EFFECT OF THE ARRANGEMENT

(a) This Plan of Arrangement is made pursuant to and subject to the provisions of the Arrangement Agreement. At the Effective Time, the Arrangement shall be binding upon Donnybrook, Cequence and the Donnybrook Shareholders.

(b) Articles of Arrangement shall be filed with the Registrar with the purpose and intent that none of the provisions of this Plan of Arrangement shall become effective unless all of the provisions of this Plan of Arrangement become effective. The Certificate shall be conclusive evidence that the Arrangement has become effective and that each of the provisions of Section 3 has become effective in the sequence set out therein.

3. THE ARRANGEMENT

(a) At the Effective Time, each of the events below shall occur and shall be deemed to occur in the following sequence (and the events set forth in each of subsections 3.1(a)(ii), (iii) and (iv) shall occur and shall be deemed to occur one minute following the event(s) described in the immediately preceding subsection), without any further act or formality, unless specifically noted:

(i) Subject to Section 4 hereof, each of the Donnybrook Shares held by Dissenting Shareholders shall be, and shall be deemed to be, transferred to Donnybrook (free and clear of any Encumbrances) without any further act or formality and:

(A) such Dissenting Shareholder shall cease to be the holders of such Donnybrook Shares and to have any rights as holders of such Donnybrook Shares, other than the right to be paid the fair value for such Donnybrook Shares as set out in Section 4; and

(B) such Dissenting Shareholders' names shall be removed as the holders of such Donnybrook Shares from the registers of Donnybrook Shares maintained by or on behalf of Donnybrook;

(ii) the transactions contemplated by the Asset Exchange Agreement shall become effective and pursuant thereto, Donnybrook shall transfer, assign and convey to Cequence, all of its entire legal and beneficial right, title and interest in and to the Donnybrook Assets in consideration for:

(A) all of Cequence's entire beneficial right, title and interest in and to the Cequence Assets; and

(B) the issuance by Cequence to Donnybrook of 10,300,000 fully paid and non-assessable Cequence Shares,

all in accordance with the terms of the Asset Exchange Agreement and a result thereof, Donnybrook shall be entered into the register of Cequence Shares maintained by or on behalf of Cequence;

(iii) Donnybrook will distribute the 10,300,000 Cequence Shares received pursuant to the Asset Exchange Agreement to the Donnybrook Shareholders by way of a "reduction of capital" of Donnybrook such that each Donnybrook Shareholder will be entitled to receive a *pro rata* number of the Cequence Shares issued to Donnybrook pursuant to subsection 3(a)(ii)(B) and as a result thereof:

(A) Donnybrook shall be removed as the holder of such Cequence Shares from the register of Cequence Shares maintained on or behalf of Cequence; and

(B) such Donnybrook Shareholders' names shall be entered into the register of Cequence Shares maintained on or on behalf of Cequence; and

(iv) the stated capital of the Donnybrook Shares shall be reduced by an amount equal to the fair market value of the issued and outstanding Cequence Shares.

(b) Following the Effective Time, if the aggregate number of Cequence Shares to which a Donnybrook Shareholder would otherwise be entitled would include a fractional share, then the number of Cequence Shares that such Donnybrook Shareholder is entitled to receive shall be rounded down to the next whole number, and Donnybrook shall be entitled to retain such fractional interest.

(c) On or immediately prior to the Effective Date, Donnybrook and Cequence shall deliver or arrange to be delivered to Computershare, certificates representing the Cequence Shares required hereunder, which certificates shall be distributed to Donnybrook Shareholders in accordance with subsection 5(a) hereof.

4. RIGHTS OF DISSENT

(a) Donnybrook Shareholders shall be entitled to exercise dissent rights ("**Dissent Rights**") with respect to the Donnybrook Shares pursuant to and in the manner set forth in Section 191 of the ABCA as modified by the Interim Order and this Section 4, but provided that notwithstanding subsection 191(5)(a) of the ABCA, such Dissenting Shareholder delivers to Donnybrook written objection to the Arrangement by 5:00 p.m. (Calgary time) on the second Business Day immediately prior to the date of the Meeting and otherwise complies with Section 191 of the ABCA (the "**Dissent Procedures**").

(b) If the Arrangement is concluded, a Donnybrook Shareholder who exercises Dissent Rights in strict compliance with the Dissent Procedures shall be entitled to be paid by Donnybrook the fair value of the Dissent Shares held by such Dissenting Shareholder, determined as provided for in the ABCA, as modified by the Interim Order and this Section 4, provided that any such Dissenting Shareholder who exercises such right to dissent and who:

(i) is ultimately entitled to be paid fair value for its Donnybrook Shares shall be deemed to have transferred its Donnybrook Shares to Donnybrook in consideration for a debt claim against Donnybrook to be paid fair value of such Dissent Shares pursuant to the Dissent Procedures, and shall not be entitled to any other payment or consideration, including any payment under the Arrangement had such holders not exercised their Dissent Rights; or

(ii) is for any reason ultimately not entitled to be paid fair value for its Donnybrook Shares, shall be deemed to have participated in the Arrangement as of the Effective Time at the same terms and at the same time as a non-dissenting Donnybrook Shareholder and shall be issued only the same consideration which a Donnybrook Shareholder is entitled to receive under the Arrangement as if such Dissenting Shareholder would not have exercised Dissent Rights.

(c) The aggregate of all amounts paid to Donnybrook Shareholders by Donnybrook in respect of Dissent Shares in accordance with subsection 4(b)(i) shall be deducted from the stated capital account maintained by Donnybrook for the Donnybrook Shares.

(d) The amount of any deemed dividend resulting from the application of subsection 84(3) of the Tax Act to the repurchase of the Dissent Shares held by Dissenting Shareholders is hereby designated by Donnybrook as an Eligible Dividend.

(e) All payments made to a Dissenting Shareholder pursuant to this Section 4 shall be subject to, and paid net of, all applicable withholding taxes.

(f) For greater certainty, in addition to any other restrictions in Section 191 of the ABCA, no Person who has voted in favour of this Plan of Arrangement shall be entitled to dissent with respect to this Plan of Arrangement.

5. DELIVERY OF CEQUENCE SHARES

(a) Upon completion of this Plan of Arrangement, Donnybrook shall direct Computershare to deliver to each Donnybrook Shareholder, a the share certificates evidencing ownership of the Cequence Shares to which such holder is entitled to receive hereunder.

(b) Donnybrook shall be entitled to deduct and withhold from all dividends or other consideration otherwise payable to any person such amounts as Donnybrook is required or permitted to deduct and withhold with respect to such payment under the Tax Act, the United States Internal Revenue Code of 1986 or any provision of any applicable federal, provincial, state, local or foreign tax law, in each case, as amended. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes hereof as having been paid to the person in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority.

6. AMENDMENT

(a) Donnybrook and Cequence reserve the right to amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Date, provided that any amendment, modification or supplement must be contained in a written document which is: (i)

filed with the Court and, if made following the Meeting, approved by the Court; and (ii) communicated to Donnybrook Shareholders in the manner required by the Court (if so required).

(b) Any amendment, modification or supplement to this Plan of Arrangement proposed by Donnybrook or Cequence (if consented to by all such parties, each acting reasonably) may be made at any time prior to or at the Meeting, with or without any other prior notice or communication and, if so proposed and accepted by Persons voting at the Meeting (other than as may be required under the Interim Order) shall become part of this Plan of Arrangement for all purposes.

(c) Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court following the Meeting will be effective only if it is consented to by Donnybrook and Cequence (each acting reasonably) and, if required by the Court, by the Donnybrook Shareholders.

(d) Notwithstanding the foregoing provisions of this Section 6, no amendment, modification or supplement of this Plan of Arrangement may be made prior to the Effective Time except in accordance with the terms of the Arrangement Agreement.

APPENDIX D

FAIRNESS OPINION

RBC Capital Markets®

RBC Dominion Securities Inc.
P.O. Box 50
Royal Bank Plaza
Toronto, Ontario M5J 2W7
Telephone: (416) 842-2000

February 22, 2013

The Board of Directors
Donnybrook Energy Inc.
Suite 700, 717 - 7th Avenue SW
Calgary, Alberta T2P 0Z3

To the Board of Directors:

RBC Dominion Securities Inc. ("RBC"), a member company of RBC Capital Markets, understands that Donnybrook Energy Inc. (the "Company") and Cequence Energy Ltd. ("Cequence") propose to enter into an asset exchange agreement (the "Asset Exchange Agreement") and an arrangement agreement (the "Arrangement Agreement") to be dated February 22, 2013 to effect a plan of arrangement (the "Arrangement") under the *Business Corporations Act* (Alberta). Under the terms of the Arrangement, among other things, Cequence would acquire the Company's interest in its Simonette and Resthaven oil and gas properties (the "Donnybrook Assets") for consideration consisting of 10.3 million common shares of Cequence (the "Cequence Shares") and Cequence's interest in its Fir oil and gas property (the "Cequence Assets"). The Arrangement further provides that the Cequence Shares received by the Company shall immediately be distributed to the holders (the "Shareholders") of common shares of Donnybrook (the "Donnybrook Shares") on a *pro rata* basis. Upon completion of the Arrangement, Shareholders will for each Donnybrook Share held: (i) receive approximately 0.0531 of a Cequence Share (the "Share Consideration") and (ii) continue to hold one Donnybrook Share which on a pro forma basis will represent ownership in a publicly-traded oil and gas company which will directly or indirectly own the Cequence Assets (the "Asset Consideration") and the remainder of the Company's assets, including the Company's existing Bigstone property. The Share Consideration and Asset Consideration together comprise the consideration (the "Consideration"). The terms of the Arrangement will be more fully described in a management information circular (the "Circular"), which will be mailed to the Shareholders in connection with the Arrangement.

RBC also understands that each of the directors and officers, who in aggregate hold approximately 12.5% of the Donnybrook Shares, will each enter into a lock-up agreement (the "Lock-Up Agreements") pursuant to which, among other things, each of them will agree to vote all Donnybrook Shares held by them, including Donnybrook Shares issuable on the exercise of all options to purchase Donnybrook Shares, in favour of the Arrangement.

The Company has retained RBC to provide advice and assistance to the Company in evaluating the Arrangement, including the preparation and delivery to the board of directors (the "Board") of the Company of RBC's opinion (the "Fairness Opinion") as to the fairness of the Consideration under the Arrangement from a financial point of view to the Shareholders. The Fairness Opinion has been prepared in accordance with the guidelines of the Investment Industry Regulatory Organization of Canada. RBC has not prepared a valuation of the Company or any of its securities or assets and the Fairness Opinion should not be construed as such.

Engagement

The Company initially contacted RBC regarding a potential advisory assignment in October 2012, and RBC was formally engaged by the Company through an agreement between the Company and RBC (the "Engagement Agreement") dated November 7, 2012. The terms of the Engagement Agreement provide that RBC is to be paid a fee for its services under the Engagement Agreement, including fees that are contingent on completion of the Arrangement or certain other events. In addition, RBC is to be reimbursed for its reasonable out-of-pocket expenses and to be indemnified by the Company in certain circumstances. RBC consents to the inclusion of the Fairness Opinion in its entirety and a summary thereof in the Circular and to the filing thereof, as necessary, by the Company with the TSX Venture Exchange and with the securities commissions or similar regulatory authorities in each province of Canada.

Relationship With Interested Parties

Neither RBC, nor any of its affiliates is an insider, associate or affiliate (as those terms are defined in the *Securities Act* (Ontario)) of the Company, Cequence or any of their respective associates or affiliates. RBC has not been engaged to provide any financial advisory services nor has it participated in any financing involving the Company, Cequence or any of their respective associates or affiliates, within the past two years, other than the services provided under the Engagement Agreement. There are no understandings, agreements or commitments between RBC and the Company, Cequence or any of their respective associates or affiliates with respect to any future business dealings. RBC may, in the future, in the ordinary course of its business, perform financial advisory or investment banking services for the Company, Cequence or any of their respective associates or affiliates. The compensation of RBC under the Engagement Agreement does not depend in whole or in part on the conclusions reached in the Fairness Opinion.

RBC acts as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have had and may in the future have positions in the securities of the Company, Cequence or any of their respective associates or affiliates and, from time to time, may have executed or may execute transactions on behalf of such companies or clients for which it received or may receive compensation. As an investment dealer, RBC conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matters, including with respect to the Company, Cequence or the Arrangement.

Credentials of RBC Capital Markets

RBC is one of Canada's largest investment banking firms, with operations in all facets of corporate and government finance, corporate banking, mergers and acquisitions, equity and fixed income sales and trading and investment research. RBC Capital Markets also has significant operations in the United States and internationally. The Fairness Opinion expressed herein represents the opinion of RBC and the form and content herein have been approved for release by a committee of its directors, each of whom is experienced in merger, acquisition, divestiture and fairness opinion matters.

Scope of Review

In connection with our Fairness Opinion, we have reviewed and relied upon or carried out, among other things, the following:

1. the most recent draft, dated February 22, 2013, of the Asset Exchange Agreement;
2. the most recent draft, dated February 22, 2013, of the Arrangement Agreement;

3. the most recent draft, dated February 21, 2013, of the Lock-Up Agreements;
4. audited financial statements of the Company for each of the two years ended December 31, 2010 and 2011;
5. the unaudited interim reports of the Company for the quarters ended March 31, 2012, June 30, 2012 and September 30, 2012;
6. the Notice of Annual and Special Meeting of Shareholders and Management Information Circulars of the Company for each of the two years ended December 31, 2010 and 2011 and the Notice of Special Meeting of Shareholders and Management Information Circular of the Company for the Special Meeting held on November 4, 2011;
7. the annual information forms of the Company for each of the two years ended December 31, 2010 and 2011;
8. the independent petroleum engineering report from GLJ Petroleum Consultants Ltd. ("GLJ") evaluating the crude oil, natural gas liquids and natural gas reserves attributable to each of the Company's properties dated effective April 30, 2012 (the "Donnybrook GLJ Report");
9. the internal management budget of the Company for the year ending December 31, 2013;
10. audited financial statements of Cequence for each of the two years ended December 31, 2010 and 2011;
11. the unaudited interim reports of Cequence for the quarters ended March 31, 2012, June 30, 2012 and September 30, 2012;
12. the Notice of Meeting and Proxy Statement and Information Circular of Cequence for each of the two years ended December 31, 2010 and 2011;
13. the annual information forms of Cequence for each of the two years ended December 31, 2010 and 2011;
14. the internal evaluation completed by Cequence management together with the draft independent petroleum engineering report from GLJ evaluating the crude oil, natural gas liquids and natural gas reserves attributable to the Cequence Assets dated effective December 31, 2012 (the "Draft Cequence GLJ Report");
15. discussions with senior management of the Company and Cequence;
16. discussions with the Company's legal counsel;
17. public information relating to the business, operations, financial performance and stock trading history of the Company, Cequence and other selected public companies considered by us to be relevant;
18. public information with respect to other transactions of a comparable nature considered by us to be relevant;
19. public information regarding the oil and gas industry in general and in the Western Canadian Sedimentary Basin (the "WCSB") specifically;
20. representations contained in certificates addressed to RBC, dated as of the date hereof, from senior officers of each of the Company and Cequence as to the completeness and accuracy of the information upon which the Fairness Opinion is based; and
21. such other corporate, industry and financial market information, investigations and analyses as RBC considered necessary or appropriate in the circumstances.

RBC has not, to the best of its knowledge, been denied access by the Company to any information requested by RBC. As the auditors of the Company and Cequence both declined to permit RBC to rely upon information provided by them as part of a due diligence review, RBC did not meet with the auditors of either the Company or Cequence and has assumed the accuracy and fair presentation of and relied upon the consolidated financial statements of the Company and Cequence and the respective reports of the auditors thereon.

Prior Valuations

The Company has represented to RBC that there have not been any prior valuations (as defined in Multilateral Instrument 61-101) of the Company or its material assets or its securities in the past twenty-four month period.

Assumptions and Limitations

With the Board's approval and as provided for in the Engagement Agreement, RBC has relied upon the completeness, accuracy and fair presentation of all of the financial and other information, data, advice, opinions or representations obtained by it from public sources, senior management of each of the Company and Cequence, and their consultants and advisors (collectively, the "Information"). The Fairness Opinion is conditional upon such completeness, accuracy and fair presentation of such Information. Subject to the exercise of professional judgment and except as expressly described herein, we have not attempted to verify independently the completeness, accuracy or fair presentation of any of the Information.

Senior officers of the Company have represented to RBC in a certificate delivered as of the date hereof, among other things, that (i) the Information (as defined above) provided orally by, or in the presence of, an officer or employee of the Company or in writing by the Company or any of its subsidiaries or their respective agents to RBC for the purpose of preparing the Fairness Opinion was, at the date the Information was provided to RBC, and is complete, true and correct in all material respects, and did not and does not contain any untrue statement of a material fact in respect of the Company, its subsidiaries or the Arrangement and did not and does not omit to state a material fact in respect of the Company, its subsidiaries or the Arrangement necessary to make the Information or any statement contained therein not misleading in light of the circumstances under which the Information was provided or any statement was made; and that (ii) since the dates on which the Information was provided to RBC, except as disclosed in writing to RBC, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Company or any of its subsidiaries and no material change has occurred in the Information or any part thereof which would have or which would reasonably be expected to have a material effect on the Fairness Opinion.

Senior officers of Cequence have represented to RBC in a certificate delivered as of the date hereof, among other things, that (i) the Information (as defined above) provided orally by, or in the presence of, an officer or employee of Cequence or in writing by Cequence or any of its subsidiaries or their respective agents to RBC for the purpose of preparing the Fairness Opinion was, at the date the Information was provided to RBC, and is complete, true and correct in all material respects, and did not and does not contain any untrue statement of a material fact in respect of Cequence, its subsidiaries or the Arrangement and did not and does not omit to state a material fact in respect of Cequence, its subsidiaries or the Arrangement necessary to make the Information or any statement contained therein not misleading in light of the circumstances under which the Information was provided or any statement was made; and that (ii) since the dates on which the Information was provided to RBC, except as disclosed in writing to RBC, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business,

operations or prospects of Cequence or any of its subsidiaries and no material change has occurred in the Information or any part thereof which would have or which would reasonably be expected to have a material effect on the Fairness Opinion.

In preparing the Fairness Opinion, RBC has made several assumptions, including that all of the conditions required to implement the Arrangement will be met.

The Fairness Opinion is rendered on the basis of securities markets, economic, financial and general business conditions prevailing as at the date hereof and the condition and prospects, financial and otherwise, of the Company, Cequence and its subsidiaries and affiliates, as they were reflected in the Information and as they have been represented to RBC in discussions with management of the Company and Cequence. In its analyses and in preparing the Fairness Opinion, RBC made numerous assumptions with respect to industry performance, general business and economic conditions and other matters, many of which are beyond the control of RBC or any party involved in the Arrangement.

The Fairness Opinion has been provided for the use of the Board and may not be used by any other person or relied upon by any other person other than the Board without the express prior written consent of RBC. The Fairness Opinion is given as of the date hereof and RBC disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Fairness Opinion which may come or be brought to RBC's attention after the date hereof. Without limiting the foregoing, in the event that there is any material change in any fact or matter affecting the Fairness Opinion after the date hereof, RBC reserves the right to change, modify or withdraw the Fairness Opinion.

RBC believes that its analyses must be considered as a whole and that selecting portions of the analyses or the factors considered by it, without considering all factors and analyses together, could create a misleading view of the process underlying the Fairness Opinion. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis. The Fairness Opinion is not to be construed as a recommendation to any Shareholder as to whether to vote in favour of the Arrangement.

Overview of the Company

The Company is a Canadian oil and natural gas exploration and production company, focused on the Montney formation in the Deep Basin in West Central Alberta. The Company has been focused on de-risking and developing acreage on its liquid rich resource plays and holds 46 gross sections (22.4 net sections) of land prospective for Montney development. The Company's two assets, Simonette / Resthaven and Bigstone are currently producing approximately 215 barrels of oil equivalent ("boe") per day. As of April 30, 2012, based on the Donnybrook GLJ Report, the Company had total estimated proved plus probable reserves of 5.9 million boe, of which 3.2 million boe was proved and 2.7 million boe was probable. Upon completion of the Arrangement, the Company will hold 19 gross sections (7 net sections) of land with current production of approximately 315 boe per day and, based on the Donnybrook GLJ Report and the Draft Cequence GLJ Report, total estimated proved plus probable reserves of 2.5 million boe, of which 1.4 million boe was proved and 1.1 million boe was probable.

Overview of Cequence

Cequence is a natural gas and oil resource focused company with current production in excess of 9,000 boe per day. The majority of Cequence's production comes from the Deep Basin in

the Simonette area where it owns Montney and other Cretaceous oil and gas rights. As of December 31, 2011, Cequence had total estimated proved plus probable reserves of 67.4 million boe, of which 35.1 million boe was proved and 32.3 million boe was probable.

Fairness Analysis

Approach to Fairness

In considering the fairness of the Consideration, from a financial point of view, to the Shareholders, RBC principally considered and relied upon the following:

1. a comparison of the Consideration to the results of a net asset value ("NAV") analysis of the Donnybrook Assets (the "NAV Analysis"); and

2. a comparison of selected financial multiples, to the extent publicly available, of selected precedent transactions to the multiples implied by the Consideration.

RBC also reviewed the trading multiples of selected public companies involved in the oil and gas industry from the perspective of whether a public market value analysis might exceed NAV or precedent transaction values. However, RBC concluded that the implied values from public company trading multiples were similar to or below the values resulting from NAV and precedent transaction values. Given this, and that public company values generally reflect minority discount values rather than "en bloc" values, RBC did not rely on this methodology.

Review of Consideration

Share Consideration

In assessing the value of the Share Consideration, RBC relied on the market trading value approach in view of the following: (i) since Shareholders will individually be receiving a minority interest in Cequence and will not be able to affect the control of Cequence, RBC concluded that it was not appropriate to consider methodologies to assess the en bloc value of the Cequence Shares; (ii) Cequence is well followed by equity market analysts and Cequence Shares trade on a comparable basis and manner consistent with other comparable publicly traded companies; and (iii) the liquidity of Cequence Shares.

During RBC's review of Cequence, including discussions with Cequence management, RBC was not made aware of any material information regarding Cequence which has not been publicly disclosed, which would reasonably be expected to materially adversely affect the market price of the Cequence Shares.

RBC reviewed the historical trading prices and volumes for the Cequence Shares on the Toronto Stock Exchange ("TSX"). As shown in the table below, such review included, among other things, RBC's analysis of the average daily trading volume and volume weighted average trading price over various periods ended February 22, 2013.

Period Ending February 22, 2013	Cequence Share Price	Average Daily Trading Volume	Implied Value of Consideration[1]
	(C$)		*(C$)*
Closing	$1.35		$0.07
1 Day Volume Weighted Average	$1.35	683,417	$0.07
5 Day Volume Weighted Average	$1.39	522,662	$0.07
10 Day Volume Weighted Average	$1.46	499,612	$0.08
30 Day Volume Weighted Average	$1.45	703,475	$0.08

Note:
(1) Equals the applicable Cequence Share price multiplied by the Share Consideration of 0.0531 of a Cequence Share per Donnybrook Share

Based on the closing price of the Cequence Shares and the number of Cequence Shares outstanding on February 22, 2013, as determined by the treasury stock method, RBC calculated Cequence's equity market capitalization to be approximately $270 million. Under the Arrangement, the number of Cequence Shares outstanding would increase by approximately 5.1%.

RBC believes that the market trading price of the Cequence Shares is an appropriate indicator of the value for the Share Consideration. Based on the closing price of $1.35 of the Cequence Shares on the TSX on February 22, 2013, RBC calculated the value of the Share Consideration to be approximately $0.07 per Donnybrook Share.

Asset Consideration

In assessing the value of the Asset Consideration, RBC considered the following: (i) an NAV analysis (as described in greater detail in the following section) of the Cequence Assets; (ii) a multiples approach based on a comparable precedent transactions analysis; and (iii) potential public market trading value of the Donnybrook Shares on a pro forma basis and the value that would imply for the Cequence Assets. Based on this analysis the assessed range of the Asset Consideration was determined to be $0.02 to $0.03 per Donnybrook Share.

Summary of Review of Consideration

Based on the foregoing analysis regarding the Share Consideration and the Asset Consideration, RBC calculated the value of the Consideration to be approximately $0.09 to $0.10 per Donnybrook Share.

Net Asset Value Analysis

The NAV approach ascribes a separate value for each category of assets and liabilities utilizing the methodology appropriate in each case. The sum of the total assets less liabilities yields the NAV. The approach ascribes value to the proved and probable reserves and undeveloped resources on the basis of discounted future cash flows. Capital expenditures required to develop existing reserves and resources (where applicable) and fund an ongoing exploration and development program are deducted from reserve and resource values. Provisions have also been made for the future cash flows associated with the reclamation and abandonment of wells and facilities. The NAV approach requires that certain assumptions be made regarding, among other things, future cash flows and discount rates. The possibility that some of the assumptions will prove to be inaccurate is one factor involved in the determination of the discount rates to be used.

In conducting our NAV Analysis to assess the value of: (i) the Donnybrook Assets; and (ii) the Cequence Assets, RBC relied upon both an assessment of the reserves and resources and a review of the future development plan for each of the Donnybrook Assets and the Cequence Assets.

In completing our NAV Analysis, RBC did not rely on any single series of assumptions but performed a variety of sensitivity analyses. Variables sensitized included commodity price assumptions, discount rates and development plan scenarios for both the Donnybrook Assets and the Cequence Assets. The results of these sensitivity analyses are reflected in RBC's judgment as to the fairness of the Consideration from a financial point of view to the Shareholders.

Discount rates used in RBC's NAV Analysis ranged from 8% to 10% for proved developed producing reserves and 15% to 25% for other proved plus probable reserves.

The NAV Analysis of the Donnybrook Assets, taking into account sensitivities to the items discussed above, produced values per Donnybrook Share that were consistent with the value of the Consideration.

Precedent Transaction Analysis

RBC reviewed and compared certain publicly available information regarding selected precedent transactions in the Canadian oil and gas industry, in particular within the WCSB, to the multiples implied by the Consideration. In particular, RBC focused on transactions that were most comparable to the Arrangement in terms of gas-weighting and stage of development. In analyzing precedent transactions, RBC reviewed a number of parameters including enterprise value per barrel of current daily production and enterprise value per barrel of proved plus probable ("2P") reserves.

Date Announced	Acquiror	Seller	Enterprise Value	Enterprise Value[1] / Production	Enterprise Value[1] / 2P
			($MM)	*($/boe/d)*	*($/boe)*
12-Dec-12	Bonavista	Angle	74.0	30,204	3.78
13-Nov-12	CNRL	Lone Pine	82.0	28,276	5.39
07-Nov-12	Tourmaline	APL	84.1	28,174	n/a
06-Nov-12	Toscana	Unspecified	10.5	23,864	11.67
23-Oct-12	Tourmaline	Huron	258.3	46,964	5.59
19-Oct-12	Unspecified	Anderson	37.5	24,038	n/a
18-Oct-12	Toscana	Unspecified	17.5	23,333	5.83
09-Oct-12	Unspecified	Lone Pine	19.0	33,529	n/a
28-Aug-12	Bonavista	Fairborne	155.0	23,134	6.42
03-Jul-12	Peyto	Open Range	183.8	32,821	7.19
30-Jun-12	SW	Talisman	115.0	23,469	3.03
10-Feb-12	Pine Cliff	Perpetual	23.5	24,737	9.04
08-Feb-12	Unspecified	Perpetual	59.0	34,236	n/a
03-Jan-12	Velvet	Vero	209.0	28,646	7.89
Average				**$28,959**	**$6.58**
Donnybrook Assets[2]			**$18.4**	**$116,487**	**$4.00**

Notes:
(1) Enterprise value not adjusted for value of undeveloped land, seismic, or other assets
(2) Based on the Share Consideration and the mid-point of the assessed range of the Asset Consideration

While none of the above transactions is directly comparable to the Arrangement given differences in their respective inventories of well drilling locations, mixes of reserves, resources and exploration upside, dates of their most recently disclosed reserve estimates, economics based on resource quality, operatorship and cost profile, and times in the commodity price cycle, the financial multiples implied by the Consideration are consistent with the multiples paid in the selected precedent transactions reviewed by RBC.

Fairness Conclusion

Based upon and subject to the foregoing, RBC is of the opinion that, as of the date hereof, the Consideration under the Arrangement is fair from a financial point of view to the Shareholders.

Yours very truly,

RBC Dominion Securities Inc.

RBC DOMINION SECURITIES INC.

APPENDIX E

INFORMATION CONCERNING CEQUENCE

All capitalized terms used in this Appendix but not otherwise defined herein have the meanings set forth in the "*Glossary of Terms*" in the Information Circular to which this Appendix is attached.

FORWARD-LOOKING STATEMENTS

This Appendix and the documents incorporated by reference herein contain certain forward-looking statements and forward-looking information (collectively referred to as "**forward-looking statements**") within the meaning of applicable securities laws. All statements other than statements of historical fact are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "believe", "could", "estimate", "expect", "forecast", "guidance", "intend", "may", "plan", "predict", "project", "should", "target", "will" or similar words suggesting future outcomes or language suggesting an outlook. In particular, this Appendix and the documents incorporated by reference herein contain forward-looking statements pertaining to the following:

- commodity prices;
- development and drilling plans for the assets of Cequence and transportation and infrastructure availability;
- the performance characteristics of the oil and natural gas properties of Cequence;
- capital expenditure programs;
- business plans, strategies and objectives;
- the ability of Cequence to achieve drilling success consistent with management's expectations;
- quantity of the reserves of Cequence;
- net present values of future net revenues from the reserves of Cequence;
- production levels and mix of the assets of Cequence;
- timing of and bringing on production;
- future production rates;
- expected plans and costs of drilling;
- drilling inventory and presence of oil pools or gas accumulations;
- supply and demand for oil and natural gas;
- ability and cost of increasing plant capacity;
- expected levels of royalty rates, operating costs, general and administrative costs, costs of services and other costs and expenses;
- expectations regarding the ability to raise capital and to continually add to reserves through acquisitions, exploration and development;
- assessments of the value of acquisitions and exploration and development programs;
- geological, technical, drilling and processing problems;
- treatment under governmental regulatory regimes and tax laws;
- the impact of the climate change initiatives on operating costs; and
- the impact of Western Canada pipeline constraints.

Statements relating to "reserves" and "resources" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the reserves and resources described, exist in the quantities predicted or estimated and can be profitably produced in the future.

Undue reliance should not be placed on forward-looking statements, as they are inherently uncertain, are based on estimates and assumptions, and are subject to known and unknown risks and uncertainties (both general and

specific) that contribute to the possibility that the future events or circumstances contemplated by the forward-looking statements will not occur. There can be no assurance that the plans, intentions or expectations upon which forward-looking statements are based will in fact be realized. Actual results will differ, and the difference may be material and adverse to Cequence and Cequence's shareholders. Forward-looking statements are provided for the purpose of providing information about management's current expectations and plans relating to the future. Reliance on such information may not be appropriate for other purposes, such as making investment decisions.

Forward-looking statements are based on Cequence's current beliefs as well as assumptions made by, and information currently available to, Cequence concerning, among other things, anticipated geological, well and financial performance, business prospects, strategies, any regulatory and tax developments, future commodity prices, future production levels of the assets of Cequence, the ability to obtain equipment, services, supplies and personnel in a timely manner to carry out development activities, the ability to obtain drilling success consistent with expectations, the ability to market oil and natural gas successfully to current and new customers, the impact of increasing competition, the ability to obtain financing on acceptable terms, the ability to add production and reserves through the acquisition and development and exploration activities based on historical cost structures, and that there will be no significant events occurring outside of Cequence's normal course of business.

Although the management of Cequence considers these assumptions to be reasonable based on information currently available, they may prove to be incorrect. See "*Forward-Looking Statements*" in the Cequence AIF (as defined herein) and the Cequence MD&A (as defined herein).

By their very nature, forward-looking statements involve inherent risks and uncertainties (both general and specific), some of which are beyond the control of Cequence, that such forward-looking statements will not come to pass. These factors include, but are not limited to, commodity prices, oil and gas exploration, financial risks, substantial capital requirements, bank financing, government regulation, environmental matters, markets and marketing, dependence on key personnel, availability of drilling equipment and access, uninsurable risks, management of growth, expiration of licenses and leases, reserves estimates, seasonality, competition from industry players in Cequence's core areas, conflicts of interest, title to properties, variations in exchange rates and hedging and uncertainty in global financial markets. There is also the risk and uncertainty of access to, or expansion of, infrastructure including appropriate pipelines on acceptable terms or costs. See "*Forward-Looking Statements*" and "*Risk Factors*" in the Cequence AIF and "*Forward-Looking Statements*" and "*Financial Instruments and Risk Management*" in the Cequence MD&A.

The success of Cequence's drilling program is a key assumption in the production estimates for Cequence's 2013 financial year. The primary risk factors which could lead to Cequence not meeting its drilling targets are a weak natural gas pricing environment, a lack of access to drilling rigs and related equipment on a timely basis and at reasonable prices due to high industry demand, poor weather preventing access to the drill sites, delays in obtaining landowner consent for surface access and delays in obtaining well licenses and drilling permits. Increases in capital costs from forecast amounts can result from the foregoing reasons as well as general cost inflation in the industry. Additionally, Cequence may choose to decrease capital expenditures based on lower commodity prices than those anticipated in its budget projections, therefore not meeting its drilling targets and affecting production estimates for the remainder of Cequence's 2013 financial year.

There are many factors that could result in production levels being less than anticipated, including greater than anticipated declines in existing production due to poor reservoir performance, the unanticipated encroachment of water or other fluids into the producing formation, mechanical failures, human error or inability to access production facilities, among other factors.

The price of natural gas in North America is primarily related to the domestic supply and demand equation. Demand is primarily affected by industrial usage and also by heating requirements in winter and cooling requirements in summer, with slower industrial activity and/or warm winters and/or cool summers having a negative demand influence. Supplies are generally domestic, but an increase in the deliverability of global natural gas liquids into the North American market as well as the export of natural gas out of the North American market both also influence the supply situation at times. Recently, the spot price of natural gas in North America has reached historically low prices. The price of crude oil is set in U.S. dollars on the world market and is influenced by global supply and demand factors as well as external events, such as terrorist activity in oil exporting countries. Canadian producers

realize a Canadian dollar price for crude oil, natural gas liquids and natural gas, all of which are determined in large part by the U.S. dollar price for such products adjusted for the U.S. to Canadian dollar exchange rate. The exchange rate is influenced by many factors, which have and may continue to result in high volatility.

Any estimates of cash flow and debt levels are based on assumptions regarding production and sales rates, production mix, natural gas, NGL and oil commodity prices, royalty rates, operating costs, general and administrative costs and capital expenditures. The risk that cash flow from operations may be less than expected or debt levels may be higher than expected is the aggregate of all risks affecting the individual components thereof. For further details on the factors affecting these items, see the Cequence MD&A.

Cequence cautions that these factors and risks are difficult to predict and that the assumptions used in the preparation of such information, although considered reasonably accurate at the time of preparation, may prove to be incorrect. Accordingly, Cequence cautions that the actual results achieved will vary from the information provided herein and the variations may be material. Cequence also cautions that the foregoing list of factors is not exhaustive. Consequently, there is no representation by Cequence that actual results achieved will be the same in whole or in part as those set out in the forward-looking statements. Furthermore, the forward-looking statements contained in this Appendix and the documents incorporated by reference herein are made as of the date of such documents, and Cequence does not undertake any obligation, except as required by applicable securities legislation, to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained in this Appendix and the documents incorporated by reference herein are expressly qualified by this cautionary statement.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference into this Appendix from documents filed with securities commissions or similar authorities in the provinces and territories of Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Chief Financial Officer and Vice President, Finance of Cequence Energy Ltd. at 3100, 525 - 8 Avenue SW, Calgary, Alberta T2P 1G1, telephone: (403) 229-3050 and are also available electronically under Cequence's company profile at www.sedar.com.

The following documents of Cequence are filed with the various securities commissions or similar authorities in the provinces and territories of Canada (under the SEDAR profile of Cequence) and are specifically incorporated by reference into and form an integral part of this Appendix, provided that such documents are not incorporated by reference to the extent that their contents are modified or superseded by a statement contained in this Appendix or in any other subsequently filed document that is also incorporated by reference in this Appendix:

(a) Cequence's annual information form dated March 7, 2013 (the "**Cequence AIF**");

(b) Cequence's information circular dated April 20, 2012 (the "**Cequence Circular**");

(c) Cequence's audited consolidated financial statements, together with the notes thereto and the independent auditor's report thereon as at December 31, 2012 and December 31, 2011 and for the years then ended; and

(d) Cequence's management's discussion and analysis of the financial condition and operations of Cequence as at and for the year ended December 31, 2012 dated March 7, 2013 (the "**Cequence MD&A**").

Any documents of the type required by National Instrument 44-101 – *Short Form Prospectus Distributions* to be incorporated by reference in this Appendix, including any annual information forms, annual consolidated financial statements and the independent auditor's report thereon, interim consolidated financial statements, management's discussion and analysis of financial conditions and results of operations, material change report (except a confidential material change report), business acquisition report and information circular, filed by Cequence with the

securities commissions or similar authorities in Canada subsequent to the date of this Appendix and prior to the earlier of the completion of the Arrangement or termination of the Arrangement Agreement are deemed to be incorporated by reference in this Appendix.

Any statement contained in this Appendix or in a document incorporated or deemed to be incorporated by reference herein will be deemed to be modified or superseded for purposes of this Appendix to the extent that a statement contained in this Appendix or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference into this Appendix modifies or supersedes that statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes.

The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute part of this Appendix.

Information contained or otherwise accessed through Cequence's website, www.cequence-energy.com or any other website, other than those documents specifically incorporated by reference herein and filed on SEDAR at www.sedar.com, does not form part of this Appendix.

CEQUENCE ENERGY LTD.

Cequence was originally incorporated pursuant to the provisions of the *Business Corporations Act* (Ontario) as "Metrophotonics Inc." on April 4, 2000 and was continued under the ABCA as "Sabretooth Energy Ltd." on September 5, 2005. In addition, the articles of Cequence have been amended as follows: (i) on January 31, 2005, to add an unlimited number of Cequence Non-Voting Shares to its authorized capital, to consolidate the issued and outstanding Cequence Shares on a hundred-for-one basis and to reduce the stated capital of the issued and outstanding Cequence Shares; (ii) on February 4, 2005, to change its name to "1395177 Ontario Inc."; (iii) on February 15, 2006, Cequence amalgamated with Stratagem Energy Corp. and the amalgamated corporation continued under the name "Sabretooth Energy Ltd."; (iv) on July 18, 2007, to convert all the issued and outstanding Cequence Non-Voting Shares into Cequence Shares and, immediately thereafter, to consolidate the issued and outstanding Cequence Shares on a four-for-one basis; (v) on January 1, 2008, Cequence amalgamated with its wholly-owned subsidiary, Sabretooth Resources Inc. (formerly Bear Ridge Resources Inc.), and the amalgamated corporation continued under the name "Sabretooth Energy Ltd."; (vi) on July 30, 2009, to change the rights, privileges, restrictions and conditions attached to the Cequence Non-Voting Shares to ensure equitable economic treatment between holders of Cequence Shares and Cequence Non-Voting Shares in certain circumstances; (vii) on July 31, 2009, to change its name to "Cequence Energy Ltd."; (viii) on August 17, 2009, to consolidate the issued and outstanding Cequence Shares on a four-for-one basis; (ix) on July 1, 2010, Cequence amalgamated with Exploration Corp.; and (x) on January 1, 2011, Cequence amalgamated with Cequence Acquisitions Ltd.

The principal office of Cequence is located at 3100, 525 - 8th Avenue S.W., Calgary, Alberta, T2P 1G1 and its registered office is located at 3700, 400 - 3rd Avenue S.W., Calgary, Alberta, T2P 4H2.

Summary Description of the Business of Cequence

Cequence is a public company engaged in the acquisition, exploration, development and production of petroleum and natural gas reserves in Western Canada. During the year ended December 31, 2012, Cequence focused its activities in the Deep Basin area of Northwest Alberta, the Peace River Arch area of Northwest Alberta and Northeast British Columbia. Cequence pursues a strategy of drilling for low decline, long life, liquids rich natural gas and crude oil targets with multiple prospective horizons.

For further information on Cequence and its business activities, see "*General Development of the Business*" and "*General Description of the Business*" in the Cequence AIF, which is incorporated by reference into this Appendix.

DESCRIPTION OF SHARE CAPITAL

Cequence is authorized to issue an unlimited number of Cequence Shares and an unlimited number of Cequence Non-Voting Shares. As at the date hereof, 200,610,083 Cequence Shares and no Cequence Non-Voting Shares were issued and outstanding. An additional 17,289,125 Cequence Shares are reserved for issuance pursuant to the stock option plan of Cequence. Pursuant to the Arrangement and the Plan of Arrangement, an additional 10,300,000 Cequence Shares will be issued to Donnybrook as partial consideration for the Donnybrook Assets.

For additional information on Cequence and its share capital, see "*Description of Capital Structure*" in the Cequence AIF, which is incorporated by reference into this Appendix.

CONSOLIDATED CAPITAL

The following table sets forth the consolidated capitalization of Cequence as at December 31, 2012:

	Authorized	As at December 31, 2012
Demand Credit Facilities[(1)]	$100,000,000	$23,191,000
Share Capital		
Cequence Shares	unlimited	$606,703,000[(2)] (200,610,083 Cequence Shares)
Cequence Non-Voting Shares	unlimited	-

Notes:

(1) Cequence has two credit facilities (the **Credit Facilities**) with a syndicate of Canadian chartered banks. Credit facility A is a $90 million extendible revolving term credit facility (**Credit Facility A**) by way of prime loans, U.S. Base Rate Loans, Banker's Acceptances and Libor Loans. Credit facility B is a $10 million operating facility (**Credit Facility B**) by way of prime loans, U.S. Base Rate Loans, Banker's Acceptances and letters of credit. Prime loans and U.S. Base Rate Loans on these facilities bear interest at the bank prime rate or U.S. Base Rate, respectively, plus 1.0% to 2.5% on a sliding scale, depending on Cequence's debt to adjusted EBITDA ratio (ranging from being less than or equal to 1.0:1.0 to greater than 2.5:1.0). Banker's Acceptances, Libor Loans and letters of credit on these facilities bear interest at the Banker's Acceptance rate, Libor rate or letter of credit rate, as applicable, plus 2.0% to 3.5% based on the same sliding scale as above. The Credit Facilities may be extended and revolve beyond the initial one-year period, if requested by Cequence and accepted by the lenders. If the Credit Facilities do not continue to revolve, the Credit Facilities will convert to a 366-day non-revolving term loan facility. Both Credit Facilities, and the amount available for draws under the Credit Facilities, are subject to periodic review by the bank and are secured by a general assignment of book debts and a $250 million demand debenture with a first floating charge over all assets of Cequence. As at March 1, 2013, Cequence was indebted under Credit Facility A for an aggregate amount of approximately $35 million and $nil under Credit Facility B. The Credit Facilities are currently under regularly scheduled 6 month reviews.

(2) As at March 1, 2013, Cequence had outstanding options to purchase approximately 17,289,125 Cequence Shares at an average price of $2.19 per Cequence Share.

DIVIDENDS TO THE HOLDERS OF CEQUENCE SHARES

Cequence has not declared or paid any dividends on the Cequence Shares or the Cequence Non-Voting Shares since incorporation. It is not currently expected that dividends will be paid in respect of the Cequence Shares and/or Cequence Non-Voting Shares during the current phase of development of Cequence's business and operations. The payment of dividends in the future will be at the discretion of the board of directors of Cequence and will be dependent on the future earnings and financial condition of Cequence and such other factors as the board of directors of Cequence considers appropriate.

MARKET FOR SECURITIES

Trading Price and Volume

The Cequence Shares are listed and posted for trading on the TSX under the symbol "CQE". The following table sets forth the price ranges and volume traded of Cequence Shares as reported by the TSX for the periods indicated.

2012	High ($)	Low ($)	Close ($)	Volume
January	3.05	1.71	1.80	17,080,055
February	1.81	1.44	1.50	34,471,725
March	1.64	1.20	1.32	11,604,221
April	1.60	1.26	1.56	6,668,704
May	1.61	1.22	1.22	16,323,473
June	1.20	0.88	0.96	42,115,723
July	1.47	1.07	1.45	28,072,991
August	1.47	1.18	1.22	4,501,210
September	1.79	1.19	1.77	19,066,233
October	2.05	1.64	1.85	19,086,063
November	1.91	1.50	1.54	11,486,161
December	1.58	1.41	1.44	8,378,447
January 2013	1.55	1.30	1.31	12,521,815
February 2013	1.59	1.27	1.41	7,933,895
March (1 - 14) 2013	1.78	1.45	1.57	11,308,686

Prior Sales

The following table sets forth, for each class of securities of Cequence that is outstanding but not listed or quoted on a marketplace, the price at which securities of the class have been issued during the period from January 1, 2012 to December 31, 2012 and the number of securities of the class issued at that price and the date on which the securities were issued.

Date of Issue/Grant	Number and Designation of Securities	Issue/Exercise Price
January 30, 2012	70,000 Options	$1.95
February 1, 2012	50,000 Options	$1.92
March 8, 2012	150,000 Options	$1.52
April 19, 2012	1,245,500 Options	$1.34
June 20, 2012	11,684,000 Cequence Shares	$1.20
June 20, 2012	4,850,000 Cequence Shares	$1.45
June 20, 2012	3,800,000 Cequence Shares	$1.32
June 22, 2012	8,333,333 Cequence Shares	$1.20
July 12, 2012	1,252,000 Cequence Shares	$1.20
August 31, 2012	3,499,750 Options	$1.24
October 9, 2012	100,000 Options	$1.73
December 5, 2012	8,560,000 Cequence Shares	$1.87
December 21, 2012	275,380 Cequence Shares	$1.87

CEQUENCE SHARES AND CEQUENCE OPTIONS HELD BY DIRECTORS AND OFFICERS

As of March 7, 2013, the directors and executive officers of Cequence as a group beneficially owned, directly or indirectly, or exercised control or direction over 15,070,389 Cequence Shares representing 7.5 percent of the issued and outstanding Cequence Shares. In addition, Mr. Mele, a director of Cequence, is a Managing Director of KERN Partners Ltd., an affiliate of KERN Energy Partners Management Ltd. and KERN Energy Partners Management II Ltd., which collectively, hold 12,756,456 Cequence Shares, representing approximately 6.4 percent of the issued and outstanding Cequence Shares. In addition, Mr. Cook, a director of Cequence, is an officer of ARC Financial Corporation, an affiliate of ARC Equity Management (Fund 3) Ltd. and ARC Energy Venture Fund 4, which collectively, hold 17,960,127 Cequence Shares, representing approximately 9.0 percent of the issued and outstanding Cequence Shares. In addition, Mr. Gilbert, a director of Cequence, is a Managing Director of JOG Capital Inc., an affiliate of JOG Limited Partnership No. III, JOG Limited Partnership No. IV and JOG Limited Partnership No. V which collectively, hold 28,845,874 Cequence Shares, representing approximately 14.4 percent of the issued and outstanding Cequence Shares. The directors and executive officers of Cequence, as a group, hold options to purchase 10,842,500 Cequence Shares.

RISK FACTORS

An investment in Cequence Shares is subject to certain risks. Donnybrook Shareholders should carefully consider the risk factors described under the heading "*Risk Factors*" in the Cequence AIF, which is incorporated by reference into this Appendix, as well as the risk factors set forth elsewhere in this Appendix and otherwise incorporated by reference herein.

INTEREST OF EXPERTS

As at the date of this Appendix, Norton Rose Canada LLP, counsel to Cequence, and its designated professionals, as a group, beneficially own, directly or indirectly, less than 1% of the outstanding securities of Cequence and its associates and affiliates. Mr. Kirk Litvenenko, a partner of Norton Rose Canada LLP, is the Corporate Secretary of Cequence.

Deloitte LLP, the independent auditors of Cequence, has confirmed that it is independent with respect to Cequence within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Alberta.

Reserves estimates contained in certain documents incorporated by reference in this Appendix are derived from the independent engineering valuation of the oil and natural gas reserves attributable to the properties of Cequence prepared by GLJ Petroleum Consultants Ltd. dated March 7, 2013 and effective December 31, 2012. As at the date of this Appendix, to the knowledge of Cequence, neither GLJ Petroleum Consultants Ltd. nor its officers beneficially own, directly or indirectly, any of the securities of Cequence.

LEGAL AND REGULATORY PROCEEDINGS

Cequence is not a party to any legal proceeding nor was it a party to, nor is or was any of its property the subject of any legal proceeding, during the financial year ended December 31, 2012, nor is Cequence aware of any such contemplated legal proceedings, which involve a claim for damages, exclusive of interest and costs, that may exceed 10 percent of the current assets of Cequence.

During the year ended December 31, 2012, there were no: (i) penalties or sanctions imposed against Cequence by a court relating to securities legislation or by a securities regulatory authority; (ii) penalties or sanctions imposed by a court or regulatory body against Cequence that would likely be considered important to a reasonable investor in making an investment decision; or (iii) settlement agreements Cequence entered into before a court relating to securities legislation or with a securities regulatory authority.

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as described under the heading "*Interests of Management and Others in Material Transactions*" in the Cequence AIF, which in incorporated by reference into this Appendix, no director, officer or principal shareholder of Cequence, nor any affiliate or associate of such a person, has or has had any material interest in any transaction or any proposed transaction within the three most recently completed financial years or during the current financial year that has materially affected or is reasonably expected to materially affect Cequence.

TRANSFER AGENT AND REGISTRAR

Valiant Trust Company, at its principal offices in Calgary, Alberta and Toronto, Ontario, is the transfer agent and registrar for the Cequence Shares.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, Cequence has not entered into any material contracts within the most recently completed financial year, or before the most recently completed financial year that are still in effect.

ADDITIONAL INFORMATION

Additional information, including information as to directors' and officers' remuneration and indebtedness, principal holders of the securities of Cequence and securities authorized for issuance under equity compensation plans is contained in the Cequence Circular prepared in connection with the most recent annual meeting of the shareholders of Cequence that involved the election of directors, which is incorporated by reference into this Appendix. Additional financial information is provided in Cequence's financial statements and management discussion and analysis for the year ended December 31, 2012 which is incorporated by reference into this Appendix.

Copies of the documents incorporated by reference into this Appendix, any interim financial statements of Cequence subsequent to the annual financial statements, documents affecting the rights of securityholders and other additional information relating to Cequence are available on SEDAR at www.sedar.com.

APPENDIX F

SECTION 191 OF THE *BUSINESS CORPORATIONS ACT* (ALBERTA)

Registered Donnybrook Shareholders each have the right to dissent in respect of the Arrangement in accordance with Section 191 of the ABCA (as varied by the Interim Order in the case of the Dissent Rights). Such rights of dissent are described in the Information Circular under the heading "*Rights of Dissent*". The full text of Section 191 of the ABCA is set forth below.

191(1) Subject to sections 192 and 242, a holder of shares of any class of a corporation may dissent if the corporation resolves to

(a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue or transfer of shares of that class,

(b) amend its articles under section 173 to add, change or remove any restrictions on the business or businesses that the corporation may carry on,

(b.1) amend its articles under Section 173 to add or remove an express statement establishing the unlimited liability of shareholders as set out in Section 15.2(1),

(c) amalgamate with another corporation, otherwise than under section 184 or 187,

(d) be continued under the laws of another jurisdiction under section 189, or

(e) sell, lease or exchange all or substantially all its property under section 190.

(2) A holder of shares of any class or series of shares entitled to vote under section 176, other than section 176(1)(a), may dissent if the corporation resolves to amend its articles in a manner described in that section.

(3) In addition to any other right the shareholder may have, but subject to subsection (20), a shareholder entitled to dissent under this section and who complies with this section is entitled to be paid by the corporation the fair value of the shares held by the shareholder in respect of which the shareholder dissents, determined as of the close of business on the last business day before the day on which the resolution from which the shareholder dissents was adopted.

(4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the shareholder or on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

(5) A dissenting shareholder shall send to the corporation a written objection to a resolution referred to in subsection (1) or (2)

(a) at or before any meeting of shareholders at which the resolution is to be voted on, or

(b) if the corporation did not send notice to the shareholder of the purpose of the meeting or of the shareholder's right to dissent, within a reasonable time after the shareholder learns that the resolution was adopted and of the shareholder's right to dissent.

(6) An application may be made to the Court after the adoption of a resolution referred to in subsection (1) or (2),

(a) by the corporation, or

(b) by a shareholder if the shareholder has sent an objection to the corporation under subsection (5),

to fix the fair value in accordance with subsection (3) of the shares of a shareholder who dissents under this section, or to fix the time at which a shareholder of an unlimited liability corporation who dissents under this section ceases to become liable for any new liability, act or default of the unlimited liability corporation.

(7) If an application is made under subsection (6), the corporation shall, unless the Court otherwise orders, send to each dissenting shareholder a written offer to pay the shareholder an amount considered by the directors to be the fair value of the shares.

(8) Unless the Court otherwise orders, an offer referred to in subsection (7) shall be sent to each dissenting shareholder

(a) at least 10 days before the date on which the application is returnable, if the corporation is the applicant, or

(b) within 10 days after the corporation is served with a copy of the application, if a shareholder is the applicant.

(9) Every offer made under subsection (7) shall

(a) be made on the same terms, and

(b) contain or be accompanied with a statement showing how the fair value was determined.

(10) A dissenting shareholder may make an agreement with the corporation for the purchase of the shareholder's shares by the corporation, in the amount of the corporation's offer under subsection (7) or otherwise, at any time before the Court pronounces an order fixing the fair value of the shares.

(11) A dissenting shareholder

(a) is not required to give security for costs in respect of an application under subsection (6), and

(b) except in special circumstances must not be required to pay the costs of the application or appraisal.

(12) In connection with an application under subsection (6), the Court may give directions for

(a) joining as parties all dissenting shareholders whose shares have not been purchased by the corporation and for the representation of dissenting shareholders who, in the opinion of the Court, are in need of representation,

(b) the trial of issues and interlocutory matters, including pleadings and questioning under Part 5 of the *Alberta Rules of Court*,

(c) the payment to the shareholder of all or part of the sum offered by the corporation for the shares,

(d) the deposit of the share certificates with the Court or with the corporation or its transfer agent,

(e) the appointment and payment of independent appraisers, and the procedures to be followed by them,

(f) the service of documents, and

(g) the burden of proof on the parties.

(13) On an application under subsection (6), the Court shall make an order

(a) fixing the fair value of the shares in accordance with subsection (3) of all dissenting shareholders who are parties to the application,

(b) giving judgment in that amount against the corporation and in favour of each of those dissenting shareholders,

(c) fixing the time within which the corporation must pay that amount to a shareholder, and

(d) fixing the time at which a dissenting shareholder of an unlimited liability corporation ceases to become liable for any new liability, act or default of the unlimited liability corporation.

(14) On:

(a) the action approved by the resolution from which the shareholder dissents becoming effective,

(b) the making of an agreement under subsection (10) between the corporation and the dissenting shareholder as to the payment to be made by the corporation for the shareholder's shares, whether by the acceptance of the corporation's offer under subsection (7) or otherwise, or

(c) the pronouncement of an order under subsection (13);

whichever first occurs, the shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shareholder's shares in the amount agreed to between the corporation and the shareholder or in the amount of the judgment, as the case may be.

(15) Subsection (14)(a) does not apply to a shareholder referred to in subsection (5)(b).

(16) Until one of the events mentioned in subsection (14) occurs,

(a) the shareholder may withdraw the shareholder's dissent, or

(b) the corporation may rescind the resolution,

and in either event proceedings under this section shall be discontinued.

(17) The Court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder, from the date on which the shareholder ceases to have any rights as a shareholder by reason of subsection (14) until the date of payment.

(18) If subsection (20) applies, the corporation shall, within 10 days after

(a) the pronouncement of an order under subsection (13), or

(b) the making of an agreement between the shareholder and the corporation as to the payment to be made for the shareholder's shares,

notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

(19) Notwithstanding that a judgment has been given in favour of a dissenting shareholder under subsection (13)(b), if subsection (20) applies, the dissenting shareholder, by written notice delivered to the corporation within 30 days after receiving the notice under subsection (18), may withdraw the shareholder's notice of objection, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to the shareholder's full rights as a shareholder, failing which the shareholder retains a status as a

claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

(20) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that

(a) the corporation is or would after the payment be unable to pay its liabilities as they become due, or

(b) the realizable value of the corporation's assets would by reason of the payment be less than the aggregate of its liabilities.

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