

WHISTLEBLOWING POLICY
MIDLAND EXPLORATION INC.
(the “Corporation”)

1. GENERAL

The Corporation is committed to maintaining the highest standards of business conduct and ethics, as well as full compliance with all applicable government laws, rules, and regulations, corporate reporting and disclosure, accounting practices, accounting controls, Auditing practices and other matters relating to fraud against shareholders (collectively, the “**Wrongdoings**”). Pursuant to its charter, the Audit and Risk Management committee (the “**Audit Committee**”) of the Board of Directors (the “**Board**”) of the Corporation is responsible for ensuring that a confidential and anonymous process exists whereby persons can report any Wrongdoing relating to the Corporation and its subsidiaries. In order to carry out its responsibilities under its charter, the Audit Committee has adopted this whistleblowing policy (the “**Policy**”). For the purposes of the Policy, “**Corporation Personnel**” shall mean the directors, officers, employees of the Corporation, management company employees and those who provide services to the Corporation.

2. WRONGDOINGS

For the purposes of this Policy, Wrongdoing is intended to be broad and comprehensive and to include any matter, which in the view of the complainant, is illegal, unethical, contrary to the policies of the Corporation or in some other manner not right or proper and includes:

- (a) any condition that causes, or may cause, significant damages to the Corporation or to its shareholders, directors, officers, employees and those who provide services to the Corporation;
- (b) any activity that is undertaken by the Corporation Personnel, in the performance of his duties or obligations that he may have in regard to the Corporation, whether or not such activity is within the scope of his contractual obligations or employment, and that is in violation of any law, rule and regulations, including without limitation, corruption, malfeasance, bribery, theft and misuse of the property of the Corporation, fraudulent claims, fraud, coercion, conversion, malicious prosecution, wilful omission to perform duties, serious wrongdoing and professional malpractice, or that is economically wasteful or involves gross misconduct, incompetence or inefficiency;

more specifically, regarding matters relating to accounting, internal accounting controls and auditing matters, Wrongdoing includes:

- (c) any violation of any applicable law, rule or regulation that relates to corporate reporting and disclosure;
- (d) any fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of the Corporation;

- (e) any fraud or deliberate error in the recording and maintaining of financial records of the Corporation;
- (f) any deficiencies in or non-compliance with the Corporation's internal policies and controls;
- (g) any misrepresentation or a false statement by or to a director, officer or employee of the Corporation or any of its subsidiaries respecting a matter contained in the financial records, reports or audit reports; and
- (h) any deviation from full and fair reporting of the Corporation's consolidated financial condition.

Any information concerning (a) significant deficiencies in the design or operation of internal controls which could adversely affect the ability to record, process, summarize and report financial data; (b) any fraud, whether or not material, that involves management or other Corporation Personnel who have a significant role in financial reporting, disclosures or internal controls; or (c) any Wrongdoings involving the Corporation Personnel should be reported to any director, committee chair or Board as a whole ("the **Recipient**"). All notifications of Wrongdoing will immediately be taken to the Audit Committee by the Recipient.

Corporation Personnel are encouraged to promptly bring to the attention of the Chair of the Audit Committee any information concerning any actual or apparent conflicts of interest between personal and professional relationships involving any Corporation Personnel.

3. COMMUNICATION OF THE POLICY

To ensure that all directors, officers, employees, consultants and contractors of the Corporation are aware of the Policy, a copy of the Policy will be distributed to all directors, officers, employees, consultants and contractors or alternatively, they will be made aware that the Policy is available from the Corporation for their review. All directors, officers, employees, consultants and contractors will be informed whenever significant changes are made. New directors, officers, employees, consultants and contractors will be provided with a copy of the Policy and will be educated about its importance.

4. REPORTING ALLEGED VIOLATIONS OR COMPLAINTS

Corporation Personnel shall promptly bring to the attention of any director, committee chair or Board as a whole any information they may have concerning evidence of a material violation of the securities or other laws, rules or regulations applicable to the Corporation and the operation of its business.

Any person wishing to raise a concern regarding an alleged Wrongdoing relating to the Corporation may submit their concern to the Chair of the Audit Committee or any other director of the Corporation in person, by writing, by telephone or email.

5. ANONYMITY AND CONFIDENTIALITY

All submissions to any Recipient will be treated on a confidential and anonymous basis.

6. NO ADVERSE CONSEQUENCES

No Corporation Personnel who, in good faith, raises a concern or reports suspected Wrongdoing shall suffer harassment, retaliation or adverse employment consequence. An officer or employee who retaliates against someone who has raised a concern or reported a suspected Wrongdoing in good faith is subject to discipline up to and including termination of employment. The Policy is intended to encourage and enable Corporation Personnel to raise serious concerns within the Corporation rather than seeking resolution outside the Corporation.

Corporation Personnel shall not confront the individual being investigated, or initiate independent investigations. In those instances where the investigation indicates criminal activity, the appropriate law enforcement agency will be informed.

7. TREATMENT OF WRONGDOING SUBMISSIONS

Wrongdoings will be reviewed as soon as possible by the Audit Committee with the assistance and direction of whomever the Audit Committee thinks appropriate including, but not limited to, external legal counsel. The Audit Committee shall implement such corrective measures and do such things in an expeditious manner as it deems necessary or desirable to address the Wrongdoing.

Where possible and when determined to be appropriate by the Audit Committee, notice of any such corrective measures will be given to the person who submitted the Wrongdoing.

Some concerns may be resolved by agreed action without the need for investigation. If urgent action is required, it will be taken before any investigation is conducted.

Within 10 business days of a concern being raised, the Chair of the Audit Committee shall notify the person alleging a Wrongdoing :

- acknowledging that a concern has been received;
- indicating how he proposes to deal with the matter;
- giving an estimate of how long it will take to provide a final response;
- indicating whether any initial enquiries have been made; and
- indicating whether further investigations will take place.

The Corporation will take steps to minimize any difficulties that may be experienced as a result of raising a concern about a Wrongdoing. For instance, if the whistleblower is required to give evidence in criminal or disciplinary proceedings the Corporation will arrange for legal advice about the procedure.

8. RETENTION OF RECORDS

The Audit Committee will retain all records relating to any Wrongdoing or report of retaliatory act and to the investigation of any such report for a period judged to be

appropriate based upon the merits of the submission. The types of records to be retained by the Audit Committee will include records of all steps taken in connection with the investigation and the results of any such investigation.

9. REVIEW OF THE WHISTLEBLOWING POLICY

The effectiveness of the Policy will be monitored by the Audit Committee of the Board.

The Audit Committee will review and evaluate this Policy on an annual basis to determine whether the Policy is effective in providing a confidential and anonymous procedure to report violations or complaints regarding Wrongdoings.

10. PUBLICATION OF THE WHISTLEBLOWING POLICY

The directors shall cause the Policy to be posted in hardcopy format for viewing in all Corporation locations.

The Policy will be posted on the Corporation's website at www.midlandexploration.com.

11. APPLICABLE LAW

The provisions of the Policy will be amended, as and to the extent necessary, to comply with applicable regulations and policies imposed by the various jurisdictions in which the Corporation and Corporation Personnel operate.

APPROVED BY THE CORPORATE GOVERNANCE COMMITTEE ON SEPTEMBER 25, 2012
APPROVED BY THE BOARD OF DIRECTORS ON DECEMBER 20, 2012

(S) Gino Roger

Gino Roger, Chief Executive Officer

(S) René Branchaud

René Branchaud, Secretary