

PAINTED PONY PETROLEUM LTD.
Whistleblower Policy

As a publicly traded Corporation, the integrity of the financial information of Painted Pony Petroleum Ltd. (“Painted Pony” or the “Corporation”) is paramount. Painted Pony’s financial information guides the decisions of the Board of Directors, and is relied upon by our shareholders and the financial markets. With this in mind, Painted Pony has created a process providing for the confidential, anonymous submission by employees of concerns regarding questionable accounting, internal accounting controls or auditing matters, or the reporting of fraudulent financial information (“Auditing and Accounting Matters”).

Therefore, the Audit Committee of the Board of Directors of the Corporation has developed and adopted the following Procedures Regarding Auditing and Accounting Matters. These procedures are subject to modification from time to time by the Audit Committee, as the Audit Committee deems appropriate in the best interest of the Painted Pony or as required by applicable laws and regulations.

1. Complaints Received By the Corporation

Any Director, officer or employee of the Corporation, who receives a submission from any person, directly or indirectly, anonymously or openly, regarding Auditing and Accounting Matters of the Corporation or Corporation (a “Complaint”) must follow these procedures for the receipt, retention, and treatment of such complaints.

- Any Director, officer or employee of the Corporation, who receives a Complaint from any person regarding Auditing and Accounting Matters of the Corporation or Corporation must immediately report such Complaint to the Chair of the Audit Committee.
- Complaints could be received by a Director, officer or employee from another Director, officer or employee or from a third party, and could be received either directly or indirectly, anonymously or openly, and in writing or verbally. Complainants may be asked to document their Complaint in writing.
- Complaints and/or the complainant’s identity should be treated with confidentiality to the maximum extent possible, consistent with the need to conduct an adequate investigation as outlined in these Complaint Procedures as determined by the Audit Committee, and in accordance with applicable laws, subject to the confidentiality protections for employees contained in these Complaint Procedures under “Complaints by Employees”.
- Upon being advised of a Complaint, the Chair of the Audit Committee must confer with the other members of the Audit Committee. The Audit Committee must conduct or coordinate a timely and impartial investigation of the Complaint. A written record of the investigation process should be kept. The Audit Committee will, on an as needed basis but at least annually, provide the Corporation’s Board of Directors with a report on the Complaints received and the related resolution thereof.
- In discharging their responsibilities hereunder the Audit Committee may request and obtain assistance from Directors, officers and employees and/or may retain an independent accountant, independent legal counsel or other experts to assist in the investigation of the Complaint. The cost of independent accountants, independent legal counsel and experts shall be borne by the Corporation. Directors, officers and employees must cooperate with such

investigation and must truthfully disclose what they know about the matters under investigation.

- During the investigation, the Audit Committee should diligently seek to obtain as much evidence as is reasonably possible, both from documents and individuals, regarding the subject matter of the Complaint. All relevant evidence must be analyzed and evaluated, and the Audit Committee shall determine an appropriate remedy and/or disciplinary action to the extent the Audit Committee deems necessary or desirable.
- The Chair of the Audit Committee should, to the extent possible, advise the complainant of the results of the investigation and its resolution.
- All records regarding any Complaint, investigation and its results shall be retained by the Corporation's legal counsel under the direction of the Chair of the Audit Committee for a period of five years.

2. Complaints by Employees

Any employee of the Corporation who has concerns regarding Auditing and Accounting Matters of the Corporation may submit such concerns, either anonymously or openly, in accordance with these procedures.

- Any employee of the Corporation who has concerns regarding Auditing and Accounting Matters of the Corporation should report such concerns to the Chair of the Audit Committee or any Director of the Corporation, who must report such concerns to the Chair of the Audit Committee upon becoming advised of such concerns.
- An employee may report concerns either directly or indirectly, anonymously or openly, and in writing or verbally. The employee may be asked to document their concerns in writing. The employee may request, either in writing or verbally, that such concerns and/or the employee's identity be treated anonymously and confidentially and knowledge of such person's identity will be limited to the Director receiving such information and outside Directors of the Audit Committee.
- Any concerns reported by an employee and the employee's identity must be treated anonymously and confidentially (even if the employee has not requested anonymity and confidentiality), unless the employee agrees in writing that such concerns and/or the employee's identity may be treated openly (or the employee specifies the extent to which they may be treated openly), except in accordance with applicable laws. Anonymous and confidential reports should only be disclosed to those persons who have a need to know in order to carry out the investigation of the concerns in accordance with the procedures contained in these Complaint Procedures under "Complaints Received by the Corporation".
- Upon being advised of concerns of an employee, the Chair of the Audit Committee and the Audit Committee must follow the same procedures with respect to the concerns as contained in these Complaint Procedures under "Complaints Received by the Corporation", with the same cooperation from all Directors, officers and employees of the Corporation.

3. No Discrimination, Retaliation or Harassment

Painted Pony strictly prohibits any discrimination, retaliation or harassment against any employee who reports concerns regarding Auditing and Accounting Matters, based on the employee's reasonable belief that such misconduct occurred. In addition, Painted Pony strictly prohibits any discrimination, retaliation or harassment against any person who participates in an investigation of Complaints about Auditing and Accounting Matters.

- Employees who believe that they have been subjected to discrimination, retaliation or harassment must immediately report the matter to the Chair of the Audit Committee Director or officer of the Corporation, who must report such matter to the Chair of the Audit Committee upon becoming advised of such matter.
- Upon being advised of an allegation of discrimination, retaliation or harassment the Chair of the Audit Committee and the Audit Committee must follow the same procedures with respect to such allegation as contain in these Complaint Procedures under "Complaints Received by the Corporation", with the same cooperation form all Directors, officers an employees of the Corporation. If a complaint of discrimination, retaliation or harassment is substantiated appropriate disciplinary action, up to and including dismissal, will be taken.