

CODE OF BUSINESS CONDUCT AND ETHICS

Adopted by the Board of Directors effective April 18, 2006 and amended November 12, 2009 and March 12, 2013

I. GENERAL

1. Purpose of the Code

The board of directors (the "**Board**") of Kulczyk Oil Ventures Inc. (the "**Corporation**") has adopted this Code of Business Conduct and Ethics (the "**Code**"), which is designed to provide guidance on the conduct of the Corporation's business in accordance with high ethical standards. As a public entity, the Corporation must not only conduct, but must also be seen to conduct, its business in accordance with such high ethical standards.

The Code constitutes written standards that are reasonably designed to promote integrity, to deter wrongdoing and to address, at a minimum, the fundamental principles set out below. Although the various matters dealt with in this Code do not cover the full spectrum of employee activities, they are indicative of the Corporation's commitment to the maintenance of high standards of conduct and are to be considered descriptive of the type of behaviour expected from employees.

2. Application of the Code

The Code applies to all directors, officers and employees of the Corporation and its subsidiaries (who are referred to collectively as "**Personnel**").

3. Monitoring Compliance

The Compensation and Corporate Governance Committee (the "**Committee**") is responsible for monitoring compliance with the Code.

4. Waivers from the Code

A waiver of this Code will be granted only in exceptional circumstances. Any waivers from the Code that are granted shall be granted by the Board only.

II. FUNDAMENTAL PRINCIPLES

1. Conflicts of Interest

Personnel must act honestly and in good faith, with a view to the best interests of the Corporation. Personnel must avoid situations involving a conflict or the potential for a conflict between their personal interests and the interests of or their duties to the Corporation. Any matter in which Personnel may have a conflict of interest must be brought to the attention of the Committee and may not be proceeded with until approved by the Committee. In all cases in which there appears to be a conflict of interest, the onus is on the individual to provide an explanation or to clarify why the situation does not pose a conflict of interest.

Situations where Personnel may have to deal with conflicts of interest are numerous, and include transactions and agreements in respect of which a director or executive officer has a

material interest. The following guidelines represent only the more obvious prohibitions and should not be considered exhaustive.

(a) Outside Business Interests

Subject to any specific terms of employment to the contrary, Personnel are free to take on employment and other activities outside of their work responsibilities with the Corporation. However, in doing so, Personnel must ensure that any such outside activities do not present a real, or perceived, conflict with the interests of the Corporation or with their duties to the Corporation as Personnel.

Personnel must not claim to speak on behalf of the Corporation without prior authorization. Reference should be made to the Corporation's Corporate Disclosure Policy and Procedures.

(b) Outside Directorships

Personnel may not serve as a director of a public company other than the Corporation, unless the Board has been first advised and has provided its consent to do so.

(c) Financial Interests in Suppliers, Contractors or Competitors

Any proposed affiliation between Personnel and any entity that has a relationship with the Corporation is subject to review by the Board.

(d) Obtaining a Personal Loan or Guarantee from the Corporation

The Corporation shall not make, whether directly or indirectly, any loan to, or guarantee the obligations of, Personnel.

(e) Hiring Relatives of Current Personnel

The hiring of relatives of any Personnel as full-time employees is prohibited without the prior consent of the Board. Notwithstanding the foregoing, the Chief Executive Officer may approve the hiring of part-time employees who are related to Personnel, provided they are not related to the Chief Executive Officer, in which case, the Chief Operating Officer, or if there is no Chief Operating Officer, the Chief Financial Officer, will have the authority to approve such hiring.

(f) Giving and Receiving Gifts

Personnel are prohibited from soliciting or receiving any gift, loan, reward or benefit from a supplier or customer in exchange for any decision, act or omission by any Personnel in the course of carrying out their functions.

Similarly, Personnel should not try to influence the decisions of a supplier or customer by giving gifts.

Special consideration should be given when you are offering gifts or hospitality to a public official. For the purposes of this Code and the Corporation's Anti-Corruption Policy, a "Public Official" includes any person employed or appointed

by a government or by an agency, corporation, board, or commission that is controlled by a government, a person holding legislative, administrative or judicial office or any political party official or candidate.

Gifts or hospitality to Public Officials must comply with applicable local laws and the Corporation's Anti-Corruption Policy, such that they cannot be interpreted as an attempt to influence a decision or act by the Public Official. A gift to a person known to be a close relative of a Public Official, such as a spouse, child, parent or sibling, or the spouse of a child or sibling, is subject to the same reviews and approvals as would be required for a gift to the Public Official.

Gifts and hospitality must be approved in accordance with the Corporation's Anti-Corruption Policy.

2. Protection and Proper Use of Corporate Assets and Opportunities

All Personnel must handle the physical and intellectual assets of the Corporation with integrity and with due regard to the interests of all of the Corporation's stakeholders. Personnel are deemed to hold Corporation property in trust for the benefit of the Corporation. The assets of the Corporation include the time Personnel are expected to work. Any misuse or misappropriation of Corporation assets can lead to disciplinary action. Personnel must return all Corporation property under their control when leaving their employment with the Corporation.

Personnel cannot appropriate a corporate opportunity or corporate property, arising out of their relationship with the Corporation, for their own personal benefit.

Only authorized Personnel have authorization to enter into business transactions on behalf of the Corporation.

Personnel must not use the Corporation's name, property and goodwill to obtain personal advantage.

All corporate transactions must be accounted for in the Corporation's books. Records must not be manipulated or destroyed for the purpose of impeding or obstructing any investigation undertaken by the Corporation or a governmental body.

No action shall be taken to fraudulently influence or mislead anyone engaged in the performance of an audit of the Corporation's financial statements.

All Personnel, to the extent applicable, are required to comply with the Corporation's policies, mandates and terms of reference.

E-mail and Internet systems are provided primarily for business use. Personal use of these resources should be kept to a minimum. As e-mail may not be entirely secure, Personnel must exercise caution and etiquette when sending e-mail correspondence.

3. Confidentiality of Corporate Information

Confidential information includes any information that is not known to the general public and includes business research, market plans, strategic objectives, unpublished financial information, customer, supplier and personnel lists and all intellectual property, including trade secrets, software, trademarks, copyrights and patents.

Confidential information may not be discussed, given or released without proper authority and appropriate protection to anyone not employed by the Corporation or to Personnel who have no need for such information.

Personnel are prohibited from trading or encouraging others to trade in the securities of the Corporation where the person trading is in possession of material non-public information. In this respect, reference is made to the Corporation's Policy and Procedures Governing Insider Trading.

Subject to applicable law, including applicable privacy laws, personal information, as it relates to Personnel, including medical and benefits information, is only to be released to non-Corporation individuals after receiving prior permission from the affected Personnel, except where the information will be used to verify employment or to satisfy legitimate legal requirements.

4. Fair Dealing

Personnel shall not undertake any activities that could reasonably be expected to result in an unreasonable restraint of trade, unfair trade practice or any other anti-competitive behaviour in violation of any law. However, in the normal course of business, it is not unusual for Personnel to acquire information about other organizations. In doing so, Personnel must not use illegal means to acquire a competitor's trade secrets or other confidential information.

Personnel are expected to be sensitive to situations where competition law issues may exist and to comply with all competition laws (or equivalent) that apply in all countries in which the Corporation and its subsidiaries carry on business. When participating in joint ventures and industry associations involving competitors, Personnel must limit communication to that reasonably required for the legitimate business purposes of the arrangement.

The Corporation undertakes to deal fairly with all Personnel, and Personnel and the Corporation must deal fairly with securityholders, customers, suppliers, competitors and employees. There is a "no tolerance" policy in place for any form of discrimination or harassment against any individual, customers and suppliers, with respect to race, religion, age, gender, marital and family status, sexual orientation, ethnic or national origin, disability or any other grounds enumerated in applicable human rights legislation.

5. Anti-Corruption

The Corporation has an Anti-Corruption Policy which was developed to ensure that the Corporation does not receive an improper advantage in its business dealings. The Anti-Corruption Policy prohibits the Corporation, its officers, employees and agents from making or offering any payment, gift, or other benefit to a government official in order to gain some business advantage.

The ethical and legal requirements in these situations are complex. For example, while laws in some countries may allow the making of facilitating or "grease" payments, the Corporation does not support their use by any Personnel. However, in a situation where Personnel believe their health or safety is at risk, the payment may be made but must be immediately reported to the relevant member of the Corporation's management. The payment must also be accurately recorded in the Corporation's books and records.

The Anti-Corruption Policy does not prohibit the Corporation or its representatives from any legal bid procedures or reasonable social fraternizing as expected to accompany any legitimate business transaction.

The Corporation's Compensation and Corporate Governance Committee monitors compliance with the Anti-Corruption Policy. All employees, agents and contractors of the Corporation are expected to comply with the Anti-Corruption Policy at all times.

6. Compliance with Laws, Rules and Regulations

All Personnel must comply with all health, safety and environmental laws, regulations, standards and Corporation policies, mandates and terms of reference, as applicable. Further, all dealings between Personnel and public officials are to be conducted in a manner that will not compromise the integrity or impugn the reputation of any public official, the Corporation or its affiliates, and that is at all times in full compliance with the Corporation's Anti-Corruption Policy.

Personnel must ensure that they conduct their business activities in compliance with applicable laws and keep up-to-date on issues that may affect same. Personnel are also expected to comply with the governing rules of any industry or other association with which they participate on behalf of the Corporation.

7. Reporting of any Illegal or Unethical Behaviour

Personnel are each responsible for being aware of, understanding and complying with this Code when making business decisions. Reference is made to the Corporation's Whistle Blowing Policy with respect to the reporting of any problems or concerns and any actual or potential violation of the Code. Failure by Personnel to report any actual or potential violation of the Code will be viewed as condoning a violation of this Code.

There shall be no reprisal or other action taken against any Personnel who, in good faith, bring forward concerns about actual or potential violations of laws or the Code. Anyone engaging in any form of retaliatory conduct will be subject to disciplinary action, which may include termination.

8. Consequences of Violating this Code

Failure to comply with this Code and the other policies of the Corporation will be considered by the Corporation to be a very serious matter. Depending on the nature and severity of the violation, disciplinary action may be taken by the Corporation, up to and including termination. In addition, the Corporation may make claims for reimbursement of losses or damages and/or the Corporation may refer the matter to the authorities. Anyone who fails to report a violation upon discovery or otherwise condones violations of this Code may also be subject to disciplinary action.

9. Monitoring and Ensuing Compliance with this Code

The Committee shall monitor compliance with the Code. All Personnel will be asked to certify their review of, and compliance with, this Code. Additionally, some key employees may be required to certify compliance, and respond to a questionnaire, on a regular basis.

FORM OF RECEIPT AND ACKNOWLEDGEMENT

I, _____, hereby acknowledge that I have received and read a copy of the *Code of Business Conduct and Ethics* of Kulczyk Oil Ventures Inc. (the "**Corporation**"), as amended November 12, 2009, and agree to comply with its terms. I understand that violation of the terms of this policy may subject to discipline by the Corporation up to and including termination.

DATED: _____

If an individual:

Witness

Signature

If not an individual:

By: _____
Name:
Title:

By: _____
Name:
Title: