

STAGE HOLDCO LTD.

**Annual and Special Meeting
of Shareholders to be held on
Wednesday, June 17, 2020**

**NOTICE OF MEETING
and
INFORMATION CIRCULAR**

May 8, 2020

STAGE HOLDCO LTD.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

TAKE NOTICE that the annual and special meeting (the "**Meeting**") of the shareholders of **STAGE HOLDCO LTD.** (the "**Company**") will be held at the offices of Macdonald Tuskey, 409 - 221 West Esplanade, North Vancouver, British Columbia, on June 17, 2020, at 2:00 p.m. (Vancouver time) for the following purposes:

1. to receive the audited consolidated financial statements of the Company for the financial year ended December 31, 2019 and the period from incorporation to December 31, 2018, together with the auditor's report thereon;
2. to elect directors of the Company for the ensuing year;
3. to appoint the auditor of the Company for the ensuing year, at such remuneration as may be determined by the directors;
4. to consider, and if deemed fit, pass a special resolution (the full text of which is set out in the accompanying information circular of the Company dated May 8, 2020) approving amendments to the Company's articles of incorporation to effect a 100-to-1 consolidation of the outstanding Class A common shares of the Company; and
5. to transact such other business as may properly come before the Meeting.

More detailed information regarding the matters proposed to be placed before the Meeting is set forth in the accompanying information circular of the Company dated May 8, 2020 (together with this Notice of Meeting, the "**Circular**").

As of this date, the Company intends to proceed with the Meeting but limit in-person attendance in light of public health directives and recommendations relating to the ongoing coronavirus (COVID-19) pandemic and efforts to reduce its spread, including restrictions on in-person gatherings of any size, which continue to be strongly discouraged, and physical distancing requirements, and overarching concern for the wellbeing of shareholders, directors, their families and others. At a minimum, only registered shareholders or their duly appointed proxyholders will be permitted to attend the Meeting. The Company reserves the right, however, to take any such additional precautionary measures in relation to the Meeting as it considers necessary or advisable in response to further COVID-19 related public health developments, which could include changing the location of the Meeting, hosting the Meeting by means of remote communication only, placing further restrictions on in-person attendance, or postponing or adjourning the Meeting. Any such changes to the Meeting location, date or format will be announced by way of news release, and a copy thereof (if any) will be filed under the Company's issuer profile on SEDAR at www.sedar.com and also posted at www.asi-accounting.com. Please monitor any such news release for updates, and check the website prior to the Meeting date for the most current information. The Company does not intend to prepare or mail supplementary meeting materials in the event of changes to the Meeting location, date or format. **To mitigate health and safety risks, the Company strongly discourages shareholders from attempting physical attendance at the Meeting, accommodation for which cannot be guaranteed at this time, and asks that all shareholders instead vote by proxy in advance of the Meeting.**

Only shareholders of record at the close of business on May 5, 2020 are entitled to receive notice of and to attend and vote at the Meeting or any adjournment thereof, except that a shareholder (including a person who did not hold any shares on May 5, 2020) may vote shares transferred to it after that date if the shareholder produces properly endorsed share certificates evidencing the transfer or otherwise establishes that it owns the transferred shares, and demands, not later than 10 days before the Meeting, that the transferee's name be included before the Meeting in the list of shareholders eligible to vote.

If you are a registered shareholder, you may participate in the Meeting in person or be represented at the Meeting by proxy. Again, however, in light of COVID-19 related assembly restrictions, shareholders are urged to avoid in-person attendance and instead vote by proxy before the Meeting – by dating and signing the enclosed form of proxy and returning it, or another acceptable instrument of proxy, or otherwise providing their proxy voting instructions, as more particularly described in the Circular (and, in the case of non-registered shareholders, in accordance with voting instructions received from the intermediaries through which they hold their shares).

A proxy will not be effective for the Meeting or any adjournment thereof unless completed and received by the Company's registrar and transfer agent, Computershare Trust Company of Canada, at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the time of the Meeting or adjournment. Completed proxies may be delivered to Computershare Trust Company of Canada by mail, fax or hand delivery, at 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, fax (416) 263-9524 (Attention: Proxy Department). Registered shareholders may also give their proxy voting instructions by telephone at 1-866-732-VOTE (8683) or through the internet at www.investorvote.com using the 15-digit control number found on their personalized form of proxy enclosed with the Circular. **A person appointed as proxyholder need not be a shareholder.**

As noted in the Circular and described in the notice-and-access notification sent to beneficial holders of shares, the Company elected to distribute the Circular to beneficial shareholders through electronic access, as permitted by applicable securities laws, by posting the Circular on the internet at www.asi-accounting.com. The Circular will remain on this website for one year thereafter and will also be available under the Company's issuer profile on SEDAR at www.sedar.com. A paper copy of the Circular will be sent to registered shareholders in accordance with corporate law requirements.

DATED at Vancouver, British Columbia, this 8th day of May, 2020.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "Garth Braun"

Garth Braun
Director
Stage Holdco Ltd.

STAGE HOLDCO LTD.

INFORMATION CIRCULAR

**Annual and Special Meeting of Shareholders
to be held on Wednesday, June 17, 2020**

This information circular dated May 8, 2020 (the "**Information Circular**") is furnished in connection with the solicitation of proxies by management of Stage Holdco Ltd. (the "**Company**"), as required under applicable corporate laws, for use at the annual and special meeting of the holders ("**Shareholders**") of Class A common shares of the Company ("**Common Shares**") to be held on Wednesday, June 17, 2020, at 2:00 p.m. (Vancouver time) (the "**Meeting**") or at any adjournment thereof, for the purposes set forth in the accompanying Notice of Meeting.

Unless stated otherwise, information contained in this Information Circular is given as of May 7, 2020.

As of this date, the Company intends to proceed with the Meeting but limit in-person attendance in light of public health directives and recommendations relating to the ongoing coronavirus (COVID-19) pandemic and efforts to reduce its spread, including restrictions on in-person gatherings of any size, which continue to be strongly discouraged, and physical distancing requirements, and overarching concern for the wellbeing of shareholders, directors, their families and others. At a minimum, only registered shareholders or their duly appointed proxyholders will be permitted to attend the Meeting. The Company reserves the right, however, to take any such additional precautionary measures in relation to the Meeting as it considers necessary or advisable in response to further COVID-19 related public health developments, which could include changing the location of the Meeting, hosting the Meeting by means of remote communication only, placing further restrictions on in-person attendance, or postponing or adjourning the Meeting. Any such changes to the Meeting location, date or format will be announced by way of news release, and a copy thereof (if any) will be filed under the Company's issuer profile on SEDAR at www.sedar.com and also posted at www.asi-accounting.com. Please monitor any such news release for updates, and check the website prior to the Meeting date for the most current information. The Company does not intend to prepare or mail supplementary meeting materials in the event of changes to the Meeting location, date or format. **To mitigate health and safety risks, the Company strongly discourages shareholders from attempting physical attendance at the Meeting, accommodation for which cannot be guaranteed at this time, and asks that all shareholders instead vote by proxy in advance of the Meeting.**

SOLICITATION OF PROXIES

Enclosed with this Information Circular is a form of proxy for use at the Meeting. Shareholders are entitled to vote and encouraged to participate in the Meeting, but in light of COVID-19 related assembly restrictions are urged to do so through voting by proxy in advance of the Meeting, and avoid in-person attendance.

This proxy solicitation is by or on behalf of management, pursuant to mandatory solicitation requirements under applicable corporate law, and the individuals named in the form are the incumbent directors of the Company. The directors of the Company directly manage its business and affairs, without the appointment of a separate executive management team of corporate officers.

The costs incurred in the preparation and mailing of the Notice of Meeting, this Information Circular and the form of proxy will be borne by the Company. Management does not contemplate a solicitation of proxies other than by mail, though it may also solicit by telephone, email or other direct contact, and by the directors personally.

In accordance with National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("NI 54-101"), arrangements have been made with intermediaries to forward proxy materials to beneficial owners of Common Shares held of record by such intermediaries, and the Company may reimburse the reasonable fees and disbursements they incur in doing so.

APPOINTMENT AND REVOCATION OF PROXIES

Registered Shareholders entitled to vote at the Meeting may, instead of in-person voting, appoint a nominee (who need not be a Shareholder) as proxyholder to represent them at the Meeting and vote their Common Shares in accordance with their directions.

The individuals named in the enclosed form of proxy are directors of the Company. A Shareholder may appoint as proxyholder a different person, other than the persons designated in the enclosed form of proxy, to represent them at the Meeting, by inserting the name of their chosen nominee in the blank space provided for that purpose on the enclosed form or by submitting another proper instrument of proxy. A Shareholder so appointing a different person should notify the chosen nominee of their appointment, obtain the nominee's consent to act as proxyholder, and instruct the nominee on how the Shareholder's shares are to be voted. In any case, the proxy should be dated and executed by the Shareholder or their attorney authorized in writing.

A proxy will not be effective for the Meeting or any adjournment thereof unless completed and received by the Company's registrar and transfer agent, Computershare Trust Company of Canada, at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the time of the Meeting or adjournment. Completed proxies may be delivered to Computershare Trust Company of Canada by mail, fax or hand delivery, at 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, fax (416) 263-9524 (Attention: Proxy Department). Registered shareholders may also give their proxy voting instructions by telephone at 1-866-732-VOTE (8683) or through the internet at www.investorvote.com using the 15-digit control number found on their personalized form of proxy enclosed with this Circular.

In addition to revocation by any other manner permitted by law, a Shareholder who has given a proxy may revoke it, at any time before it is exercised, by instrument in writing executed by the Shareholder or by attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney duly authorized, and deposited at the registered office of the Company at Suite 4500, 855 - 2nd Street S.W., Calgary, Alberta, T2P 4K7 (Attention: Corporate Services/CRP) up to and including the last business day before the day of the Meeting (or adjournment, as applicable) at which the proxy is to be used, or with the chair of the Meeting on the date thereof.

NOTICE TO BENEFICIAL HOLDERS OF COMMON SHARES

The information above regarding the appointment and revocation of proxies is generally applicable only to registered Shareholders, being persons who are recorded as holders of Common Shares in the register of shareholders maintained by the Company's registrar and transfer agent. Only registered Shareholders or the persons they validly appoint as proxyholders are permitted to vote at the Meeting.

The information in this section is directed to beneficial owners of Common Shares who do not hold their Common Shares in their own name. Persons who beneficially own Common Shares but do not appear on the records of the Company as the registered holders thereof are referred to in this Information Circular as "**Beneficial Holders**". Common Shares owned by Beneficial Holders are typically registered in the name of an intermediary (such as a securities broker, investment dealer, bank, financial institution or trustee or administrator of RRSPs, RRIFs, RESPs and similar plans) or in the name of a depository of which the intermediary is a participant (or an agent or nominee of any of the foregoing). Common Shares listed in an account statement provided by a broker or other intermediary will typically (though not necessarily) be registered in this manner.

Only proxies deposited by a person whose name appears on the records of the Company as a registered holder of Common Shares will be recognized and acted upon at the Meeting.

In accordance with securities regulatory requirements, the Company will distribute copies of the Notice of Meeting, this Information Circular and, as required, a form of proxy (collectively, the "meeting materials") to applicable depositories and intermediaries (or their delegates) for onward distribution to Beneficial Holders.

Existing regulatory policy requires brokers and other intermediaries holding Common Shares on behalf of others to seek voting instructions from Beneficial Holders in advance of shareholder meetings. Each intermediary has its own mailing and delivery procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Holders in order to ensure that their Common Shares are voted at the Meeting.

The voting instruction form or other proxy document supplied to a Beneficial Holder by its broker or other intermediary (or its agent or nominee) may be very similar to the proxy form provided by the Company for use by registered Shareholders. Its purpose, however, is limited to instructing the registered Shareholder (the broker or other intermediary, or its agent or nominee) how to vote on behalf of the Beneficial Holder.

In Canada, most brokers now delegate responsibility for obtaining voting instructions from clients to Broadridge Investor Communication Solutions ("**Broadridge**"). Broadridge typically prepares a machine-readable voting instruction form, mails that form to Beneficial Holders, and asks Beneficial Holders to return the form to Broadridge or otherwise communicate voting instructions to Broadridge (by way of internet or telephone-based procedures, for example). Broadridge then aggregates the results of all instructions received from Beneficial Holders and provides appropriate instructions respecting the voting of their Common Shares by proxy at the Meeting. **A Beneficial Holder who receives a voting instruction form from Broadridge (or otherwise from their broker or other intermediary) cannot use that form to vote Common Shares directly at the Meeting. Voting instruction forms must instead be returned, or voting instructions must otherwise be communicated, to Broadridge (or otherwise in accordance with the directions of the relevant broker or other intermediary) well in advance of the Meeting in order for the Common Shares to which the instructions relate to be properly voted at the Meeting.**

If you are a Beneficial Holder and have questions regarding the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.

Unless specifically stated otherwise, all references to holders of Common Shares in the Notice of Meeting, this Information Circular and the enclosed form of proxy are to registered Shareholders (i.e., persons recorded in the Company's share registers as being a holder of Common Shares).

VOTING OF PROXIES

Shareholders using the enclosed proxy form may instruct the proxyholder (whether the individuals named in the form or such other person as the Shareholder may appoint) how to vote their Common Shares by completing the voting directions contained therein.

On any vote that may be called for at the Meeting or any adjournment thereof, the individuals named in the enclosed proxy form will vote or withhold from voting the Common Shares in respect of which they are appointed proxyholder in accordance with the instructions of the Shareholder appointing them. **In the absence of any such direction, the Common Shares to which the proxy relates will be voted FOR each of the matters referred to in the Notice of Meeting and in this Information Circular.**

The enclosed proxy form (in the absence of any alteration to the form) confers discretionary authority upon the individuals named therein to vote Common Shares and otherwise act in the proxyholder's discretion with respect to any amendments or variations to matters identified in the Notice of Meeting, and with respect to any other matters that may properly come before the Meeting or any adjournment thereof. In the event of any such amendment, variation or other matter, the Common Shares represented by proxies in the enclosed form and appointing any of the individuals named therein as proxyholder, will be voted in accordance with the proxyholder's judgment.

At the date of this Information Circular, the Company knows of no such amendments, variations or other matters to come before the Meeting.

NOTICE-AND-ACCESS

Applicable Canadian securities laws permit the use of a "notice-and-access" system for the distribution of proxy-related materials to shareholders, pursuant to which reporting issuers may effect the delivery of proxy-related materials for a meeting by posting them on SEDAR as well as another website, and sending a notice package to the shareholders receiving such materials under the notice-and-access system. The notice package must include (i) a voting instruction form, (ii) basic information about the meeting and the matters to be voted on at the meeting, (iii) instructions how to obtain a paper copy of the proxy-related materials, and (iv) a plain-language explanation of how the notice-and-access system operates and how the materials can be accessed online. Where prior consent has been obtained, a reporting issuer can send the notice package electronically. The notice package must otherwise be mailed.

The Company has elected to distribute the Notice of Meeting and this Information Circular to Beneficial Holders using the notice-and-access system. Accordingly, the Company will send the required notice package to Beneficial Holders, including instructions on how to access this Information Circular online through the internet and, if desired, request a paper copy. Distribution of proxy-related materials using the notice-and-access system substantially reduces printing and mailing costs to the Company, and lessens the environmental impact of unnecessarily producing and distributing unwanted paper copies.

Notwithstanding the notice-and-access system, the Company is still required under the *Business Corporations Act* (Alberta) to send paper copies of its annual financial statements and proxy materials to registered Shareholders – other than registered Shareholders who have given written consent to electronic delivery or, in the case of financial statements, have informed the Company in writing that they do not want a copy. For corporate law compliance, registered Shareholders who have not yet consented to electronic delivery will be mailed a copy of the Notice of Meeting and this Information Circular.

The Company will not send its proxy-related materials directly to "non-objecting beneficial owners" under NI 54-101, and will not pay for proximate intermediaries to forward proxy-related materials and voting instruction forms to "objecting beneficial owners" under NI 54-101. Accordingly, objecting beneficial owners will not receive such materials unless their intermediary assumes the cost of delivery.

VOTING SHARES, PRINCIPAL HOLDERS AND QUORUM

The Company is authorized to issue an unlimited number of Common Shares, of which 858,585,668 Common Shares are issued and outstanding. On all matters to be voted upon at the Meeting, Shareholders are entitled to one vote for each Common Share held. The Common Shares are the only voting securities of the Company.

The Company's directors fixed May 5, 2020 as the record date (the "**Record Date**") for determining Shareholders entitled to receive notice of the Meeting. A registered Shareholder of record at the close of business on the Record Date shall be entitled to vote the Common Shares registered in its name on that date, except to the extent that (i) it transfers any Common Shares after the Record Date, and (ii) the transferee of such Common Shares produces properly endorsed share certificates (or otherwise establishes ownership of the transferred Common Shares) and makes a demand to the registrar and transfer agent of the Company, not later than 10 days before the Meeting, that the transferee's name be included on the list of Shareholders entitled to vote at the Meeting.

To the Company's knowledge, no person or company beneficially owns or controls or directs, directly or indirectly, Common Shares carrying 10% or more of the votes that may be cast at the Meeting, except as set out below:

Shareholder Name	Number of Common Shares Held	Percentage of Outstanding Common Shares (undiluted)
GMT Capital Corp. ⁽¹⁾⁽²⁾	126,275,300 ⁽²⁾	14.7% ⁽²⁾

Notes:

- (1) Represents Common Shares that, to the Company's knowledge based on regulatory filings, are held by certain hedge fund and private client managed accounts of GMT Capital Corp. ("**GMT Capital**"). GMT Capital specifically disclaims beneficial ownership of these Common Shares, but as investment manager of its managed accounts has power to exercise investment control or direction over them.
- (2) In addition, to the Company's knowledge based on regulatory filings, GMT Exploration Company LLC, a privately held independent oil and natural gas company, may be considered a joint actor of GMT Capital under applicable securities laws, and itself holds 38,250,000 Common Shares (representing approximately 4.5% of the outstanding Common Shares). GMT Capital specifically disclaims beneficial ownership of the Common Shares held by GMT Exploration Company LLC.

At the Meeting, two or more persons present and holding or representing by proxy at least 5% of the outstanding Common Shares will constitute a quorum.

MATTERS TO BE ACTED UPON AT THE MEETING

To the Company's knowledge, the only matters proposed to be submitted to the Meeting are those identified in the Notice of Meeting and more particularly discussed below.

1. Receipt of Annual Financial Statements

The audited consolidated financial statements of the Company for the financial year ended December 31, 2019, and for the period from incorporation to December 31, 2018, together with the auditor's report thereon, will be placed before the Meeting. No formal action will be taken at the Meeting to approve the financial statements, which have been approved by the directors, sent to registered Shareholders, and filed on SEDAR and are available electronically under the Company's issuer profile at www.sedar.com, all in accordance with applicable legal requirements. Questions regarding the financial statements may, however, be brought forward at the Meeting.

2. Election of Directors

The Company's board of directors ("**Board**") is comprised of Garth Braun, Ron Schmitz and William Macdonald, each of whom was formerly a director of the Company's former parent company, Blackbird Energy Inc. ("**Blackbird**"), and was appointed a director in connection with the "spinout" of the Company to the former Blackbird shareholders.

At the Meeting, management proposes to nominate each of the incumbent directors for re-election as a director of the Company, and submit to the Shareholders an ordinary resolution to elect each nominee as a director for the ensuing year, to hold office until the close of the next annual meeting of Shareholders.

Unless otherwise directed by the Shareholders appointing them as proxyholder, the individuals named in the enclosed proxy form intend to vote all Common Shares in respect of which they are appointed proxyholder FOR the election of each such nominee as a director of the Company for the ensuing year.

The following table sets forth, for each director, his name and jurisdiction of residence, the date since which he has served as a director of the Company, his principal occupation, business or employment currently and during the past five years, and his shareholdings in the Company at April 30, 2020.

Name, Jurisdiction of Residence and Position with the Company	Principal Occupations	Director Since	Common Shares held at April 30, 2020 ⁽¹⁾
Garth Braun British Columbia, Canada <i>Director</i>	Corporate Director since January 2019; Prior thereto, Chairman, Chief Executive Officer and President of Blackbird Energy Inc. (oil and gas exploration and production) from November 2009 to January 2019.	December 24, 2018	15,056,515 Common Shares

Name, Jurisdiction of Residence and Position with the Company	Principal Occupations	Director Since	Common Shares held at April 30, 2020 ⁽¹⁾
Ron Schmitz British Columbia, Canada <i>Director</i>	Principal and President of ASI Accounting Services Inc. (professional accounting, consulting and administrative services) since 1995.	January 4, 2019	2,757,058 Common Shares
William Macdonald British Columbia, Canada <i>Director</i>	Solicitor, founder and principal of Macdonald Tuskey LLP (corporate and securities lawyers) since April 2008.	January 4, 2019	1,987,000 Common Shares

Note:

- (1) Includes Common Shares beneficially owned by the director and, as applicable, his spouse, as well as Common Shares over which the director has control or direction.

Each individual elected as a director of the Company will hold office until the next annual meeting of the Shareholders or until his successor is duly elected or appointed, or his office is earlier vacated, in accordance with the *Business Corporations Act* (Alberta) and the articles and by-laws of the Company.

Except as set out below, no director nominee:

- (a) is, or has within the past ten years been, a director, chief executive officer or chief financial officer of any entity that was the subject of a cease trade or similar order, or an order that denied it access to any exemption under securities legislation, that was in effect for more than 30 consecutive days and was either issued (i) while the nominee was acting in that capacity, or (ii) after the nominee ceased to act in that capacity but resulted from an event that occurred while the nominee was so acting;
- (b) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority, or has entered into a settlement agreement with a securities regulatory authority;
- (c) is, or has within the past ten years been, a director or executive officer of any entity that, while the nominee was acting in that capacity or within a year of ceasing to so act, became bankrupt, made a proposal under any bankruptcy or insolvency legislation or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (d) has, within the past ten years, become bankrupt, made a proposal under any bankruptcy or insolvency legislation, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his assets.

Mr. Braun served as Chief Financial Officer of Huldra Silver Inc. ("**Huldra**") from June 2010 until January 2015. Huldra commenced creditor protection proceedings under the *Companies' Creditors Arrangement Act* (Canada) ("**CCAA**") in July 2013, and completed a restructuring thereunder in November 2014 through implementation of a CCAA Plan of Compromise and Arrangement that was approved by the

Huldra creditors in September 2014 and subsequently sanctioned by the Supreme Court of British Columbia.

3. Appointment of Auditor

Davidson & Company LLP, Chartered Professional Accountants, was appointed as the first auditor of the Company in connection with its incorporation on December 24, 2018. The auditor's report of Davidson & Company LLP on the Company's consolidated financial statements for the financial year ended December 31, 2019, and for the period from incorporation to December 31, 2018, will be placed before the Meeting.

At the Meeting, the Shareholders will be asked to consider an ordinary resolution to re-appoint Davidson & Company LLP as the auditor of the Company, to hold office until the close of the next annual meeting of Shareholders, at such remuneration as may be determined by the directors.

Unless otherwise directed by the Shareholders appointing them as proxyholder, the individuals named in the enclosed proxy form intend to vote all Common Shares in respect of which they are appointed proxyholder FOR the appointment of Davidson & Company LLP as the auditor of the Company for the ensuing year, at such remuneration as may be determined by the directors.

Following is a summary of fees billed to the Company by Davidson & Company LLP for the financial year ended December 31, 2019.

Audit Fees	\$15,000
Audit-Related Fees:.....	nil
Tax Fees:	nil
All Other Fees:	nil

No fees were billed by Davidson & Company LLP for the period from incorporation to December 31, 2018.

4. Share Consolidation

At the Meeting, Shareholders will also be asked to consider and, if deemed fit, approve a special resolution authorizing an amendment to the Company's articles of incorporation to consolidate the outstanding Common Shares (the "**Share Consolidation**") on the basis of 100 pre-consolidation Common Shares for one (1) post-consolidation Common Share (the "**Consolidation Ratio**"), with any resulting fractions rounded down to the nearest whole number.

The full text of the special resolution approving the Share Consolidation is set out below under "*Form of Special Resolution*".

Background

The outstanding Common Shares were distributed pursuant to implementation on January 4, 2019 of a plan of arrangement under section 193 of the *Business Corporations Act* (Alberta) (the "**Arrangement**") involving, among others, Blackbird, Pipestone Oil Corp. ("**POC**") and their respective shareholders, under which Blackbird and POC effected a business combination transaction to ultimately continue as a single, amalgamated corporation under the name Pipestone Energy Corp. ("**Pipestone**"); and (ii) Blackbird transferred to the Company (being at that time a wholly-owned subsidiary of Blackbird) its 10% minority

equity interest in Stage Completions, a private Canadian technology and services business specializing in pinpoint multistage oil and gas well completions, and effected, through a series of steps, a pro rata distribution of the Common Shares to the former Blackbird shareholders. Upon the Arrangement becoming effective, each former Blackbird shareholder received, for every Blackbird share held, one Common Share.

An aggregate of 858,585,668 Common Shares were distributed under the Arrangement, and all remain outstanding. That number is significantly disproportionate to the size of the Company, and results in any per share financial or operational metric being, in the context of the Company's asset base and operations, a small fraction of a cent. In order to better scale the Company's outstanding share count to its size, the Company is proposing the Share Consolidation.

Assuming no change to the number of outstanding Common Shares after the date of this Circular, implementation of the Share Consolidation would, based on the Consolidation Ratio, proportionately reduce the outstanding share count from 858,585,668 Common Shares down to approximately 8,585,856 post-consolidation Common Shares. The final number of post-consolidation Common Shares would differ from 8,585,856 by a small margin depending on the effects of rounding down fractions. See "No Fractional Shares" below.

Effect of the Share Consolidation

If approved by the Shareholders and implemented by the Board, the Share Consolidation will result in the number of issued and outstanding Common Shares being replaced by a lesser number of Common Shares (based on the Consolidation Ratio) in the same proportion for all Shareholders, with no change in the total capital of the Company, no change in the interests, rights or privileges of the shareholders, and no concurrent changes in the capital structure of the Company or the rights and privileges of the Shareholders.

The Company does not expect the Share Consolidation itself to have any material economic effect on holders of Common Shares or securities exercisable to acquire Common Shares, except as set forth herein and to the extent the Share Consolidation would otherwise result in fractional shares. See "No Fractional Shares" below.

The Share Consolidation will not operate to change any Shareholder's percentage ownership interest in the Company, other than such nominal difference as may result from the rounding down of fractions (which for any one Shareholder will involve nominal value) as more particularly described below.

No Fractional Shares

No fractional shares shall result from the Share Consolidation. Any Shareholder that would, based on the mathematical application of the Consolidation Ratio to their registered holdings of pre-consolidation Common Shares, otherwise be entitled to a fractional share pursuant to the Share Consolidation, shall receive such number of post-consolidation Common Shares as is rounded down to the nearest whole number, and the fractional share interest shall be deemed cancelled without any repayment of capital or other consideration therefor.

Board Discretion to Implement

Implementation of the Share Consolidation is subject to Shareholders passing the special resolution approving the Share Consolidation as set out below under "*Form of Special Resolution*". If the resolution is passed in the form proposed, then the Share Consolidation will be implemented at such future date (not later than 180 days after the resolution is passed) as the directors may determine, subject to the directors' authority to revoke the resolution and thereby determine not to proceed with the Share Consolidation, at any time before articles of amendment are filed to give effect to the Share Consolidation.

Registered Shareholders versus Beneficial Holders

The Consolidation Ratio will be applied to holdings of Common Shares based on registered ownership, aggregating all Common Shares registered in the same name and rounding down fractions according to that aggregate pre-consolidation position.

Beneficial Holders (non-registered Shareholders) holding Common Shares through an intermediary (such as a securities broker, investment dealer, bank or financial institution) should note that the intermediary's procedures for processing the Share Consolidation in respect of pre-consolidation Common Shares held for the Beneficial Holder's account, may differ from those that will apply to registered Shareholders. Beneficial Holders with questions regarding the effect of the Share Consolidation on pre-consolidation Common Shares held through an intermediary, should contact that intermediary.

Share Certificates

If the Share Consolidation is approved by the Shareholders and implemented by the Board, registered Shareholders holding at least one post-consolidation Common Share will be entitled to exchange any existing certificate(s) representing pre-consolidation Common Shares for new certificates representing post-consolidation Common Shares or, alternatively, a direct registration system (DRS) advice statement confirming the post-consolidation holding.

The Company or its transfer agent, Computershare Trust Company of Canada ("**Computershare**"), may choose to send letters of transmittal to registered Shareholders to facilitate the exchange of existing share certificates, in which case registered Shareholders will have to complete and sign the letter of transmittal and return it, together with the certificate(s) representing pre-consolidation Common Shares, in accordance with the instructions set out in the letter of transmittal.

Share certificates representing pre-consolidation Common Shares will, unless and until surrendered to the Company's transfer agent, Computershare, be deemed for all purposes to represent the number of whole post-consolidation Common Shares (rounded down for any fractions) to which the registered Shareholder is entitled, in respect of the pre-consolidation Common Shares represented by such certificate, as a result of the Share Consolidation.

A registered Shareholder whose certificate for pre-consolidation Common Shares has been lost, stolen or destroyed may obtain a replacement certificate only after complying with the requirements of the Company and its transfer agent, Computershare, pertaining to lost, stolen or destroyed certificates.

No Dissent Rights

Shareholders are not entitled to dissent under section 191 of the *Business Corporations Act* (Alberta) with respect to the proposed Share Consolidation.

Accounting

If the Share Consolidation is implemented, all per share amounts included in the Company's financial reporting will be increased as there will be a smaller number of Common Shares outstanding. In future financial statements, per share amounts for periods ending before completion of the Share Consolidation would be recast to give retroactive effect to the Share Consolidation for financial reporting purposes.

Certain Canadian Federal Income Tax Considerations

The following is a general summary of the material Canadian federal income tax considerations generally applicable under the *Income Tax Act* (Canada) (together with the regulations thereto, the "ITA") to a holder of Common Shares whose Common Shares are consolidated pursuant to the Share Consolidation and who, for purposes of the ITA and at all relevant times, (i) deals at arm's length with, and is not affiliated with, the Company; and (ii) holds Common Shares as capital property (each, a "Holder"). Common Shares will generally be considered to be capital property to a holder thereof unless such Common Shares are acquired or used or held in the course of carrying on a business or are acquired in one or more transactions which may be considered to be an adventure or concern in the nature of trade.

This summary is not applicable to a Holder: (i) that is a "financial institution" for purposes of the market-to-market rules; (ii) that is a "specified financial institution", (iii) an interest in which is a "tax shelter investment", (iv) that reports its "Canadian tax results" in a currency other than Canadian currency, or (vi) that has entered into or will enter into, in respect of the Common Shares, a "synthetic disposition arrangement" or a "derivative forward agreement", each within the meaning of the Tax Act. Any such Holder should consult their own tax advisors having regard to its particular circumstances.

This summary is based on the current provisions of the ITA, applicable jurisprudence and our understanding of the current administrative policies and assessing practices of the Canada Revenue Agency (the "CRA") published in writing prior to the date hereof. This summary takes into account all specific proposals to amend the ITA publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (collectively, the "**Proposed Tax Amendments**") and assumes that all Proposed Tax Amendments will be enacted in the form proposed. No assurances can be given that the Proposed Tax Amendments will be enacted as proposed, or at all. Other than the Proposed Tax Amendments, this summary does not take into account or anticipate any changes in law or the administrative policies or assessing practices, whether by judicial, legislative, governmental or administrative decision or action, nor does it take into account provincial, territorial or foreign income tax legislation or considerations, which may differ significantly from those discussed herein.

This summary is of a general nature only and is not exhaustive of all possible Canadian federal income tax considerations applicable to the Share Consolidation. This summary is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder and no representations with respect to the income tax consequences to any particular Holder are made. Accordingly, Holders should consult their own tax advisors with respect to their own particular circumstances.

A Holder of Common Shares will not be considered to have disposed of any Common Shares or to have acquired new Common Shares as a consequence of the Share Consolidation (when and if given effect) and will not realize any taxable gain or loss in respect thereof. The Holder's aggregate cost of the Common Shares immediately after the Share Consolidation will be equal to the Holder's aggregate cost of the Common Shares immediately before the Share Consolidation. The cost to the Holder on a per share basis will equal the aggregate cost to the Holder of the Common Shares divided by the number of Common Shares held.

Form of Special Resolution

Following is the text of the special resolution to be submitted to the Meeting for consideration and, if deemed fit, passage by the Shareholders, approving amendments to the Company's articles of incorporation by which to effect the proposed Share Consolidation, and authorizing the directors to proceed with and implement the Share Consolidation at such future date (not later than 180 days after the resolution is passed) as they may determine.

"BE IT RESOLVED as a special resolution of the holders of Class A common shares ("**Common Shares**") of Stage Holdco Ltd. (the "**Company**") that:

1. The issued and outstanding Common Shares shall be proportionately consolidated on the basis of 100 pre-consolidation Common Shares for one (1) post-consolidation Common Share (the "**Share Consolidation**"), by amending the articles of the Company to change the issued and outstanding Common Shares into a lesser number of Common Shares and, as required, cancelling any fractional shares resulting therefrom, in accordance with the following:
 - (a) the Share Consolidation shall be effected on a pro rata basis, such that with respect to any one registered holder of Common Shares, the number of Common Shares held immediately following the Share Consolidation shall be equal to the quotient (rounded down to the nearest whole number) obtained by dividing the number of Common Shares held of record immediately prior to the Share Consolidation by 100;
 - (b) the total number of issued Common Shares resulting from the Share Consolidation shall be equal to the aggregate number of whole post-consolidation Common Shares held by all registered holders immediately following the Share Consolidation, as determined in accordance with paragraph (a) above (including by rounding quotients down to the nearest whole number);
 - (c) for certainty, any fraction of a Common Share that would, but for the provisions hereof requiring whole numbers, result from the Share Consolidation, shall be rounded down and cancelled, without any repayment of capital in respect thereof or other compensation therefor; and
 - (d) the Share Consolidation shall not affect the number of Common Shares that the Company is authorized to issue, such that after giving effect to

the Share Consolidation the Company shall continue to be authorized to issue an unlimited number of Common Shares.

2. The articles of the Company shall be amended to give effect to the preceding paragraphs of this resolution.
3. Articles of amendment giving effect to this resolution are authorized to be filed at such future date as the directors of the Company may, in their discretion, determine to proceed with and implement the Share Consolidation, provided that such date shall be not later than 180 days after the date on which this resolution is passed by the shareholders.
4. The Company is authorized to file, and any one director of the Company is authorized to execute on behalf of the Company, with or without corporate seal, and to deliver or cause to be delivered for filing, with the Registrar of Corporations under the *Business Corporations Act* (Alberta), articles of amendment giving effect to this resolution, in such form as the director signing the articles of amendment may approve, together with such other documents as in the opinion of such director may be necessary or desirable to give effect to the matters approved hereby, such determination to be conclusively evidenced by the execution and delivery of such documents.
5. Any one director of the Company is authorized and directed to do, or direct or cause to be done, all such further acts and things, and in connection therewith to execute and deliver all such further forms, instruments, agreements and other documents, and any amendments or supplements thereto, for and on behalf of the Company and at its expense, with or without corporate seal, as are consistent with this resolution and as such director or officer may in good faith determine to be necessary or desirable from time to time in order to fully carry out and give effect to this resolution and the matters approved hereby or to comply with any requirement applicable to the Company in respect thereof, such determination to be conclusively evidenced by the doing of such act or thing or the execution and delivery of such document.
6. Notwithstanding that this resolution is duly passed by the shareholders, and the amendment to the articles of the Company by which to give effect to the Share Consolidation duly adopted, the directors of the Company are authorized, in their discretion, to revoke this resolution and thereby determine not to proceed with the Share Consolidation as authorized and approved hereby, at any time before it is acted upon through the filing of articles of amendment, without further approval, ratification, confirmation or other action by, or prior notice to, the shareholders."

To be passed, the special resolution must be approved by a majority of not less than two-thirds (66⅔%) of the votes cast in respect of that resolution, in person or by proxy, at the Meeting.

The directors of the Company unanimously recommend that Shareholders vote FOR the special resolution above.

Unless otherwise directed by the Shareholders appointing them as proxyholder, the individuals named in the enclosed proxy form intend to vote all Common Shares in respect of which they are appointed proxyholder FOR the foregoing special resolution to approve the Consolidation.

MANAGEMENT COMPENSATION

For the Company, management compensation is limited to fees paid for or in respect of the services provided by its directors, who manage its business and affairs without the appointment of a separate executive management team of corporate officers, and as a board are in charge of all aspects of the Company and perform all of its policy-making functions. Within this structure, Garth Braun currently serves as the Company's chief executive officer and Ron Schmitz currently serves as its chief financial officer. There are no other officers, and the Company has no employees.

The annual fee is currently the only element of the Company's compensation program, and aims to provide for a fixed level of cash compensation that is reasonable and commensurate with time and attention devoted to the business and affairs of the Company. The Company does not have any other plan or arrangement pursuant to which bonus, incentive or other compensation is paid or payable, including any security-based compensation plan or arrangement involving stock options or other compensation securities, or any savings or pension plan or arrangement.

Compensation decisions are made by consensus of the directors based on a subjective good faith assessment of the time and effort required to discharge their duties to the Company, and will be revisited from time to time as the Company's circumstances and activity levels change. Compensation is not currently tied to any particular performance criteria or goals. In considering an appropriate level of compensation, the directors considered market practice generally but did not use a defined peer group.

The following table summarizes all management compensation, direct or indirect, cash or non-cash, for the financial year ended December 31, 2019. All such amounts are accrued but unpaid. No significant changes have been made since the start of 2020, and no compensation was paid or payable for the period from incorporation to December 31, 2018.

Name and position(s)	Year	Salary, consulting fee, retainer or commission	Value of all other compensation ⁽³⁾	Total compensation (\$)
Garth Braun <i>Director and Chief Executive Officer</i>	2019	\$60,000 ⁽¹⁾	–	\$60,000
Ron Schmitz <i>Director and Chief Financial Officer</i>	2019	\$60,000 ⁽²⁾	–	\$60,000
William Macdonald <i>Director</i>	2019	\$36,000	–	\$36,000

Notes:

- (1) Represents fees payable to a company controlled by Mr. Braun and through which his services are provided to the Company.
- (2) Represents fees payable to a company controlled by Mr. Schmitz and through which his services are provided to the Company.
- (3) Aggregate perquisites (if any) for or in respect of 2019 did not exceed \$15,000.

The Company is not a party to any agreement or arrangement pertaining to management services or compensation that provides for payments or other benefits triggered by, or resulting from, a change of control, severance, termination or constructive dismissal event or circumstance.

CORPORATE GOVERNANCE

The directors currently manage the business and affairs of the Company without the appointment of a separate executive management team of corporate officers, and as a board are in charge of all aspects of the Company and perform all of its policy-making functions.

By reason of their service as chief executive officer and chief financial officer, respectively, Messrs. Braun and Schmitz are deemed to not be independent of the Company within the meaning of applicable Canadian securities laws. Mr. Macdonald is considered to be independent.

In addition to the Company, each of the directors is also a director of one or more other reporting issuers (or the equivalent) under applicable securities laws, as follows: Mr. Braun also serves as a director of Pipestone Energy Corp.; Mr. Schmitz also serves as a director of Black Lion Capital Corp. and Newrange Gold Corp.; and Mr. Macdonald also serves as a director of Black Lion Capital Corp., Viscount Mining Corp. and StillCanna Inc.

The directors have not adopted any formal policies or programs for the orientation or continuing education of new or existing board members, the identification of new candidates for board nomination, or performance assessment. The directors believe that they collectively possess the qualifications, competencies and skills to appropriately and effectively steward the Company's business and affairs, and will periodically review that determination against intervening events and evolving circumstances. To the extent of any future vacancy or other necessary or desirable change of composition, the other directors will consider candidates and provide orientation. Continuing education for existing directors is primarily a function of the professional experience, expertise and development associated with their primary occupations, which each of them brings to bear on matters affecting the Corporation and in doing so share with the other board members.

The directors are committed to ethical business conduct in discharging their responsibilities to the Company and in guiding its business and affairs. In the absence of a separate management team or other personnel to whom responsibility for day-to-day operations might be delegated, the directors are directly engaged in all corporate decision making and as such in a position to exercise their fiduciary duties at every juncture of the Company's development.

Compensation-related determinations are made as indicated above.

In light of its current composition and size, the Board has not established any standing committees to which particular mandates and responsibilities are delegated, and instead performs its functions directly as a full Board. Included among these functions are those often delegated to an audit committee, with the Board instead having the mandate to itself oversee the Company's accounting and financial reporting processes and audits of its financial statements, and corresponding responsibility to oversee the work of the external auditor, to review the Company's financial statements, management's discussion and analysis and, as applicable, any earnings releases prior to their public disclosure, and to assess the adequacy of procedures for the review of public disclosure of financial information extracted or derived from the Company's financial statements.

As a "venture issuer" within the meaning of applicable Canadian securities laws, the Company is exempt from audit committee composition and reporting obligations set out in Part 3 and Part 5 of National Instrument 52-110 – *Audit Committees* (which among other things would require that all audit committee members be independent and financially literate within the meaning of that instrument), pursuant to Section 6.1 thereof. As the Board does not have a separate audit committee, the Company relies upon this exemption with respect to the full Board.

As noted above, Messrs. Braun and Schmitz are deemed to not be independent of the Company as they serve as chief executive officer and chief financial officer, respectively, while Mr. Macdonald is considered to be independent.

Each of the directors is, however, financially literate for the purposes of National Instrument 52-110, meaning that he has the ability to read and understand a set of financial statements that present a breadth and level of complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

Mr. Braun is a seasoned oil and gas industry executive with over 15 years' of industry experience and over 30 years' of diversified business experience in finance and real estate. As its Chairman, Chief Executive Officer and President he led Blackbird, a public oil and gas exploration and production company, for almost 10 years until its merger with POC to form Pipestone in January 2019, and continues as a director of Pipestone and a member of its Compensation and Governance Committee. He was previously the Chairman and Chief Executive Officer of an international oil and gas company, an investment banker and a principal of a private real estate development company that completed over \$1 billion in real estate development.

Mr. Schmitz is the Principal and President of ASI Accounting Services Inc., which has provided administrative, accounting and office services to various public and private companies since July 1995, and has personally served as a director and/or chief financial officer of various public companies since 1997. He currently serves as chief financial officer of both NV Gold Corporation and Alto Ventures Ltd., junior mining exploration issuers listed on the TSX Venture Exchange.

Mr. Macdonald is a founder and principal of Macdonald Tuskey, Corporate and Securities Lawyers, a boutique securities and corporate finance law firm established in April 2008 that represents market participants in all aspects of corporate structuring, financing, mergers and acquisitions, private and public offerings, reverse takeovers, acquisitions and stock exchange listing or initial public offerings. He has been a member of Law Society of British Columbia since April 1998 and of the New York State Bar since February 2002, and has served as a director of various public companies since 2008.

OTHER INFORMATION

Indebtedness of Management

No director or executive officer of the Company, no person who served as such during the last financial year, no proposed nominee for election as a director of the Company and no known associate of any such person, is or was at any time since January 1, 2019 indebted to the Company or the beneficiary of any guarantee or similar financial assistance from the Company with respect to indebtedness to another entity. No director or executive officer of the Company is currently indebted to the Company.

The Company does not have any subsidiaries.

Interests of Informed Persons

Management of the Company is not aware of any "informed person" (as that term is defined in National Instrument 51-102 – *Continuous Disclosure Obligations*) of the Company, any proposed nominee for election as a director of the Company, or any associate or affiliate of any such person or proposed nominee, having a material interest (direct or indirect) in any transaction since January 1, 2019, or in any proposed transaction, that has materially affected or would materially affect the Company.

Additional Information

Additional information relating to Stage Holdco Ltd. is filed and available under the Company's issuer profile on SEDAR at www.sedar.com, including financial information provided in its audited annual financial statements and management's discussion and analysis for the year ended December 31, 2019. In addition to the SEDAR website, copies of such financial statements and management's discussion and analysis are available on request to the Company at Suite 588, 580 Hornby Street, Vancouver, British Columbia, V6C 3B6 (Attention: Finance Director), telephone (604) 685-7450.