

Bow Valley Energy Ltd.

Corporate Disclosure Policy

Bow Valley Energy Ltd. (the "Corporation") is committed to providing appropriate and timely, accurate and balanced disclosure of material information about the Corporation, consistent with statutory and regulatory requirements.

This disclosure policy confirms in writing the existing disclosure policies and practices of the Corporation. The goal of this policy is to promote appropriate and consistent disclosure practices aimed at accurate, informative, timely and broadly disseminated disclosure of material information to the market and to raise awareness of the Corporation's approach to disclosure and promote compliance among the board of directors, officers, employees and consultants of the Corporation. As such, this policy applies to the board of directors, officers, employees and consultants of the Corporation together with any person who may be authorized to speak on behalf of the Corporation and, to the extent possible, others who have access to non-public material information regarding the Corporation.

The policy covers written disclosure in documents filed with the securities commissions and stock exchanges, written statements made in the Corporation's annual and quarterly reports, news releases, letters to shareholders and other documents released to the public, the content of which would reasonably be expected to affect the market price or value of the Corporation's securities or a reasonable investor's investment decisions, including information contained on the Corporation's website and other electronic communications. The policy also extends to public oral statements made in meetings and telephone conversations with analysts and investors, interviews with the media, press conferences, conference calls and in other circumstances in which it is reasonable to expect that the information will become generally disclosed.

Disclosure Policy Committee

The board of directors of the Corporation and the President and Chief Executive Officer of the Corporation (the "CEO") have established a Disclosure Policy Committee (the "Committee") consisting of the CEO, the Vice President, Finance and Chief Financial Officer (the "CFO"), and other senior technical representatives of each of the Company's operating jurisdictions as deemed necessary.

The Committee will be governed by its terms of reference and will, among other things, determine when developments require public disclosure and will meet as conditions dictate. As the Corporation, its directors and officers can be liable for failure to make timely disclosure of material information as required by applicable laws or for misrepresentations contained in written or oral disclosure made by the Corporation, it is essential that the Committee be fully apprised of all material developments in order to evaluate and discuss those events to determine the appropriateness and timing for public release of information or whether the information should remain confidential and, if so, how that material information will be controlled so as to attempt to ensure its confidentiality. All employees or consultants of the Corporation are

required to alert any member of the Committee if they become aware of any development that might be material or of any misrepresentation contained in any of the Corporation's disclosure.

Among other things, the Committee is responsible for developing and implementing the Corporation's corporate disclosure policy and establishing procedures for the review and release of written and oral disclosure of the Corporation.

The Committee may designate one or more senior officers or employees of the Corporation to be responsible for all or any of these matters. The Board will review this policy on an annual basis to ensure the effectiveness of the policy and its compliance with changing regulatory requirements. The Disclosure Committee will communicate with the Board at least quarterly with respect to the review procedures established and the effectiveness and compliance with this policy and will disclose to the Board, as applicable, any unresolved issue of the Committee on any disclosure matter.

Designated Spokespersons

The CEO and CFO shall be responsible for communication with the media, investors and analysts. The CEO and CFO shall be the official spokespersons for the Corporation. The CEO or CFO may, from time to time, designate others within the Corporation to speak on behalf of the Corporation in their place, or to respond to specific inquiries from the investment community or the media. The CEO or CFO may consult with the Corporation's legal counsel or such other experts or consultants as they consider necessary in connection with this policy.

Persons who are not authorized spokespersons must not respond under any circumstances to inquiries from the investment community or the media, and are prohibited from otherwise publicly communicating information about the Corporation unless specifically asked to do so by an authorized spokesperson. All such inquiries shall be referred to the CEO or CFO.

Although the CEO and CFO are responsible for communication with the media, investors and analysts on behalf of the Corporation, the Committee members will review all written and oral public disclosure of the Corporation prior to its release and, in addition, the Corporation's board of directors and/or certain of the committees of the board of directors will review certain public disclosure of the Corporation prior to its release. Therefore, prior to the release of any such information, the CEO and CFO shall ensure that the Committee and, as applicable, the board of directors and/or the appropriate committee of the board has reviewed and approved of such information being released.

Responsibility for Electronic Communications

The Committee has delegated responsibility for monitoring all material information placed on the Corporation's website to the CFO. The CFO shall ensure all material information posted on the website is not misleading. Material information is misleading if it is incomplete, incorrect or omits a fact so as to make another statement misleading. Information may also be misleading if it is out of date. Any changes in material information posted on the Corporation's website must be updated promptly.

The Corporation's website should include all publicly disclosed material information and such other investor relations information as may be determined appropriate by the CFO. Information

should be posted to the Corporation's website as soon as possible following its dissemination. All discrete reports posted on the website shall show the relevant date that such material relates to or the date the information was publicly disseminated.

Disclosure on the website alone does not constitute adequate disclosure of material information. Therefore, any disclosure of material information on the website will be preceded by a widely disseminated news release and, if appropriate, a securities regulatory filing.

The CEO or CFO shall be responsible for responses to electronic inquiries from the investment community, security holders or the media. Only public information or information which could otherwise be disclosed in accordance with this policy shall be utilized in responding to electronic inquiries.

Directors, officers, employees and consultants are prohibited from participating in internet chat room or news group discussions on matters pertaining to the Corporation's activities or its securities.

Material Information

For the purposes of this disclosure policy, "material information" means any information relating to the business and affairs of the Corporation that results in, or would reasonably be expected to result in, a significant change in the market price or value of the Corporation's listed securities or affect a reasonable investor's investment decisions. Material information consists of both material facts and material changes relating to the Corporation's business and affairs and includes developments in the Corporation's business and affairs. Examples of some developments that may give rise to material information are as follows:

- a significant acquisition, disposition or merger;
- a new issue of securities or a significant change in capital structure;
- a significant change in financing arrangements;
- a significant change in expected earnings in the near future, such as in the next fiscal quarter;
- significant operational events or incidents;
- changes in share ownership that may affect control of the Corporation; or
- significant changes in the management or board of directors of the Corporation.

Announcements of an intention to proceed with a transaction or activity should not be made unless the Corporation has the ability to carry out the intent (although proceeding may be subject to contingencies) and a decision has been made to proceed with the transaction or activity by the board of directors of the Corporation or by the Corporation's senior management with the expectation of concurrence from the board of directors.

Principles of Disclosure of Material Information

In complying with the requirement under applicable laws and stock exchange rules to disclose material information forthwith upon the information becoming known to management or, in the case of information previously known, forthwith upon it becoming apparent that the information is material, the following basic disclosure rules will be observed:

1. The determination of whether information is considered as material information will be made by the Committee. Material information will be publicly disclosed immediately, unless it is determined by the Committee that such disclosure would be detrimental to the interests of the Corporation. Some examples of instances in which disclosure might be detrimental to the Corporation's interests are:
 - (a) release of the information would prejudice the ability of the Corporation to pursue specific or limited objectives or to complete a transaction or series of transactions that are under way;
 - (b) disclosure of the information would provide competitors with confidential information that would be of significant benefit to them; or
 - (c) disclosure of information regarding the status of ongoing negotiations would prejudice the successful completion of those negotiations.

If it is determined that the disclosure of material information will be delayed because such disclosure would be detrimental to the interests of the Corporation, efforts must be made to maintain complete confidentiality of the material information. See "Maintaining Confidentiality" below.

2. Announcements of material information should be factual and balanced. Unfavourable material information must be disclosed as promptly and completely as favourable material information.
3. Disclosure must include all relevant information to ensure that no aspect of the disclosure is misleading.
4. Previously undisclosed material information must not be disclosed selectively. If such information has been inadvertently disclosed to an analyst or any other person, it must be generally disclosed promptly by news release.
5. Disclosure must be updated or corrected if it contained a material error or misrepresentation. As required by applicable securities law, if earlier disclosure has become misleading as a result of intervening events, disclosure must be updated or corrected.

Insider Trading

Securities laws prohibit insider trading and tipping. Insider trading occurs when a director, officer, employee or consultant of the Corporation or other person in a special relationship with the Corporation trades in securities of the Corporation or other affected securities while possessing material, non-public information. Tipping is when a director, officer, employee or consultant of the Corporation or other person in a special relationship with the Corporation passes on material, non-public information ("tips") to someone else, who then uses the information to trade in securities.

Refer to the Corporation's Policy on Trading in Securities by Directors, Officers, Employees and Consultants for further information on trading restrictions, trading windows and blackout periods.

News Releases

Once the Committee determines that material information exists, it will authorize the issuance of a news release, unless such material information must remain confidential for a certain time. See "Maintaining Confidentiality" below. Should non-public material information inadvertently be disclosed in a selective forum, a news release will be issued promptly in order to fully publicly disclose that information.

News releases will be disseminated through a news wire service that provides national simultaneous disclosure. News releases will be filed with all appropriate regulatory bodies.

When an announcement involving material information is released, the market surveillance department ("market surveillance") of the TSX (the "Exchange") will be advised of the content of the release and supplied with a copy in advance of its release as deemed necessary. If the Exchange is open for trading at the time of a proposed announcement, prior notice by telephone will be provided to the market surveillance department of the Exchange, advising of the content of the news release and of the proposed method of dissemination, with a copy of the release to follow electronically or by fax. If the announcement is issued outside of normal trading hours, market surveillance will be notified where practicable before the market opens on the next trading day, with a copy of the release to follow electronically or by fax.

News releases will be posted on the Corporation's website after confirmation of dissemination of such news release over the news wire. The news releases section of the website will include a notice that advises the reader of the risks associated with forward looking information.

Rumours

The Corporation adopts a "no comment" policy with respect to market rumours and, in that regard, authorized spokespersons for the Corporation shall respond to market rumours with a statement to the effect that "It is our policy not to comment on market rumours or speculation." The Corporation will not respond to rumours on the internet. Should the Exchange request a definitive statement be issued in response to a market rumour that is causing volatility in the market value of the securities of the Corporation, the Committee will consider the matter and decide on an appropriate response.

Forward-Looking Information

Forward-looking information means all disclosure regarding possible events, conditions or results of operations that is based on assumptions about future economic conditions and courses of action and includes future oriented financial information with respect to prospective results of operations, financial position or cash flows that is presented as either a forecast or a projection. The Corporation may, if the Committee determines it to be advisable, provide guidance and forward-looking information with respect to production rates, cash flow, capital expenditures, operating and G&A expenses, royalties and other information as well as significant developments and future plans to enable the investment community to better evaluate the Corporation and its prospects.

All public documents which contain forward-looking information must include a disclaimer with reasonable cautionary language identifying that forward-looking information is included or incorporated by reference in the document. In the case of a public oral forward-looking statement, the person making such statement shall make a cautionary statement that the oral statement contains forward-looking information and state that actual results could differ materially from a conclusion, forecast or projection in the forward-looking information.

Contacts with Analysts, Investors and the Media

The Corporation recognizes that analysts are important for disseminating corporate information to the investing public and play a key role in interpreting and clarifying existing public data, as well as providing investors with background information and details that cannot practically be put in public documents. Authorized representatives of the Corporation will meet with analysts and investors on an individual or group basis as needed, and will initiate contacts or respond to analyst and investor calls in a timely, consistent and accurate fashion in accordance with this policy. The Corporation will provide only non-material information or publicly disclosed information to such analysts or investors and will provide the same information that has been provided to analysts to individual investors who request it.

It is recognized that disclosure of non-public material information to analysts, investors or the media does not constitute adequate disclosure for the purposes of applicable securities laws. If material information is to be announced at an analyst or shareholder meeting, press conference or conference call, its announcement must be preceded by a widely disseminated public announcement of such information via news release.

If selective disclosure of non-public material information has been made, such information shall be immediately disclosed by a widely disseminated news release. If a misrepresentation has been made, it shall be promptly corrected.

Quiet Periods

In order to avoid the potential perception or appearance of selective disclosure, the Corporation will observe a quarterly quiet period, during which no meetings or telephone contacts with analysts and investors will be initiated and no earnings or other guidance provided. The quiet period will begin 5 calendar days before a Board or Audit Committee meeting to approve quarterly financial statements reflecting operating results and end following the widespread dissemination of the news release announcing such results.

Reviewing Analyst Draft Reports and Models

It is the Corporation's policy to review, upon request, analysts' draft research reports or models. If requested, the Corporation will review the report or model for the purpose of identifying publicly disclosed factual information that may affect the report or model or pointing out inaccuracies or omissions with reference to publicly available information about the Corporation. The Corporation will not confirm, provide guidance or attempt to influence, an analyst's opinions or conclusions and will not express comfort with the analyst's model and earnings estimates, including but not limited to, by confirming the analyst's estimate is "on target", "too high" or "too low".

Analyst reports are proprietary information belonging to the analyst's firm which will not be posted on or linked to the Corporation's website. A list of analysts covering the Corporation, and their contact numbers, may be posted on the Corporation's website and provided to anyone requesting such information.

Conference Calls

Conference calls may be held with members of the investment community to discuss financial and operating results or other significant developments following the widespread dissemination of the news release announcing such results or developments. The date and time of the call, the subject matter of the call and the means for accessing it shall be included in a news release and may be announced on the Corporation's website. Conference calls shall be held in an open manner allowing members of the investment community and any other interested party to listen either by telephone and/or through a webcast. During the call, a spokesperson of the Corporation will provide appropriate cautionary language regarding any forward-looking. A tape recording of the conference call will be made available for a period of one month following the call at either a toll-free number or as an audio webcast on the Corporation's website.

Conference calls relating to the business developments of the Corporation and other material information likely to affect the Corporation's share price should, where possible, be scheduled outside trading hours, to avoid or minimize the risk of selective disclosure. To the extent it is determined reasonable by the Committee, non-material supplemental information will be posted on the website.

If selective disclosure of non-public material information has been made, the Corporation will disclose such information promptly via widely disseminated news release. If a misrepresentation has been made, it shall be promptly corrected.

Retention Period for Disclosure Material

Copies of all documents filed with securities commissions and stock exchanges will be retained for a period of five years.

Maintaining Confidentiality

At any time when material information has not been disclosed, the Corporation is under a duty to take precautions to keep such information confidential. Efforts will be made to limit access to such confidential information to only those who need to know the information to perform their

duties, and the Corporation will take reasonable steps to advise such persons that the information is to be kept confidential.

Material information should not be disclosed by directors, officers, employees or consultants to outside parties except in the necessary course of business. Outside parties privy to undisclosed material information concerning the Corporation will be told they must not divulge such information to anyone else, other than in the necessary course of business, and that they may not trade in securities of the Corporation until the information has been generally disclosed. The Corporation may, if deemed appropriate, require such outside parties to enter into a confidentiality agreement.

In order to prevent the misuse or inadvertent disclosure of material information, the procedures set forth below should be observed at all times:

1. Confidential matters should not be discussed in places where the discussion may be overheard.
2. Confidential documents should not be read in public places and should not be discarded where others can retrieve them. Directors, officers, employees and consultants should not leave confidential information in their homes.
3. Transmission of documents by electronic means should be made only where it is reasonable to believe that the transmission can be made and received under secure conditions.
4. Unnecessary copying of confidential documents should be avoided and documents containing confidential information should be promptly removed from conference rooms and work areas after meetings have concluded. Extra copies of confidential documents should be shredded or otherwise destroyed.
5. Access to confidential electronic data should be restricted through the use of passwords.
6. Documents and files containing confidential information should be kept in a safe place to which access is restricted to individuals who "need to know" in the necessary course of business. Code names should be used if necessary.
7. All proprietary information, including computer programs and other records, remain the property of the Corporation and may not be removed, disclosed, copied or otherwise used except in the normal course of employment or with prior permission.

Communication and Enforcement

All directors, officers, employees and consultants of the Corporation will be advised of this policy and its importance. This policy will be brought to the attention of all employees and consultants on an annual basis.

An employee or consultant who violates this policy may face disciplinary action up to and including termination of employment or the consulting contract, as the case may be, with the Corporation. Violation of this policy may also cause violation of certain securities laws. If it is

discovered that securities laws have been violated, this matter may be referred to the appropriate regulatory authorities.

Approval

This policy has been approved by the board of directors of the Corporation.