



## **SIGNIFICANT DIFFERENCES IN OBSIDIAN ENERGY PETROLEUM LTD.'S CORPORATE GOVERNANCE PRACTICES COMPARED TO NYSE AMERICAN CORPORATE GOVERNANCE STANDARDS**

As a Canadian company listed on the NYSE American LLC ("NYSE American"), Obsidian Energy Ltd. ("Obsidian Energy" or the "Corporation") is not required to comply with most of the NYSE American corporate governance requirements of the NYSE American Company Guide (the "Company Guide"), so long as it complies with Canadian corporate governance practices. In order to claim such an exemption, however, Obsidian Energy must disclose the significant differences between its corporate governance practices and those required to be followed by U.S. domestic companies under the Company Guide.

Obsidian Energy's corporate governance practices meet or exceed all applicable Canadian requirements. They also incorporate some best practices derived from the NYSE American rules and comply with applicable rules adopted by the United States Securities and Exchange Commission to give effect to the provisions of the United States Sarbanes-Oxley Act of 2002.

We expect that further information about Obsidian Energy's corporate governance practices will be included in Obsidian Energy's Information Circulars in respect of its future Annual Meetings of Shareholders.

The following is a summary of the significant ways in which Obsidian Energy's corporate governance practices differ from those required to be followed by U.S. domestic issuers under the Company Guide. Except as described in this summary, Obsidian Energy is in compliance with the Company Guide in all significant respects.

### **Quorum Requirement**

The Company Guide requires a quorum of at least 33-1/3% of the shares issued and outstanding and entitled to vote for a meeting of a listed company's shareholders. The TSX does not specify a quorum requirement for a meeting of a listed company's shareholders. The Corporation's current required quorum at any meeting of shareholders, as set forth in the Corporation's by-laws, is two persons present and holding or representing by proxy one-quarter of the shares of the Corporation entitled to vote at a meeting of shareholders.

### **Proxy Solicitation Requirements**

The Company Guide requires the solicitation of proxies and delivery of proxy statements for all shareholder meetings of a listed company, and that proxies be solicited pursuant to a proxy statement that conforms to the proxy rules of the United States Securities and Exchange Commission (the "SEC"). The Corporation is a "foreign private issuer" as defined in Rule 3b-4 under the United States Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the common shares of the Corporation are accordingly exempt from the proxy rules promulgated by the SEC under Sections 14(a), 14(b), 14(c) and 14(f) of the Exchange Act.

**Shareholder Approval Requirements**

The shareholder approval requirements set forth in the Company Guide are different than those required by the TSX, the ABCA and Canadian Securities Laws. The Corporation intends to comply with such home jurisdiction requirements in lieu of the requirements set forth in the Company Guide.