

**NOTICE OF SETTLEMENT OF THE
ALANGE/PETROMAGDALENA
SECURITIES CLASS ACTION**

Read this notice carefully as it may affect your rights.

This notice is directed to all persons, other than certain persons associated with the defendants, who acquired securities of Alange Energy Corp. (“Alange”), now known as PetroMagdalena Energy Corp., during the period from August 30, 2010 to January 12, 2011 and who held some or all of those securities on January 13, 2011 (“Class Members”).

In 2011, the plaintiffs commenced a proposed class action against Alange and certain of its officers and directors in the Ontario Superior Court of Justice (“Court”) alleging that the defendants misrepresented Alange’s production of barrels of oil equivalent per day. The action was certified as a class action on June 11, 2013 and the plaintiffs were granted leave to commence an action pursuant to Part XXIII.1 of Ontario’s *Securities Act*. The opt-out period expired on September 3, 2013 at 5:00 p.m..

A settlement was reached which was approved by the Court. The defendants do not admit any wrongdoing or liability on their part. The settlement is a compromise of disputed claims.

SUMMARY OF THE SETTLEMENT TERMS

The defendants have paid \$9 million (“Settlement Amount”) in full and final settlement of all claims, including the fees, out-of-pocket expenses and taxes (“Fees”) of the lawyers for the Class and administration costs in return for releases and a dismissal of the class action. The Fees were fixed by the court at \$2,603,182.68, and will be paid as a first charge on the Settlement Amount.

The net Settlement Amount will be distributed in accordance with the court-approved and supervised Plan of Allocation.

A CLAIM FOR COMPENSATION MUST BE MADE BY APRIL 10, 2014

Each Class Member must submit a completed Claim Form on or before April 10, 2014 in order to participate in the settlement. The Claim Form can be found and downloaded at www.alangeclassaction.com or obtained by calling the Administrator at 1.888.256.1878. If you do not submit a completed Claim Form by April 10, 2014, you will not receive any part of the net Settlement Amount.

The Court appointed Marsh Risk Consulting Canada as the Administrator of the settlement to, among other things: (i) receive and process claim forms; (ii) decide eligibility for compensation; and (iii) distribute the net Settlement Amount to eligible Class Members.

The Claim Form should be submitted by using the secure Online Claims System at www.alangeclassaction.com. You should submit a paper Claim Form only if you do not have internet access.

The paper Claim Form may be sent by mail or courier to:

Administrator, Alange Energy Corp. Class Action
161 Bay Street, Suite 1400, Toronto, Ontario, M5J 2S4,
or by fax to: 1.800.396.8305

The Court appointed Gregory Wrigglesworth of Kirwin Partners LLP as the Referee to review any disputes arising from a decision of the Administrator on eligibility or amount of compensation. A review by the Referee

may be requested by delivery of a written submission setting out the basis for the dispute including all relevant documents provided that the request is submitted within fifteen (15) days of the decision in dispute.

PERSONAL LEGAL ADVICE

Class Members who seek the advice or guidance of their personal lawyers do so at their own expense.

INTERPRETATION

This notice is a summary of the Approval Order. If there is a conflict between the provisions of this notice and the terms of the Approval Order, the Approval Order will prevail.

FOR FURTHER INFORMATION

Further information on the settlement, including the Settlement Agreement, Plan of Allocation and the court orders, may be found at www.alangeclassaction.com.

Questions for the Class Members' lawyers should be directed by telephone or in writing to:

Jay Strosberg
Sutts, Strosberg LLP
600-251 Goyeau Street
Windsor, ON N9A 6V4

Tel: 1.800.489.6982
Fax: 1.866.316.5308
Email: alange@strosbergco.com

INQUIRIES

If you need help, or are having difficulty with the claims process, or if you do not have access to the internet, or if you prefer not to register online, you may telephone the Administrator at 1.888.256.1878

This notice has been approved by the Court.

Questions about this notice should NOT be directed to the Court.