INFORMATION CIRCULAR – PROXY STATEMENT

DATED MARCH 26, 2021

NUVISTA ENERGY LTD

www.nuvistaenergy.com

WHO WE ARE

NuVista is an oil and natural gas company actively engaged in the exploration for, and the development and production of, oil and natural gas reserves in the Western Canadian Sedimentary Basin. Our primary focus is on the scalable and repeatable condensate-rich Montney formation in the Wapiti and Pipestone areas of the Alberta Deep Basin.

We are publicly traded on the Toronto Stock Exchange (TSX: NVA). Find out more on our website *www.nuvistaenergy.com*, or contact us via email at:

investor.relations@nuvistaenergy.com

WHAT'S INSIDE

PROXY SUMMARY

The following summary highlights some of the important information you will find in this information circular – proxy statement. We recommend you read the entire information circular before voting.

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LETTER TO SHAREHOLDERS

March 26, 2021

Dear Fellow Shareholder,

On behalf of the Board of Directors and management of NuVista Energy Ltd., I am pleased to inform you that we will be holding our annual shareholders' meeting on Tuesday, May 11, 2021 at 3:00 p.m. (Calgary time) in a virtual-only format that will be conducted via live webcast accessible at https://web.lumiagm.com/267789882.

In 2021, we have nine candidates nominated for election to our Board of Directors, including myself. Each of our directors brings significant oil and gas, financial, and business expertise to NuVista. I would like to thank them for the significant time they dedicate to NuVista. I also would like to acknowledge the dedication and hard work of all our employees, who do an outstanding job of managing our assets and identifying new opportunities.

The accompanying information circular – proxy statement describes the business that will be conducted at the meeting and provides information on our executive compensation and governance practises.

Our board believes that shareholders should have the opportunity to fully understand the objectives, philosophy and principles that guide the executive compensation-related decisions made by our Corporate Governance & Compensation Committee. Shareholders are encouraged to review the "*Executive Compensation*" section of the accompanying information circular - proxy statement, which discusses our compensation philosophy and approach to executive compensation, what our named executive officers are paid, and how their respective levels of compensation are determined.

To acknowledge shareholder interest in determining compensation, we have an annual "say on pay" advisory vote, which is a non-binding shareholder advisory vote on executive compensation. This provides shareholders with a formal opportunity to provide their views on our board's approach to executive compensation. At our last annual shareholders meeting we received over 98% support for our advisory vote on executive compensation. As a shareholder, we value your opinion on how we steward NuVista and the decisions we make. We trust we have made appropriate decisions to secure another favourable vote this year.

We remain focused on creating, enhancing and delivering value to our stakeholders. One way we seek to protect value is by better understanding, disclosing and managing our environmental and social impacts. In recognition of the importance of clear board oversight and risk management for environment, social and governance ("ESG") matters, in March of 2020 we established a separate ESG Committee of our board.

We have demonstrated our commitment to transparency and ethical practices in our inaugural ESG report prepared in 2019. This report, together with updated 2019 annual information, is available for viewing on our website. It provides a comprehensive look at our ESG practices while highlighting the proactivity and excellent execution our teams have always demonstrated in advancement of our ESG performance. Key highlights of the report include our high safety and environmental performance, our long-term progress in reducing greenhouse gas ("GHG") intensity, and our strong governance and community focus. Approximately 60% of our current production is comprised of natural gas which has the lowest carbon footprint of any hydrocarbon, leading to our GHG performance being better than the North American benchmark. We initially elected to publish fulsome reports bi-annually, and have now increased that frequency to annually. We continue to execute projects to enhance our ESG progress, and we look forward to providing our 2020 ESG report in the summer of 2021. In the meantime, for more information on our ESG progress, please refer to our Management Discussion & Analysis for the year ended December 31, 2020 and press release, which were issued on March 2, 2021 and which are available on our website at *www.nuvistaenergy.com*.

Our Board of Directors is committed to open and transparent communication with our shareholders. We encourage you to engage with us on any questions you may have including our approach to compensation. Shareholders may contact our Corporate Secretary by mail at our head office at Suite 2500, 525 – 8th Avenue S.W., Calgary, Alberta, T2P 1G1, if they wish to share their view on executive compensation with our board of directors.

Due to the unprecedented public health impact of COVID-19, and in alignment with the recommendations of Canadian public health officials to cancel large public gatherings, this year's meeting will be held in a virtual-only format conducted via live webcast online at https://web.lumiagm.com/267789882. The virtual-only format for the meeting will help mitigate health and safety risks to the community, shareholders, employees and other stakeholders. At this website, shareholders and duly appointed proxyholders will be able to hear the meeting live, submit questions and vote their shares on all items of business while the meeting is being held. While shareholders and duly appointed proxyholders will not be able to attend the meeting in person, regardless of geographic location and ownership, they will have an equal opportunity to participate at the meeting and vote on the matters to be considered. Detailed instructions about how to participate in the meeting can be found in the attached information circular.

Your vote is important and we strongly encourage you to participate in the meeting or submit the enclosed form of proxy or voting information form, as applicable.

On behalf of the board and management of NuVista, we thank you for your ongoing support and confidence.

Sincerely,

(signed) "*Pentti O. Karkkainen*"

Pentti O. Karkkainen
Chair of the Board

NOTICE OF ANNUAL MEETING

NOTICE is hereby given that the annual meeting of the shareholders of NuVista Energy Ltd. will be held on Tuesday, May 11, 2021 at 3:00 p.m. (Calgary time) in a virtual-only format that will be conducted via live webcast accessible at https://web.lumiagm.com/267789882 to:

1. receive and consider our financial statements for the year ended December 31, 2020, together with the report of the auditors;

2. fix the number of directors to be elected at the meeting at nine (9) members;

3. elect nine (9) directors of NuVista Energy Ltd.;

4. appoint the auditors and authorize our directors to fix their remuneration as such;

5. consider a non-binding advisory resolution on our approach to executive compensation; and

6. transact such other business as may properly be brought before the meeting or any adjournment thereof.

The specific details of the matters proposed to be put before the meeting are set forth in the information circular – proxy statement accompanying this notice.

Due to the unprecedented public health impact of COVID-19, and in alignment with the recommendations of Canadian public health officials to cancel large public gatherings, the meeting will be held in a virtual-only format conducted via live webcast in order to help mitigate health and safety risks to the community, shareholders, employees and other stakeholders. Our directors and management believe this format will provide shareholders a safer opportunity to attend the meeting given ongoing restrictions on travel and public gatherings as well as health concerns. While shareholders and duly appointed proxyholders will not be able to attend the meeting in person, regardless of geographic location and ownership, they will have an equal opportunity to participate at the meeting and vote on the matters to be considered.

Registered shareholders may attend the meeting in person (virtually) or may be represented by proxy. Shareholders who are unable to attend the meeting or any adjournments or postponements thereof in person (virtually) are requested to date, sign and return the accompanying form of proxy for use at the meeting or any adjournment or postponement thereof. To be effective, the enclosed form of proxy must be dated, signed and deposited with our registrar and transfer agent, Computershare Trust Company of Canada: (i) by mail using the enclosed return envelope or one addressed to Computershare Trust Company of Canada, 8th Floor North Tower, 100 University Avenue, Toronto, Ontario, M5J 2Y1; (ii) by facsimile 1-866-249-7775; (iii) through the internet at *www.investorvote.com* or (iv) by phone at 1-866-732-8683. You will need to enter the control number printed on the form of proxy, and follow the interactive voice recording instructions to submit your vote no later than 3:00 p.m. (Calgary time) on May 7, 2021 or, if the meeting is adjourned or postponed, no later than 48 hours (excluding Saturdays, Sundays and statutory holidays in Alberta) before the beginning of any adjourned or postponed meeting. To vote through the internet or by phone you will require your control number found on your proxy form.

Only shareholders of record at the close of business on March 30, 2021, will be entitled to vote at the meeting, unless that shareholder has transferred any shares subsequent to that date and the transferee shareholder, not later than 10 days before the meeting, establishes ownership of the shares and demands that the transferee's name be included on the list of shareholders entitled to vote at the meeting.

DATED at Calgary, Alberta this 26th day of March, 2021.

By order of the Board of Directors of NuVista Energy Ltd.

(signed) "*Ross Andreachuk*"
Vice President, Finance, Chief Financial Officer and
Corporate Secretary

Information circular - Proxy Statement dated March 26, 2021 for the Annual Meeting of Shareholders of NuVista Energy Ltd. to be held on Tuesday, May 11, 2021.

VOTING MATTERS

How to participate in the meeting

There is no physical location for the meeting. The meeting will be held on Tuesday, May 11, 2021 at 3:00 p.m. (Calgary time) in a virtual, audio only, webcast format due to the COVID-19 pandemic and the recommendations of federal, provincial and municipal governments to mitigate risks to public health and safety. Registered shareholders and duly appointed proxyholders may only attend and participate in the meeting virtually via live audio webcast, including by asking questions during the question and answer session and voting online, provided they follow the instructions herein.

- Registered shareholders and duly appointed proxyholders who participate by attending online will be able to listen to the proceedings of the meeting, ask questions and vote on the applicable resolutions during the specified times, provided they remain connected to the internet.

- If you are a non-registered shareholder and wish to vote your shares online during the meeting, you must follow the instructions below under the heading How to vote. Non-registered shareholders who have not duly appointed themselves as proxyholders may still attend the meeting as guests, but will not be able to vote.

- Guests, including non-registered shareholders who have not duly appointed themselves as proxyholder, will be able to login and listen to the proceedings of the meeting but will not be able to vote.

- Attendees can login to the meeting by following the instructions below.

    - Log in online at: https://web.lumiagm.com/267789882. The latest versions of Chrome, Safari, Microsoft Edge or Firefox will be needed. We recommend that you log in at least 30 to 60 minutes before the meeting starts to allow ample time to check compatibility and complete the related procedures.

    - For registered shareholders and duly appointed proxyholders, select "*I have a Control Number/Username*" and enter your control number or username and the password: "nuvista" (case sensitive).

      OR

    - Click "*I am a guest*" and then complete the online form to access the meeting.

For registered shareholders: The control number located on the form of proxy or in the e-mail notification delivered for the meeting is the control number to log in to the meeting. For duly appointed proxyholders: Computershare Trust Company of Canada will provide the proxyholder with a username by e-mail after the proxy voting deadline has passed provided that the proxyholder has been duly appointed and registered as described in this information circular – proxy statement below under *How to vote* which will be required (with case-sensitive password "nuvista2021") to log into the meeting.

How to vote

The voting process is different depending on whether you are a registered or non-registered shareholder and is described more fully below.

Registered Shareholders:	Non-registered Shareholders (or Beneficial Shareholders):
Your common shares are registered in your name. **Voting in person (virtually)** If you are a registered shareholder, you can attend the meeting (virtually) and vote at the meeting by going to https://web.lumiagm.com/267789882 in a web browser on a smartphone, tablet or computer, selecting "*I have a Control Number/Username*" and entering your control number (your control number is located on the enclosed form of proxy) and the password: "nuvista2021" (case sensitive). Follow the instructions to access the meeting and vote when prompted. If you wish to appoint a person other than those named in the enclosed form of proxy to attend the meeting (virtually) and vote at the meeting on your behalf, you should insert that person's name in the blank space provided in the enclosed form of proxy and send in the proxy form to the address specified on proxy form within the required timeframe in advance of the meeting. Your proxyholder does not need to be a shareholder, but this person or company must attend the meeting (virtually) and vote on your behalf. You must also visit https://www.computershare.com/Nuvista to register your proxyholder's name and e-mail address so that our transfer agent, Computershare Trust Company of Canada can send your proxyholder, via e-mail, a username that will be required (with case-sensitive password "nuvista2021") to log into the meeting. **Failure to register will result in your proxyholder not receiving a username that is required to vote at the meeting.** Your proxyholder can then attend the meeting by going to https://web.lumiagm.com/267789882 in a web browser, on a smartphone, tablet or computer, selecting "*I have a Control Number/Username*", entering the username that your proxyholder received in the e-mail from Computershare Trust Company of Canada, password "nuvista2021" (case sensitive) and then follow the instructions to access the meeting and vote when prompted.	**Your common shares are held in the name of your nominee (usually a bank, trust company, broker, securities dealer or other financial institution) and you are the beneficial shareholder.** **Voting in person (virtually)** If you are a non-registered shareholder, you can attend the meeting (virtually) and vote at the meeting by filling in your name in the blank space provided on the voting instruction form and appointing yourself as proxy and sending in the completed voting instruction form to the address specified on the voting instruction form within the required time frame in advance of the meeting. You must also visit https://www.computershare.com/Nuvista to register your name and e-mail address so that our transfer agent, Computershare Trust Company of Canada can send you, via e-mail, a username that will be required (with case-sensitive password "nuvista2021") to log into the meeting. **Failure to register will result in you not receiving a username that is required to vote at the meeting.** You can then attend the meeting by going to https://web.lumiagm.com/267789882 in a web browser, on a smartphone, tablet or computer, selecting "*I have a Control Number/Username*", entering the username that you received in the e-mail from Computershare Trust Company of Canada, password "nuvista2021" (case sensitive), and then follow the instructions to access the meeting and vote when prompted. Non-registered shareholders who have not duly appointed themselves as proxy will not be able to vote online at the virtual meeting but will be able to join the live webcast by going to https://web.lumiagm.com/267789882, and checking on "*I am a guest*" and filing in the form.

Registered Shareholders:

Voting by proxy

Voting by proxy is the easiest way to vote. This means you have the right to appoint someone else (your proxyholder) to attend the meeting (virtually) and vote your common shares for you.

If you do not appoint your own proxyholder, our representatives named on the proxy form will act as your proxyholder, and will vote your common shares according to your instructions.

If you sign and return the form but do not give your voting instructions or specify that you want your common shares withheld from voting on certain matters, the NuVista representatives will vote FOR each of the items of business to be considered at the meeting.

Internet	Go to *www.investorvote.com*. Enter the control number printed on the form and follow the instructions on the screen.
Phone	Call 1-866-732-8683 and follow the instructions. You will need to enter the control number printed on the form of proxy, and follow the interactive voice recording instructions to submit your vote.
Mail	Enter voting instructions, sign the form of proxy and send your completed form of proxy to our registrar and transfer agent in the envelope provided, or to Computershare Trust Company of Canada, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1
Fax	Enter voting instructions, sign the form of proxy and fax your completed form of proxy to 1-866-249-7775.

Non-registered Shareholders (or Beneficial Shareholders):

Voting by proxy

The majority of brokers in Canada and the United States delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications Solutions. Broadridge typically mails a scannable voting instruction form in lieu of the form of proxy. Please provide your voting instructions as specified in the voting instruction form as follows.

Internet	Go to *www.proxyvote.com*. Enter the control number printed on the voting instruction form and follow the instructions on the screen.
Phone	Call 1-800-474-7493 or 1-800-474-7501 (French) and follow the instructions. You will need to enter the control number printed on the voting instruction form, and follow the interactive voice recording instructions to submit your vote.
Mail	Enter your voting instructions on the voting instruction form, sign and date it, and send the completed form as specified in the voting instruction form.
Fax	Enter voting instructions, sign the voting instruction form and fax the completed voting instruction form to 905-507-7793.

Who can vote

You are entitled to receive notice of and vote at the meeting if you hold common shares at the close of business on March 30, 2021, the record date. If you acquired your common shares after the record date, you can ask for your name to be included in the list of eligible shareholders up until 10 days before the meeting if you have proper proof that you own the common shares. Contact our transfer agent, Computershare Trust Company of Canada at 1-800-564-6253 for assistance.

Send your proxy or voting instruction form right away

Take some time to read this information circular – proxy statement and then vote your common shares right away. We must receive your voting instructions by 3:00 p.m. (Calgary time) on May 7, 2021 to ensure your common shares are voted at the meeting.

If you are a beneficial shareholder, you will need to allow enough time for your nominee (or their representative) to receive your voting instructions and then submit them to Computershare Trust Company of Canada.

If the meeting is postponed or adjourned, you must send your voting instructions at least 24 hours (not including Saturdays, Sundays and holidays) before the time the meeting is reconvened.

Changing your vote

If you change your mind about how you want to vote your common shares, you can revoke your proxy in one of the following ways, or by any other means permitted by law.

If you are a registered shareholder:

- access the meeting by following the instructions above and vote your common shares at the meeting during the designated time;
- vote again on the internet or by phone before 3:00 p.m. (Calgary time) on May 7, 2021;
- complete a proxy form with a later date than the form you originally submitted, and mail it as soon as possible so that it is received before 3:00 p.m. (Calgary time) on May 7, 2021; or
- send a written notice from you or your authorized attorney revoking your previously provided proxy to our Corporate Secretary so that it is received before 4:30 p.m. (Calgary time) on May 7, 2021.

If you are a beneficial shareholder, follow the instructions provided by your nominee or in the voting instruction form you have received.

Solicitation of Proxies

This information circular - proxy statement is furnished in connection with the solicitation of proxies by or on behalf of our management for use at our annual meeting of shareholders to be held at 3:00 p.m. (Calgary time) on Tuesday, May 11, 2021.

Accompanying this information circular - proxy statement is a form of proxy for registered shareholders. A registered shareholder has a choice of voting by proxy on the internet, by phone or by mail or by using the form of proxy provided by us to appoint another person (who need not be a shareholder) other than the persons designated in the form of proxy provided by us to attend the meeting (virtually) and act for such shareholder, or voting in person (virtually) by attending the meeting. If a shareholder votes by proxy on the internet, by telephone, by mail or by facsimile in advance of the meeting, such shareholder's vote will be counted, whether or not such shareholder attends the meeting. Even if a shareholder attends the meeting, it may be more convenient to vote in advance.

The persons named in the enclosed form of proxy are our directors and/or officers. **As a shareholder you have the right to appoint a person or company, who need not be a shareholder, to represent you at the meeting**. To exercise this right you should insert the name of the desired representative in the blank space provided on the form of proxy and strike out the other names or submit another appropriate proxy. The instrument appointing a proxy must be in writing and must be executed by you or your attorney authorized in writing or, if you are a corporation, under your corporate seal or by a duly authorized officer or attorney of the corporation.

Advice to Beneficial Holders of Common Shares

The information set forth in this section is of significant importance to you if you do not hold your common shares in your own name. Only proxies deposited by shareholders whose names appear on our records as the registered holders of common shares can be recognized and acted upon at the meeting. If your common shares are listed in your account statement provided by your broker, then, in almost all cases, those common shares will not be registered in your name on our records. Such common shares will likely be registered under the name of your broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co., the registration name for The CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms. Common shares held by your broker or their nominee can only be voted upon your instructions. Without specific instructions, your broker or their nominee is prohibited from voting your shares.

Applicable regulatory policy requires your broker to seek voting instructions from you in advance of the meeting. Every broker has its own mailing procedures and provides its own return instructions, which you should carefully follow in order to ensure that your shares are voted at the meeting. Often, the form of proxy supplied by your broker is identical to the form of proxy provided to registered shareholders. However, its purpose is limited to instructing the registered shareholder how to vote on your behalf. The majority of brokers now delegate responsibility for obtaining instructions from clients to a mailing/tabulating agent who mails a scannable voting instruction form in lieu of the form of proxy. You are asked to complete and return the voting instruction form to them by mail or facsimile. Alternatively, you can use their website or call their toll-free telephone number to instruct them how to vote your shares. They then tabulate the results of all instructions received and provide appropriate instructions respecting the voting of shares to be represented at the meeting. **If you receive a voting instruction form from a mailing/tabulating agent, it cannot be used as a proxy to vote shares directly at the meeting as it must be returned to the mailing/tabulating agent well in advance of the meeting in order to have the shares voted**.

Persons Making the Solicitation

This solicitation is made on behalf of our management. We will bear the costs incurred in the preparation and mailing of the form of proxy, notice of annual meeting and this information circular - proxy statement. In addition to mailing forms of proxy, proxies may be solicited by personal interviews, or by other means of communication, by our directors, officers and employees who will not be remunerated therefor.

Exercise of Discretion by Proxy

The common shares represented by proxy in favour of management nominees will be voted or withheld from voting on any matter at the meeting. Where you specify a choice with respect to any matter to be acted upon, the shares will be voted on the matter in accordance with the specification so made. If you do not provide instructions, your shares will be voted in favour of the matters to be acted upon as set out herein. The persons appointed under the form of proxy, which we have furnished, are conferred with discretionary authority with respect to amendments or variations of those matters specified in the form of proxy and notice of annual meeting and with respect to any other matters which may properly be brought before the meeting or any adjournment thereof. At the time of printing this information circular – proxy statement, we know of no such amendment, variation or other matter.

Notice-and-Access

We have elected to use the "notice-and-access" provisions under National Instrument 54-101 - *Communications with Beneficial Owners of Securities of a Reporting Issuer* for the meeting to those of you who do not hold your common shares in your own name. The "notice-and-access" provisions are a set of rules developed by the Canadian Securities Administrators that reduce the volume of materials that must be physically mailed to shareholders by allowing us to post our information circular in respect of our meeting and related materials online.

We have also elected to use procedures known as "stratification" in relation to our use of the "notice-and-access" provisions. Stratification occurs when we, while using the "notice-and-access" provisions, provide a paper copy of our notice of meeting and information circular and, if applicable, a paper copy of our financial statements and related management's discussion and analysis, to some but not all of our shareholders. In relation to the meeting, our registered shareholders will receive a paper copy of the notice of the meeting, this information circular, a form of proxy and our financial statements and related management's discussion and analysis whereas non-registered holders of our common shares will receive a "notice-and-access" notification and a voting instruction form. In addition, a paper copy of the notice of the meeting, this information circular, a form of proxy and our financial statements and related management's discussion and analysis will be mailed to those shareholders who do not hold their common shares in their own name but who have previously requested to receive paper copies of these materials.

We will be delivering proxy-related materials to non-objecting beneficial owners of our common shares directly with the assistance of Broadridge Investor Communications Solutions. We intend to pay for intermediaries to deliver proxy-related materials to objecting beneficial owners of our common shares.

How to obtain paper copies of the meeting materials

Registered and beneficial shareholders can ask for free paper copies of this information circular – proxy statement and the proxy form or voting information form to be sent to them by mail. If you have any questions about the notice and access provisions or would like to request paper copies of the materials for the meeting, please contact our transfer agent, Computershare Trust Company of Canada at 1-800-564-6253. You can also request free paper copies from us at:

NuVista Energy Ltd.
Suite 2500, 525 8th Ave S.W.
Calgary, Alberta T2P 1G1

Email: investor.relations@nuvistaenergy.com

Voting Shares and Principal Holders

We are authorized to issue an unlimited number of common shares without nominal or par value. As at March 26, 2021, there were 225,845,000 common shares issued and outstanding. As a holder of common shares you are entitled to one vote for each share you own.

To the knowledge of our directors and officers, as at March 26, 2021 no person or company beneficially owned, or controlled or directed, directly or indirectly, more than 10% of our common shares, other than as set forth below:

Name	Number of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly	Percentage of Our Issued and Outstanding Common Shares
Paramount Resources Ltd.	39,752,142	17.6%

Note:

(1) Based on information filed on SEDI as of March 26, 2021.

MATTERS TO BE ACTED UPON AT THE MEETING

Fixing the Number of Directors

Our articles provide for a minimum of three directors and a maximum of eleven directors. Our by-laws provide that the number of our directors shall be determined from time to time by our shareholders. There are currently nine directors on our board of directors.

At the meeting, it is proposed that the number of directors to be elected to hold office until the next annual meeting or until their successors are elected or appointed be set at nine.

Accordingly, unless otherwise directed, it is the intention of management to vote proxies in the accompanying form in favour of fixing the number of directors to be elected at the meeting at nine.

Election of Directors

Our board has fixed the number of directors to be elected at the meeting at nine members. You are being asked to cast your vote for the following nine directors:

Pentti O. Karkkainen
Ronald J. Eckhardt
Keith A. MacPhail
Ronald J. Poelzer
Brian G. Shaw
Sheldon B. Steeves
Deborah S. Stein
Jonathan A. Wright
Grant A. Zawalsky

Each director will hold office until the next annual meeting of our shareholders or his or her successor is duly elected or appointed, unless his or her office is earlier vacated.

In the event that a vacancy among such nominees occurs because of death or for any reason prior to the meeting, the proxy will not be voted with respect to such vacancy.

Voting for Election of Directors

Our directors are elected annually, individually and by majority vote. The individual voting results of this meeting will be published by news release and on *www.sedar.com* after the meeting. The individual voting results will also be reviewed by our Corporate Governance & Compensation Committee and will be considered as part of the committee's overall review and assessment of the nominees recommended to shareholders at our next annual meeting of shareholders.

Our by-laws set forth a procedure requiring advance notice to us by any shareholder who intends to nominate a person for election as a director of us. Among other things, the by-laws set a deadline by which such shareholders must notify us in writing of an intention to nominate directors prior to any meeting of shareholders at which directors are to be elected and specify the information that a nominating shareholder must include in the notice in order for director nominees to be eligible for nomination and election at the meeting. These requirements are intended to provide all shareholders with the opportunity to evaluate and review the proposed candidates and vote on an informed and timely manner regarding such nominees. Our by-laws do not affect nominations made pursuant to a "proposal" made in accordance with the *Business Corporations Act* (Alberta) or a requisition of a meeting of shareholders made pursuant to the *Business Corporations Act* (Alberta). As of the date of this information circular – proxy statement, we have not received any nominations pursuant to the advance notice provisions contained in our by-laws.

We have a majority vote policy. Unless there is a contested election, a director who receives more "withhold" votes than votes "for" at the meeting will immediately offer to resign. Our Corporate Governance & Compensation Committee will review the matter and recommend to the board whether to accept the resignation. The committee will consider all relevant factors, including why shareholders withheld votes, the director's length of service, qualifications and contributions to us, share ownership, the current mix of skills and attributes of the directors on our board, the impact with respect to covenants in our agreements or plans, if any, and legal requirements, policies or guidelines (regulatory, securities or corporate laws, or stock exchange rules) for director numbers and qualifications, The resignation will be effective if, and when, accepted by the board. The director will not participate in any deliberations on the matter.

We expect to accept the resignation unless there is some special circumstance that warrants the director to stay on our board. In any case, our board will determine whether or not to accept the resignation within 90 days of the relevant annual shareholders' meeting and we will promptly issue a news release with the board's decision. If the board determines not to accept a resignation, the news release will fully state the reasons for that decision.

Management recommends that shareholders vote FOR the election of each of these nominees. The persons named in the enclosed form of proxy intend to vote FOR the election of each of these nominees unless the shareholder specifies authority to do so is withheld.

Biographies of our Directors

The following information relating to the director nominees is based partly on our records and partly on information received by us from the nominees:

Pentti O. Karkkainen, ICD. D
Bachelor of Science (Geology) (Honours) and Masters of Business Administration
West Vancouver, British Columbia, Canada
Age: 66
Director since 2003
Independent Director
Shareholder approval rating at the 2020 annual meeting – 98.07%

Mr. Karkkainen has over 30 years of investment management, energy sector research and investment banking experience, as well as four years of industry experience with Gulf Canada Resources. Mr. Karkkainen was a Co-Founder and General Partner of KERN Partners, a leading Canadian based energy focused capital markets and private equity firm, from September 2000 to July 2014 and was the firm's Senior Strategy Advisor from July 2014 until his retirement from the firm in August 2015. Prior to establishing KERN Partners, Mr. Karkkainen was Managing Director and Head of Oil and Gas Equity Research at RBC Capital Markets.

Mr. Karkkainen holds a Bachelor of Science (Honours) degree in Geology from Carleton University, a Masters of Business Administration degree from Queen's University and holds a designation from the Institute of Corporate Directors.

Mr. Karkkainen is also Chair of the board of directors of AltaGas Ltd.

Board and Committee Participation	**Position**	**Meetings in 2020**	**Attendance**
Board of Directors	Chair	8/8	100%
Audit Committee	Member	4/4	100%
Corporate Governance & Compensation Committee (1)	Member	3/3	100%

Equity Holdings (2)	**2020**		**2019**	
	Number	**Value (3)**	**Number**	**Value (4)**
Common Shares	150,000	141,000	76,000	242,440
Deferred Share Units	134,906	126,812	82,406	262,875
Total	284,906	267,812	158,406	505,315

Other Public Board Directorships	**Committee Positions**
AltaGas Ltd.	Chair of the Board

Ronald J. Eckhardt
Bachelor of Science (Mechanical Engineering)
Calgary, Alberta, Canada
Age: 66
Director since 2013
Independent Director
Shareholder approval rating at the 2020 annual meeting – 98.41%

Mr. Eckhardt has more than 35 years of experience in the oil and gas industry. Most recently, Mr. Eckhardt was the Executive Vice-President, North American Operations for Talisman Energy Inc., a public oil and gas company from 2003 to 2009. Mr. Eckhardt joined Talisman (then BP Canada) in 1986 as Chief Drilling Engineer and held positions of increasing responsibility in domestic operations until his retirement in 2009.

Mr. Eckhardt holds a Bachelor of Science degree in Mechanical Engineering from the University of Manitoba.

Mr. Eckhardt is also Chair of the board of directors of Athabasca Oil Corporation.

Board and Committee Participation	**Position**	**Meetings in 2020**	**Attendance**
Board of Directors	Member	8/8	100%
Corporate Governance & Compensation Committee (1)	Member	3/3	100%
Reserves Committee	Chair	2/2	100%

Equity Holdings (2)	**2020**		**2019**	
	Number	**Value (3)**	**Number**	**Value (4)**
Common Shares	158,311	148,812	158,311	767,887
Deferred Share Units	144,034	135,392	91,534	291,993
Total	302,345	284,204	249,845	1,059,880

Other Public Board Directorships	**Committee Positions**
Athabasca Oil Corporation	Chair of the Board Reserves Committee

	**Keith A. MacPhail**, P. Eng. Bachelor of Science (Petroleum Engineering) (Honours) and a Diploma (Petroleum Technology) (Honours) Calgary, Alberta, Canada Age: 64 Director since 2003 Independent Director Shareholder approval rating at the 2020 annual meeting – 94.52%

Mr. MacPhail has over 35 years of experience in the oil and gas industry. Most recently, Mr. MacPhail was the Chair of Bonavista Energy Corporation from 2018 until August 2020. Prior thereto, Mr. MacPhail was the Executive Chair and prior thereto, the Chair and CEO of Bonavista. Prior to joining Bonavista in 1997, Mr. MacPhail held progressively more responsible positions with Canadian Natural Resources Limited with his final position being Executive Vice President and COO. Prior thereto, he held the position of Production Manager with Poco Petroleums Ltd.

Mr. MacPhail holds a Bachelor of Science (Honours) degree in Petroleum Engineering from the Montana College of Mineral Science, a diploma in Petroleum Technology (Honours) from SAIT and is a member of the Association of Professional Engineers, Geologists & Geophysicists of Alberta.

Mr. MacPhail is also Chair of the board of directors of Cenovus Energy Inc. and is a director of a private company.

Board and Committee Participation	Position	Meetings in 2020	Attendance
Board of Directors	Member	8/8	100%
Corporate Governance & Compensation Committee (1)	Chair	3/3	100%
Reserves Committee	Member	2/2	100%

Equity Holdings (2)	2020		2019	
	Number	Value (3)	Number	Value (4)
Common Shares	3,532,042	3,320,119	2,532,042	8,235,525
Deferred Share Units	180,153	169,344	127,653	407,213
Total	3,712,195	3,489,463	2,659,695	8,660,738

Other Public Board Directorships	Committee Positions
Cenovus Energy Inc.	Chair of the Board Human Resources and Compensation Committee Nominating and Corporate Governance Committee Safety, Environment, Responsibility and Reserves Committee

Ronald J. Poelzer, CPA, CA
Bachelor of Commerce (Distinction)
Calgary, Alberta, Canada
Age: 59
Director since 2003
Independent Director
Shareholder approval rating at the 2020 annual meeting – 98.03%

Mr. Poelzer has more than 30 years of experience in the oil and gas industry. Most recently, Mr. Poelzer was Vice Chair of Bonavista Energy Corporation from 2015 until August 2020. Prior thereto, Mr. Poelzer was Executive Vice Chair and Executive Vive President responsible for various strategic planning, business development, financial and capital market roles. Prior to joining Bonavista in 1997, Mr. Poelzer was with Poco Petroleum Ltd. as Vice President, Business Development. Prior thereto, Mr. Poelzer was in public accounting practise.

Mr. Poelzer is a Chartered Professional Accountant and holds a Bachelor of Commerce (Distinction) degree from the University of Saskatchewan.

Mr. Poelzer is also a member of the board of directors of various private companies and a charitable foundation.

Board and Committee Participation	**Position**	**Meetings in 2020**	**Attendance**
Board of Directors	Member	8/8	100%
Audit Committee	Member	4/4	100%
Corporate Governance & Compensation Committee (1)	Member	3/3	100%

Equity Holdings (2)	**2020**		**2019**	
	Number	**Value (3)**	**Number**	**Value (4)**
Common Shares	5,901,277	5,547,200	4,401,277	14,040,074
Deferred Share Units	101,080	95,015	48,580	154,970
Total	6,002,357	5,642,215	4,449,857	14,195,044

Other Public Board Directorships	**Committee Positions**
None	-

Brian G. Shaw, CFA
Masters of Business Administration and Bachelor of Commerce
Toronto, Ontario, Canada
Age: 67
Director since 2014
Independent Director
Shareholder approval rating at the 2020 annual meeting – 99.64%

Mr. Shaw is an experienced financial industry executive with particular expertise in capital markets and investing activities. He is also currently a director of Ovintiv Inc., Manulife Bank of Canada and Manulife Trust Company.

Mr. Shaw is an alumnus of CIBC World Markets Inc. (and its predecessor firm Wood Gundy) where he was employed for 23 years. He was Chair and Chief Executive Officer of CIBC World Markets Inc. from 2005 through 2008 and prior to that managed the Global Equities Division for a number of years. Mr. Shaw is a Chartered Financial Analyst and holds both a Masters of Business Administration and a Bachelor of Commerce from the University of Alberta.

Mr. Shaw is also a member of the board of directors of Ovintiv Inc.

Board and Committee Participation	**Position**	**Meetings in 2020**	**Attendance**
Board of Directors	Member	8/8	100%
Audit Committee	Member	4/4	100%
Environment, Social & Governance Committee	Member	2/2	100%

Equity Holdings (2)	**2020**		**2019**	
	Number	**Value** (3)	**Number**	**Value** (4)
Common Shares	99,301	93,343	99,301	316,770
Deferred Share Units	123,758	116,333	71,258	227,313
Stock Options	-	-	5,000	-
Total	223,059	209,676	175,559	544,083

Other Public Board Directorships	**Committee Positions**
Ovintiv Inc.	Audit Committee Reserves Committee

Sheldon B. Steeves, P. Geol.
Bachelor of Science (Geology)
Calgary, Alberta, Canada
Age: 67
Director since 2013
Independent Director
Shareholder approval rating at the 2020 annual meeting – 99.63%

Mr. Steeves has more than 35 years of experience in the North American oil and natural gas business. Mr. Steeves was most recently the Chief Executive Officer and Chair of Echoex Ltd., a private oil and natural gas exploration and production company. Mr. Steeves started Echoex in January of 2001 and monetized the company in April 2012. Prior to Echoex, Mr. Steeves was the Chief Operating Officer of Renaissance Energy Ltd.

Mr. Steeves holds a Bachelor of Science degree in Geology from the University of Calgary and is a member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta, the Canadian Society of Petroleum Geologists and the American Association of Petroleum Geologists.

Mr. Steeves also serves on the board of directors of Enerplus Corporation and PrairieSky Royalty Ltd.

Board and Committee Participation	**Position**	**Meetings in 2020**	**Attendance**
Board of Directors	Member	8/8	100%
Environment, Social & Governance Committee	Chair	2/2	100%
Reserves Committee	Member	2/2	100%

Equity Holdings (2)	**2020**		**2019**	
	Number	**Value** (3)	**Number**	**Value** (4)
Common Shares	25,631	24,093	25,631	81,763
Deferred Share Units	98,212	92,319	45,712	145,821
Total	123,843	116,412	71,343	227,584

Other Public Board Directorships	**Committee Positions**
Enerplus Corporation	Reserve Committee (Chair) Health, Safety and Environment Committee
PrairieSky Royalty Ltd.	Reserve Committee (Chair) Audit and Risk Management Committee Governance and Compensation Committee

Deborah S. Stein, FCPA, FCA
Bachelor of Arts (Economics)
Heritage Pointe, Alberta, Canada
Age: 60
Director since 2016
Independent Director
Shareholder approval rating at the 2020 annual meeting – 99.35%

Ms. Stein has over 30 years of industry experience, including over 20 years of direct experience in the oil and gas industry, most recently having held the position of Chief Financial Officer at AltaGas Ltd. Prior to joining AltaGas in 2005, Ms. Stein held various positions at TransCanada Corporation. Ms. Stein also led the finance functions of Wendy's Restaurants of Canada and Paramount Canada's Wonderland.

Ms. Stein is a Fellow Chartered Professional Accountant, holds a designation from the Institute of Corporate Directors and obtained her Bachelor of Arts degree from York University, majoring in Economics.

Ms. Stein also serves on the board of directors of Aecon Group Inc., Parkland Corporation, Trican Well Service Ltd., and various private companies, and is a past Chair of Financial Executives Canada and past Trustee of the Calgary Zoo.

Board and Committee Participation	Position	Meetings in 2020	Attendance
Board of Directors	Member	8/8	100%
Audit Committee	Chair	4/4	100%
Environment, Social & Governance Committee	Member	2/2	100%

Equity Holdings (2)	2020		2019	
	Number	Value (3)	Number	Value (4)
Common Shares	32,710	30,747	32,710	104,345
Deferred Share Units	98,212	92,319	45,712	145,821
Total	130,922	123,066	78,422	250,166

Other Public Board Directorships	Committee Positions
Aecon Group Inc.	Audit Committee (Chair)
Parkland Corporation	Audit Committee Human Resources & Corporate Governance Committee
Trican Well Service Ltd.	Audit Committee Governance Committee (Chair) Human Resources & Compensation Committee (Chair)

Jonathan A. Wright, P. Eng.
Masters of Science (Mechanical Engineering) (Great Distinction) and
Bachelor of Science (Mechanical Engineering) (Great Distinction)
Calgary, Alberta, Canada
Age: 55
Director since 2011
President & CEO (Not Independent)
Shareholder approval rating at the 2020 annual meeting – 99.46%

Mr. Wright has been our President and Chief Executive Officer since May 9, 2011. Mr. Wright has more than 30 years of experience in the oil and gas industry.

Prior to joining NuVista, Mr. Wright has held progressively more responsible roles both domestically and abroad with Talisman Energy Ltd., most recently as Senior Vice-President of Talisman's North American Conventional Production Division which produced approximately one-half of Talisman's North American production at the time. Prior to joining Talisman in 1995, Mr. Wright spent six years with Shell Canada Ltd. in various operations and business development roles.

Mr. Wright possesses both a Masters and a Bachelor of Science Degree in Mechanical Engineering (with Great Distinction) from the University of Saskatchewan, where he earned, among other awards, the Canadian Governor General's Gold Medal for being the Outstanding University Post-Graduate for his pursuit in hydraulics and computer controls.

In addition, Mr. Wright serves on the Board of Governors for CAPP, the Canadian Association of Petroleum Producers.

Board and Committee Participation	**Position**	**Meetings in 2020**	**Attendance**
Board of Directors	Member	8/8	100%

Equity Holdings (2)	**2020**		**2019**	
	Number	**Value** (3)	**Number**	**Value** (4)
Common Shares	800,917	752,862	448,150	1,429,599
Stock Options	1,301,653	39,308	1,219,202	116,338
Incentive Awards	833,525	780,082	239,426	763,769
Total	2,936,095	1,572,252	1,906,778	2,309,706

Other Public Board Directorships	**Committee Positions**
None	-

Grant A. Zawalsky, LL.B.
Bachelor of Laws and Bachelor of Commerce
Calgary, Alberta, Canada
Age: 61
Director since 2003
Independent Director
Shareholder approval rating at the 2020 annual meeting – 99.30%

Mr. Zawalsky is the Managing Partner of Burnet, Duckworth & Palmer LLP (Barristers and Solicitors) where he has been a Partner since 1994.

Mr. Zawalsky holds a Bachelor of Commerce and LL. B. from the University of Alberta and is a member of the Law Society of Alberta.

Mr. Zawalsky currently sits on the board of directors of PrairieSky Royalty Ltd. and Whitecap Resources Inc. and a number of private companies. He is also the Corporate Secretary of ARC Resources Ltd. and is the President of the Calgary Petroleum Club.

Board and Committee Participation	Position	Meetings in 2020	Attendance
Board of Directors	Member	8/8	100%
Environment, Social & Governance Committee	Member	2/2	100%

Equity Holdings (2)	2020		2019	
	Number	Value (3)	Number	Value (4)
Common Shares	211,915	199,200	211,915	676,009
Deferred Share Units	122,239	114,905	69,739	222,467
Total	334,154	314,105	281,654	898,476

Other Public Board Directorships	Committee Positions
PrairieSky Royalty Ltd.	Reserves Committee
Whitecap Resources Inc.	Health, Safety and Environment Committee Sustainability & Advocacy Committee

Notes:

(1) In March 2020, we amended our committees by combining our Compensation Committee and our Governance and Nominating Committee into our Corporate Governance & Compensation Committee, Meeting attendance may include attendance at the former Compensation Committee and/or Governance and Nominating Committee.

(2) We have established an equity ownership policy that non-management directors must have an equity ownership interest in our common shares within six months of joining our board of at least three times their annual board retainer. Following the phase-in period, directors are expected to be in continuous compliance with these guidelines. In the event that an individual who has achieved the target ownership level subsequently falls below such target ownership level due solely to a decline in the market price of our common shares, such individual will be considered to be in compliance with the ownership guidelines as long as the adjusted cost base of his or her common shares exceeds the target ownership level.

(3) The value of the 2020 Equity Holdings have been calculated as the sum of: (i) the number of common shares held by each nominee as of December 31, 2020 multiplied by the closing price of our common shares on the Toronto Stock Exchange on December 31, 2020 ($0.94), (ii) the value of the deferred share

units ("DSUs") of each nominee is based on the number of DSUs held by the nominee as of December 31, 2020 multiplied by the closing price of our common shares on the Toronto Stock Exchange on December 31, 2020 ($0.94); and (iii) in the case of Mr. Wright, includes: (A) the number of common shares issuable upon exercise of stock options held as of December 31, 2020 multiplied by the difference between the closing price of our common shares on the Toronto Stock Exchange on December 31, 2020 ($0.94) and the exercise price of the applicable stock option; and (B) the number of restricted share awards and performance share awards (with an actual multiplier of 0.91x for performance share awards granted in 2018 and an assumed payout multiplier of 1x for the balance) granted under our share award incentive plan held as of December 31, 2020 multiplied by the closing price of our common shares on the Toronto Stock Exchange on December 31, 2020 ($0.94) but does not include performance share units granted under our cash award incentive plan since such awards may only be settled in cash.

(4) The value of the 2019 Equity Holdings have been calculated as the sum of: (i) the number of common shares held by each nominee as of December 31, 2019 multiplied by the closing price of our common shares on the Toronto Stock Exchange on December 31, 2019 ($3.19); (ii) the value of the DSUs of each nominee is based on the number of DSUs held by the nominee as of December 31, 2019 multiplied by the closing price of our common shares on the Toronto Stock Exchange on December 31, 2019 ($3.19); (iii) in the case of stock options held by Mr. Wright and Mr. Shaw, includes the number of common shares issuable upon exercise of stock options held as of December 31, 2019 multiplied by the difference between the closing price of our common shares on the Toronto Stock Exchange on December 31, 2019 ($3.19) and the exercise price of the applicable stock option; and (iv) in the case of incentive awards held by Mr. Wright represents the number of restricted share awards and performance share awards (with an assumed payout multiplier of 1x) granted under our share award incentive plan multiplied by the closing price of our common shares on the Toronto Stock Exchange on December 31, 2019 ($3.19).

(5) Does not include senior unsecured notes held by any of the nominees.

Experience and Background of Proposed Directors

Our Corporate Governance & Compensation Committee seeks to recruit candidates who reflect a diversity of skills, experience and perspectives which are relevant to our business. The committee has established the following "skills matrix" outlining the skills and experience which they believe are required by the members of our board of directors.

Skills Matrix	
Executive Leadership	Experience as a CEO or equivalent is believed to provide the most effective counsel to management, as well as critical oversight on behalf of stakeholders.
Enterprise Risk Assessment	Board or executive experience in evaluating and managing risks in the oil and natural gas business is sought to assist our board in understanding and assessing the risks and opportunities faced by us.
Value Creation	Board or executive experience in evaluating and executing on, value creation opportunities through acquisitions, divestitures, mergers or developmental opportunities is critical to our board's ability to effectively fulfill its oversight responsibilities relating to our corporate strategy and ultimate value creation.

Environment, Social, and Governance	Board or management experience with or knowledge of, risks and opportunities related to a broad range of environment and climate-related and other environmental compliance and sustainability issues such as emissions, water use and waste reduction, land and energy use and workplace health and safety in the oil and gas industry are important since such experiences assists our board in more effectively carrying out compliance oversight responsibilities and to support our commitment to managing and operating in a safe, efficient, environmentally responsible manner in association with our industry partners and to continually improving our environmental, health, safety and social performance.
Operations	As all of our business is derived from oil and natural gas operations, we seek candidates who possess a solid understanding of our industry and its operations.
Reserves and Resource Evaluation	Board experience with, or management responsibility for, oil and natural gas reserve and resource evaluation and reporting is critical to assist our board to carry out its oversight responsibilities of the evaluation of our reserves and resources.
Compensation and Human Resources	Compensation and human resource skills and experience assist our board in fulfilling its responsibility to ensure that we maintain effective incentive programs which attract, motivate and retain top talent, while at the same time reinforcing strategic priorities.
Accounting & Finance	Financial literacy in reading financial statements, financial accounting and operational accounting experience as well as corporate finance knowledge and experience usually from senior accounting and financial management, audit firm background or banking experience are valued in order to enable our board to oversee management's handling of financial and financial reporting matters, including by: critically assessing our financial performance and projections; understanding our critical accounting policies, as well as technical issues relevant to the external audit; and evaluating the robustness of our internal controls.
Legal, Regulatory and Governmental	A broad understanding of corporate, securities, land tenure and oil and natural gas law, regulatory regimes in Western Canada and governmental royalty, incentive and taxation policies usually through management experience or a legal background are important since such experiences assist our board in more effectively carrying out its compliance oversight responsibilities and support our board in understanding the regulatory trends shaping the oil and gas industry and assessing our strategic response to such trends.
Corporate Governance	A broad understanding of good corporate governance usually through experience as a board member or as a senior executive officer is valued in light of the competing demands of stakeholders and the increasingly complex governance environment in which public companies operate.

The following table outlines the experience and background of, but not necessarily the technical expertise of, the individual nominees of our board based on information provided by such individuals:

Name	Executive Leadership	Enterprise Risk Assessment	Value Creation	Environmental, Social and Governance	Operations	Reserves and Resource Evaluation	Compensation and Human Resources	Accounting & Finance	Legal, Regulatory and Governmental	Corporate Governance
Pentti O. Karkkainen	✓	✓	✓	✓		✓	✓	✓		✓
Ronald J. Eckhardt	✓	✓	✓	✓	✓	✓	✓		✓	✓
Keith A. MacPhail	✓	✓	✓	✓	✓	✓	✓		✓	✓
Ronald J. Poelzer	✓	✓	✓	✓		✓		✓		✓
Brian G. Shaw	✓		✓	✓			✓	✓		✓
Sheldon B. Steeves	✓	✓	✓	✓	✓	✓	✓			✓
Deborah S. Stein	✓	✓	✓	✓			✓	✓	✓	✓
Jonathan A. Wright	✓	✓	✓	✓	✓	✓	✓		✓	✓
Grant A. Zawalsky	✓	✓	✓	✓			✓		✓	✓
Total	**9/9**	**8/9**	**9/9**	**9/9**	**4/9**	**6/9**	**8/9**	**4/9**	**5/9**	**9/9**

Additional Disclosure Relating to Proposed Directors

Except as otherwise disclosed herein or in connection with the other matters described below, none of our directors (nor any personal holding company of any of such persons) is, as of the date hereof, or was within ten years before the date hereof, a director, chief executive officer or chief financial officer of any company (including us), that was subject to a cease trade order (including a management cease trade order), an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days that was issued while the director was acting in the capacity as director, chief executive officer or chief financial officer; or that was issued after the director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

None of our directors (nor any personal holding company of any of such persons) is, as of the date hereof, or has been within the ten years before the date hereof, a director or executive officer of any company (including us) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency 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 other than as set forth below.

Mr. Zawalsky who was formerly a director of Endurance Energy Ltd. (a private company engaged in the exploration and production of natural gas) which filed for creditor protection under the *Companies Creditors' Arrangement Act* on May 30, 2016. Mr. Zawalsky resigned as a director of Endurance Energy Ltd. on November 1, 2016. Mr. Zawalsky was a director of Zargon Oil & Gas Ltd., a public company engaged in the exploitation of oil, which filed a Notice of Intention to Make a Proposal to its creditors under the provisions of Part III, Division I of the *Bankruptcy and Insolvency Act* (Canada) on September 8, 2020 and Mr. Zawalsky resigned as a director of Zargon Oil & Gas Ltd. on the same day.

None of our directors (nor any personal holding company) or any such person has, within the ten years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director.

None of our directors (nor any personal holding company of any of such persons) 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 or any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Appointment of Auditors

Our board recommends the appointment of the firm of KPMG LLP, Independent Registered Chartered Professional Accountants, as our auditors, to hold office until the next annual meeting of our shareholders. Our board will also be authorized to set the fees paid to KPMG LLP.

KPMG LLP has acted as our auditors since 2003. In 2017, an internal assessment of KPMG LLP was undertaken by the board of directors and management to assess the performance of KPMG LLP as our auditors. The assessment concluded KPMG LLP was providing the necessary services and the quality thereof was sufficient to maintain KPMG LLP as our recommended auditors. Our board and management will conduct a similar assessment at least every five years.

The following table provides information about the fees billed to us for professional services rendered by KPMG LLP during fiscal 2020 and 2019:

Type of Work	2020 Fees ($)	2019 Fees($)
Audit fees (1)	377,175	355,000
Audit related fees	-	-
Tax fees (2)	11,235	22,500

Notes:

(1) Audit fees consist of fees for the audit of our annual financial statements or services that are normally provided in connection with statutory and regulatory filings or engagements.

(2) Tax fees include tax compliance, tax advice, tax planning and compilation of tax returns.

Advisory Vote on Executive Compensation

The underlying principle for executive compensation throughout NuVista is "pay-for-performance". We believe that this philosophy achieves the goal of attracting and retaining excellent employees and executive officers, while rewarding the demonstrated behaviors that reinforce our values and help us to deliver on our corporate objectives.

Our board believes that shareholders should have the opportunity to fully understand the objectives, philosophy and principles that guide the executive compensation-related decisions made by our Corporate Governance & Compensation Committee. Shareholders are encouraged to review the *Executive Compensation* section of this information circular - proxy statement, which discusses our compensation philosophy and approach to executive compensation, what our named executive officers are paid, and how their respective levels of compensation are determined.

As part of our ongoing commitment to corporate governance, our board of directors has approved a non-binding advisory vote on executive compensation at the meeting with the intention that this shareholder advisory vote will form an integral part of our ongoing process of engagement between our shareholders and our board of directors relating to executive compensation. We will disclose the results of the shareholder advisory vote as a part of our report on voting results for the meeting. At our last annual shareholders meeting we received over 98% support for our advisory vote on executive compensation.

As this is an advisory vote, the results will not be binding upon our board of directors. Our board, and specifically the Corporate Governance & Compensation Committee, will not be obligated to take any compensation actions, or make any adjustments to executive compensation programs or plans, as a result of the vote. However, the Corporate Governance & Compensation Committee and our board of directors will take into account the results of the vote, together with feedback received from our shareholders, in considering our approach to compensation in the future.

In the event that there is a significant vote against or the advisory resolution is not approved by a majority of the votes cast at the meeting, our board of directors will consult with shareholders (particularly those who are known to have voted against it) to understand their concerns and will review our approach to compensation in the context of those concerns. Results from this review, if necessary, will be discussed in our information circular - proxy statement for the shareholders meeting to be held in 2022. Shareholders may contact our Corporate Secretary by mail at our head office at Suite 2500, 525 – 8th Avenue S.W., Calgary, Alberta, T2P 1G1, if they wish to share their views on executive compensation with our board of directors.

At the meeting, shareholders will be asked to vote on the following resolution:

> "BE IT RESOLVED, on an advisory basis and not to diminish the role and responsibilities of the board of directors of NuVista Energy Ltd., that the shareholders accept the approach to executive compensation disclosed in the information circular - proxy statement of NuVista Energy Ltd. dated March 26, 2021."

Our board of directors recommends that shareholders vote FOR the non-binding advisory resolution regarding our approach to executive compensation.

DIRECTOR COMPENSATION

Our board, through the Corporate Governance & Compensation Committee, is responsible for the development and implementation of a compensation plan for our directors who are not also officers. We do not pay any compensation to officers for acting as a director. For information concerning the compensation paid to Mr. Wright who is also our President and Chief Executive Officer, see *Executive Compensation*.

The main objectives of our compensation plan for directors are to attract and retain the services of the most qualified individuals and to compensate our directors in a manner that is commensurate with the risks and responsibilities assumed in board and committee membership and at a level that is similar to the compensation paid to directors of a peer group of oil and gas companies. In addition, our philosophy of using compensation to foster a culture of ownership also extends to our director compensation policies.

The total compensation structure for non-management directors for 2020 consisted of annual retainers and a semi-annual equity incentive award provided in the form of deferred share units or DSUs. Each DSU represents the right to receive a cash payment equivalent to the fair market value of our common shares, or in the case of a DSU issued in lieu of board and committee retainers and meeting fees only, at our election, a common share issued from treasury, therefore having the same upside and downside risk as the value of our common shares.

Fees and Retainers

In 2020, our non-management directors received annual cash retainers which were paid on a quarterly basis. They are also reimbursed for travel expenses related to their attendance at meetings. We do not pay meeting attendance fees.

In late March of 2020, in response to the impact of the COVID-19 pandemic on our share price, and to limit share dilution, we suspended the ability for our outside directors to take any portion of their annual board and committee retainer fees in the form of deferred share units effective January 1, 2020. Our outside directors also elected to reduce their annual board and committee retainers by 20% effective May 1, 2020. These retainer rollbacks were reversed as of February 1, 2021 as a result of the significant recovery in commodity prices.

The following table displays the compensation structure for 2020 for our non-management directors:

Annual Retainers	January – April Annualized Amount ($)	May – December Annualized Amount ($)
Annual Board Retainer	55,000	44,000
Additional Board Retainers:		
Board Chair Retainer	40,000	32,000
Audit Committee Chair Retainer	14,000	11,200
Corporate Governance & Compensation Committee Chair Retainer	15,000	12,000
Reserves & ESG Committee Chair Retainers	7,000	5,600
Audit Committee Member Retainer	5,600	4,480
Other Committee Member Retainers	3,750	3,000

Incentive Compensation

We previously granted stock options to our directors, although we have not granted any stock options to our directors since 2014. As at December 31, 2020, none of our non-management directors held any stock options.

In May of 2016, we implemented a directors' deferred share unit plan for our non-management directors. The DSU Plan is the only active form of long-term incentive compensation for our non-management directors. A copy of our current DSU Plan has been filed on our profile on the SEDAR website at *www.sedar.com* on April 1, 2019 under the category "Other Securityholders Documents".

Our directors receive a semi-annual grant of deferred share units under the deferred share unit plan. The plan also permits our directors to elect to take all or a portion of their annual board and committee retainers and meeting attendance fees in the form of deferred share units. In late March of 2020, in response to the impact of the COVID-19 pandemic on our share price, and to limit share dilution we suspended the ability for our outside directors to take any portion of their annual board and committee retainer fees in the form of deferred share units effective January 1, 2020.

Each deferred share unit represents the right to receive a cash payment equivalent to the fair market value of our common shares, or in the case of a deferred share issued in lieu of board and committee retainers and meeting fees only, at our election, a common share issued from treasury. Deferred share units vest once they are credited to the director's deferred share unit account and may only be redeemed after the director ceases to be a director.

In 2020, we granted an aggregate of 420,000 deferred share units to our non-management directors, none of which were issued in 2020 in lieu of board and committee retainer fees. Consistent with the reduction in director fees, the deferred share unit grants awarded in 2020 were reduced from otherwise targeted amounts and the value of the 2020 grants were 28% lower than in 2019.

The following is a detailed description of the terms of our deferred share unit plan.

Deferred Share Unit Plan

The deferred share unit plan allows our Corporate Governance & Compensation Committee to grant deferred share units to members of our board, who are not also full time employees of us or one of our subsidiaries, partnerships, trusts or other controlled entities.

The purposes of the deferred share unit plan are to: (i) promote greater alignment of the interests between our directors and our shareholders by providing a means to accumulate a financial interest in us that corresponds to the risk, responsibility and commitment of directors; (ii) support compensation that is competitive and rewards our long-term success as measured in total shareholder return; and (iii) attract and retain qualified individuals with the experience and ability to serve as directors.

The deferred share unit plan is administered by our Corporate Governance & Compensation Committee. Subject to the Corporate Governance & Compensation Committee's reporting to and obtaining approval from our board on all matters relating to the deferred share unit plan, the Corporate Governance & Compensation Committee has sole and absolute discretion to administer the plan.

The Corporate Governance & Compensation Committee authorizes the amount of deferred share units to be granted to each of the participants for each calendar year, and the date that the grant becomes effective. In cases where a participant becomes a board member after the deferred share units for that calendar year have been granted, deferred share units may be granted as of the date of the appointment to our board and in such amount as determined by the Corporate Governance & Compensation Committee. The Corporate Governance & Compensation Committee may also from time to time determine that special circumstances justify the approval of a grant of deferred share units in addition to the other compensation to which the participant is entitled.

Participants may also elect to receive all or part of their annual retainer remuneration that is otherwise payable in cash, in the form of deferred share units. In order to do so, participants must complete a written election form by no later than December 1 of the calendar year preceding the year in which the participant earns the deferred remuneration. For individuals who become participants after the commencement of a calendar year, and for the year in which the deferred share unit plan is established, participants may make an election within 30 days of becoming a director or the establishment of the plan. A participant's election for the latest calendar year will continue to apply to subsequent calendar years until the participant submits another election in respect of a calendar year. Participants may only file one election in respect of a calendar year, and that election is irrevocable for that calendar year. Deferred share units are not transferable or assignable.

Subject to an extension for blackouts, we credit deferred share units in respect of an election to a participant's deferred share unit account on the date that the remuneration would otherwise be payable. The number of deferred share units credited is determined by dividing the amount of the participant's deferred remuneration by the fair market value (as defined in the plan) of our common shares on the date the deferred share units are credited.

The number of common shares reserved for issuance from time to time pursuant to outstanding deferred share units granted and outstanding under the plan is limited to 500,000 common shares.

If any deferred share units granted under the plan expire, terminate or are cancelled for any reason without the common shares issued thereunder having been issued in full, any unissued common shares to which such deferred share units relate shall be awardable for the purposes of granting of further deferred share units.

The aggregate number of deferred share units granted to any single holder cannot exceed 1% of our issued and outstanding common shares (including common shares issuable upon exchange or conversion of any of our fully paid securities or those of our controlled entities that are exchangeable or convertible into common shares). The value of all DSUs granted to any one non-management director during a calendar year, as calculated on the grant date (excluding DSUs granted in lieu of board and committee retainers and meeting fees) shall not exceed $150,000.

In accordance with the rules of the Toronto Stock Exchange, the number of common shares issued to insiders within one year pursuant to the plan, and issuable to insiders at any time, under the plan or when combined with all of our other security based compensation arrangements, shall not exceed 10% of our issued and outstanding shares (including common shares issuable upon exchange or conversion of any of our fully paid securities or those of our controlled entities that are exchangeable or convertible into common shares).

Dividends paid, if any, on our common shares before the maturity date of the deferred share units will be credited as deferred share units to the participant's account as of the dividend payment date.

Deferred share units vest immediately upon being credited to a participant's account.

Following the date on which the participant ceases to hold all positions with us and our subsidiaries, partnerships, trusts or other controlled entities (the "Termination Date"), except as a result of death, all deferred share units credited to a participant's account will be redeemed as of the maturity date. The maturity date for US taxpayers is the Termination Date.

For directors who are not United States taxpayers, the maturity date is December 1 of the calendar year immediately following the year of the Termination Date. Directors may file an irrevocable maturity date acceleration election subsequent to the Termination Date. Subject to the exceptions below, the elected maturity date must be no earlier than 180 days after the Termination Date and no later than December 1st of the calendar year following the Termination Date. The elected maturity date may be any time between the Termination Date and December 1st of the following calendar year, if one of the following exceptions apply: (i) the director resigns pursuant to the "majority voting" or similar policy; (ii) the director fails to be elected as a director at a shareholder meeting after being included as a nominee in our information circular; or (iii) the director is removed from office by a vote of shareholders.

Following a participant's Termination Date except as a result of death, the participant will have the right to have the deferred share units credited to their account redeemed by us. All deferred share units and dividend entitlements thereon (if any) will be redeemed for a cash payment except that, at our election, we may redeem deterred share units and dividend entitlements thereon (if any) issued as compensation for annual board and committee retainers and meeting attendance fees, in cash or through the issuance of common shares from treasury or purchased on the market and any combination of these. The cash payment will be equal to the number of deferred share units and dividend entitlements thereon (if any) in the participant's account as of the Termination Date, multiplied by the fair market value of our common shares determined at the maturity date.

If a participant dies while in office, or after ceasing to hold any position with us and our subsidiaries, partnerships, trusts or other controlled entities but before the maturity date, we must make a lump sum cash payment to the participant's legal representative within 90 days of the participant's death. The cash payment will be equal to the number of deferred share units in the participant's account as of the date of the participant's death, multiplied by the fair market value of our common shares determined at the date of death.

Participants have no further rights respecting any redeemed deferred share units. Deferred share units are deemed cancelled upon redemption.

The deferred share unit plan may be amended, modified or terminated by our board of directors without shareholder approval, subject to any required approval of the Toronto Stock Exchange. Notwithstanding the foregoing, the deferred share unit plan and any deferred share units granted under the plan may not be amended without shareholder approval to: (a) increase the fixed number of common shares available to be issued under outstanding deferred share units at any time; (b) extend the term of any outstanding deferred share units; (c) permit a holder to transfer or assign deferred share units to a new beneficial holder other than in the case of death of the holder; (d) increase the number of common shares that may be issued to participants above the restrictions in the deferred share unit plan; (e) increase the number of common shares that may be issued to insiders above the restriction contained in the deferred share unit plan; or (f) amend the amendment provision.

In addition, no amendment to the deferred share unit plan or deferred share units granted pursuant to the plan may be made without the consent of the holder, if it adversely alters or impairs any right previously granted to such holder under the deferred share unit plan.

The deferred share unit plan also contains anti-dilution provisions which allow our board of directors to make such adjustments to the plan and to any deferred share units as our board of directors may, in its sole discretion, consider appropriate in the circumstances to prevent dilution or enlargement of the rights granted to participants thereunder.

Summary Compensation Table

The following table sets forth for the year ended December 31, 2020, information concerning the compensation paid to our non-management directors:

Name	Fees Payable in Cash (1) ($)	Share Based Awards (2) ($)	Total ($)
Pentti O. Karkkainen	79,001	43,225	122,226
Ronald J. Eckhardt	56,983	43,225	100,208
Keith A. MacPhail	77,653	43,225	120,878
Ronald J. Poelzer	55,770	43,225	98,995
Brian G. Shaw	55,770	43,225	98,995
Sheldon B. Steeves	56,983	43,225	100,208
Deborah S. Stein	63,050	43,225	106,275
Grant A. Zawalsky (3)	50,917	43,225	94,142

Notes:

(1) Represents fees earned and payable in cash during the year, regardless of when paid.

(2) These share-based awards consist of deferred share units which are determined and awarded semi-annually. The value is calculated based on our weighted average share price for the five trading days immediately preceding the date the deferred share unit was awarded ($0.79 and $0.84 respectively).

(3) Mr. Zawalsky is the Managing Partner of Burnet, Duckworth & Palmer LLP, a firm that provides legal services to us.

(4) We do not provide pension benefits, non-equity incentives or other compensation to non-management directors and have not granted option-based awards to our non-management directors since 2014.

Directors' Outstanding Share-Based Awards

The following table sets forth for each non-management director, all share-based awards outstanding at December 31, 2020. We did not have any outstanding option-based awards held by our non-management directors at December 31, 2020.

	Share-based Awards		
Name	Number of share based awards units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested ($)	Market or payout value of vested share-based awards not paid out or distributed (1) ($)
Pentti O. Karkkainen	-	-	95,015
Ronald J. Eckhardt	-	-	92,319
Keith A. MacPhail	-	-	95,015
Ronald J. Poelzer	-	-	95,015
Brian G. Shaw	-	-	92,319
Sheldon B. Steeves	-	-	92,319
Deborah S. Stein	-	-	92,319
Grant A. Zawalsky	-	-	92,319

Note:

(1) These share-based awards consist of deferred share units which are determined and awarded semi-annually. The value is based on the market price of our common shares at December 31, 2020 of $0.94.

Directors' Incentive Plan Awards – Value Vested or Earned During the Year

Name	Share-based awards – Value vested during the year [1] ($)
Pentti O. Karkkainen	43,225
Ronald J. Eckhardt	43,225
Keith A. MacPhail	43,225
Ronald J. Poelzer	43,225
Brian G. Shaw	43,225
Sheldon B. Steeves	43,225
Deborah S. Stein	43,225
Grant A. Zawalsky	43,225

Notes:

(1) These share-based awards consist of deferred share units which are determined and awarded semi-annually. The value is calculated based on our weighted average share price for the five trading days immediately preceding the date the deferred share unit was awarded ($0.79 and $0.84 respectively).

(2) We have not granted option-based awards to our non-management directors since 2014.

CORPORATE GOVERNANCE PRACTICES

Independence

Our Chair is independent and the majority of our board of directors is independent.

Our board of directors has determined that Messrs. Eckhardt, MacPhail, Poelzer, Shaw, Steeves and Zawalsky and Ms. Stein are independent.

Our board has determined that Mr. Wright is not independent as he is our President and Chief Executive Officer.

Mr. Zawalsky is the Managing Partner of Burnet, Duckworth & Palmer LLP who provides legal services to us. Our board has concluded that Mr. Zawalsky is independent and capable of exercising independent judgement after considering, among other things:

- that the fees charged by Burnet, Duckworth & Palmer LLP to us are less than 1% of Burnet, Duckworth & Palmers LLP's total income;
- his equity interest in Burnet, Duckworth & Palmer LLP;
- his common share ownership position and personal financial circumstances; and
- the statutory guidance with respect to the meaning of independence contained in National Instrument 58 101 – *Disclosure of Corporate Governance Practices*.

Our independent board members conduct "in-camera" sessions as part of the agenda of all board and committee meetings, generally immediately following the scheduled business.

The following directors are presently directors of other issuers that are reporting issuers (or the equivalent):

Name	Names of Other Issuers
Pentti O. Karkkainen	AltaGas Ltd.
Ronald J. Eckhardt	Athabasca Oil Corporation
Keith A. MacPhail	Cenovus Energy Inc.
Ronald J. Poelzer	None
Brian G. Shaw	Ovintiv Inc.
Sheldon B. Steeves	Enerplus Corporation and PrairieSky Royalty Ltd.
Deborah S. Stein	Aecon Group Inc, Parkland Corporation and Trican Well Service Ltd.
Jonathan A. Wright	None
Grant A. Zawalsky	PrairieSky Royalty Ltd. and Whitecap Resources Inc.

Board Mandate

Our board is responsible for our stewardship with oversight in several key areas including vision, strategy and leadership, risk management, succession planning, and corporate governance practices. The board's duties are set out in the Board Mandate which is found in Schedule A and on our website at *www.nuvistaenergy.com*.

Our board, in part, performs its mandated responsibilities through the activities of its four committees: the Audit Committee; Corporate Governance & Compensation Committee; Environment, Social & Governance ("ESG") Committee; and Reserves Committee. Each of the four committees has their own mandate as described below.

Committee Membership and Responsibilities

In March 2020, we amended our committees by combining our Compensation Committee and our Governance and Nominating Committee into our Corporate Governance & Compensation Committee, by establishing our ESG Committee and by discontinuing our Executive Committee. The first cycle for the new committee format commenced in May of 2020.

Set forth below is information with respect to each of the current committees of our board, including current membership and a brief description of their board approved mandate which outlines the roles and responsibilities of the committee. The full text of the mandate of each committee is available on our website *www.nuvistaenergy.com*.

Audit Committee	
Current Members	All members of the Audit Committee are independent and financially literate. • Deborah S. Stein (Chair) • Pentti O. Karkkainen • Ronald J. Poelzer • Brian G. Shaw
Membership changes during 2020	There were no changes to the composition of the Audit Committee during 2020.
Mandate	The committee's mandate includes: • reviewing our annual audited financial statements and the auditors' report thereon and related public disclosure documents prior to submission to the board for approval; • reviewing our quarterly financial statements and related public disclosure prior to submission to the board for approval; • reviewing the scope of external and internal audits; • reviewing and discussing accounting and reporting policies and changes in accounting principles; • reviewing our internal control systems and procedures; and • overseeing the work of the external auditors and meeting with the external auditors independently of our management.
	This committee is required to be composed of at least three individual members appointed by our board from amongst its members, all of which are to be independent within the meaning of National Instrument - *52-110 - Audit Committees*. There were no substantive changes to the mandate of the Audit Committee in 2020.

For more information relating to the background of the Audit Committee members, see *Biographies of our Directors* above under *Matters to be Acted Upon at the Meeting*.

The Audit Committee pre-approves all audit and non-audit services performed by our external auditor. For more information relating to the fees billed by our external auditor for audit services in 2020 and 2019, see *Appointment of Auditor* above under *Matters to be Acted Upon at the Meeting*.

Corporate Governance & Compensation Committee	
Current Members	All members of the Corporate Governance & Compensation Committee are independent. • Keith A. MacPhail (Chair) • Ronald J. Eckhardt • Pentti O. Karkkainen • Ronald J. Poelzer
Membership changes during 2020	In March, 2020, our Compensation Committee and our Governance and Nominating Committee were combined to form our Corporate Governance & Compensation Committee, the members of which are set forth above. The first meeting of the newly formed committee was held in May of 2020.
Mandate	The committee's mandate includes: • assessing our corporate governance practices and making recommendations to the board with respect to corporate governance practices; • establishing a nomination process and making recommendations to the board with respect to the nomination of directors; • assessing, at least annually, the effectiveness of the board and its committees; • determining compensation and terms of employment for executives, including the granting of common shares and incentives; • approving our compensation and variable pay plans; and • assessing, at least annually, the compensation and terms of employment of our President and Chief Executive Officer. This committee is required to be composed of at least three individual members appointed by our board from amongst its members, all of which are to be independent within the meaning of National Instrument 58-101 - *Disclosure of Corporate Governance Practices*. There were no substantive changes to the mandate of the Corporate Governance & Compensation Committee in 2020.

See *Corporate Governance Practices – Committee Membership and Responsibilities* for more information in relation to the role of our Corporate Governance & Compensation Committee in determining executive compensation.

For more information relating to the background of the Corporate Governance & Compensation Committee members, see *Biographies of our Directors* above under *Matters to be Acted Upon at the Meeting*.

Reserves Committee	
Current Members	All members of the Reserves Committee are independent. • Ronald J. Eckhardt (Chair) • Keith A. MacPhail • Sheldon B. Steeves
Membership changes during 2020	There were no changes to the composition of the Reserves Committee during 2020.
Mandate	The Reserves Committee's mandate with respect to reserves includes, in consultation with our senior engineering management: • reviewing management's recommendations for the appointment of the independent engineers; • reviewing the terms of the independent engineers' engagement and the appropriateness and reasonableness of the proposed fees; • reviewing the scope and methodology of the independent engineers' evaluation; • reviewing any significant new discoveries, additions, revisions and acquisitions; • reviewing assumptions and consistency with prior years; • reviewing any problems experienced by the independent engineer in preparing the reserve report, including any restrictions imposed by management or significant issues on which there was a disagreement with management; and • reviewing all public disclosure documents containing reserve information prior to its release. This committee is required to be composed of at least three individual members appointed by our board from amongst its members, all of which are to be independent within the meaning of National Instrument 51-101 - *Standards of Disclosure for Oil and Gas Activities*. There were no substantive changes to the mandate of the Reserves Committee in 2020.

ESG Committee	
Current Members	All members of the ESG Committee are independent. • Sheldon B. Steeves (Chair) • Brian G. Shaw • Deborah S. Stein • Grant A. Zawalsky
Membership changes during 2020	There were no changes to the composition of the ESG Committee during 2020.
Mandate	The ESG Committee's mandate includes: • oversight of climate, safety, and ESG-related risks and opportunities by reviewing, reporting and making recommendations to the board on the development, implementation and monitoring of our policies, procedures, practices and strategies to assist us to conduct our business in a safe, socially responsible, ethical and transparent manner for the benefit of all stakeholders and the communities where we operate; • oversight of the integration and consideration of climate related issues, risks and opportunities and other appropriate ESG objectives into our strategy, policies, procedures, practices and decision making process; • oversight of communication and disclosure of our climate related and other ESG performance and the process by which we identify, assess and manage climate related and other ESG risks and opportunities; and • oversight of our safety and environmental programs, risk and performance. This committee is required to be composed of at least three individual members appointed by our board from amongst its members, all of which are to be independent within the meaning of National Instrument 58-101 - *Disclosure of Corporate Governance Practices*.

Meeting Attendance

The following is a summary of attendance of our directors at meetings of our board and its committees for 2020:

Name	Committee Meetings Attended					Total Board and Committee Meeting Attendance
	Board Meetings Attended	Audit	Reserves	Corporate Governance & Compensation (1)	ESG	
Ronald J. Eckhardt	8/8	4/4 (2)	2/2	3/3	2/2 (2)	100%
Pentti O. Karkkainen	8/8	4/4	2/2 (2)	3/3	2/2 (2)	100%
Keith A. MacPhail	8/8	4/4(2)	2/2	3/3	2/2 (2)	100%
Ronald J. Poelzer	8/8	4/4	2/2 (2)	3/3	2/2 (2)	100%
Brian G. Shaw	8/8	4/4	2/2 (2)	3/3 (2)	2/2	100%
Sheldon B. Steeves	8/8	4/4 (2)	2/2	3/3 (2)	2/2	100%
Deborah S. Stein	8/8	4/4	2/2 (2)	3/3 (2)	2/2	100%
Jonathan A. Wright	8/8	4/4 (2)	2/2 (2)	3/3 (2)	2/2 (2)	100%
Grant A. Zawalsky	8/8	4/4 (2)	2/2 (2)	3/3 (2)	2/2	100%

Notes:

(1) In March 2020, we amended our committees by combining our Compensation Committee and our Governance and Nominating Committee into our Corporate Governance & Compensation Committee. Meeting attendance may include attendance at the former Compensation Committee and/or Governance and Nominating Committee.

(2) Attendance by non-committee member.

Board Nominations and Diversity Policy

Our Corporate Governance & Compensation Committee has the responsibility for establishing a nomination process and making recommendations to the board with respect to nomination of directors. See *Corporate Governance Practices – Corporate Governance & Compensation Committee* for a summary of the committee's mandate. The Corporate Governance & Compensation Committee is composed entirely of independent directors. In accordance with the mandate of the Corporate Governance & Compensation Committee, the guidelines include considering what competencies and skills the board, as a whole, should possess, the competencies and skills the board considers each existing director to possess and the competencies and skills each proposed nominee will bring to the board as well as whether the new nominee can devote sufficient time and resources to his or her duties as a member of the board. In seeking nominees, the Corporate Governance & Compensation Committee encourages input from all members of the board and may use the services of professional recruiters if required.

In 2019, we adopted an amended policy regarding board diversity which recognizes the benefits of having a diverse board of directors and that the nomination and appointment of candidates which provide for multiple perspectives, skills, expertise, industry experience and personal characteristics such as age, gender, ethnicity and other distinctions, all contribute to our continued success. These differences will be considered in determining the optimum composition of the board and when possible will be balanced appropriately. For purposes of board composition, diversity includes, but is not limited to, business experience, geography, age, gender and ethnicity and aboriginal status. In particular, our policy provides that the board should include women directors. We are committed to a merit based system for board composition within a diverse and inclusive culture which solicits multiple perspectives. When assessing board composition or identifying suitable candidates for appointment or re-election to the board, we will consider candidates on merit against objective criteria having due regard to the benefits of diversity and the needs of the board including the existing level of representation of women on the board.

Our board of directors recognize the benefits of diversity and has established a minimum target of 20% female representation on our board by the end of 2021. Of our nine directors, one woman is currently serving on our board, which represents 11% of our directors. Our board of directors intends to initiate a formal search process later this year, in order to fulfill this target.

In considering suitable candidates for appointment or re-election to the board and to assist us in attaining our targeted representation, the Corporate Governance & Compensation Committee will:

- Consider all aspects of diversity to enable the committee to discharge its duties and responsibilities effectively;
- Assess the skills and backgrounds collectively represented on the board;
- Consider candidates on merit against objective criteria having due regard to the benefits of diversity on the board; and
- Engage, as deemed necessary, qualified independent external advisors to identify and assess candidates that meet the board's skills and diversity criteria.

To assess our effectiveness in promoting a diverse board, which includes an appropriate number of female directors, the Corporate Governance & Compensation Committee will annually review the skills, expertise, experience, independence and background of the board, committees and each of its individual directors to ensure that the composition of the board and committees and the skills and competencies of the members are in line with those that the Corporate Governance & Compensation Committee considers that the board and respective committees should possess. In addition, the Corporate Governance & Compensation Committee will review the number of women considered or brought forward as potential nominees for board positions when the board is looking to add additional members or replace existing members and will evaluate the skills, knowledge, experience and character of any such women candidates relative to other candidates to ensure that women candidates are being fairly considered relative to other candidates.

Any search firm engaged to assist the committee in identifying candidates for appointment to the board will be specifically directed to include diverse candidates generally, and multiple women candidates in particular. The Corporate Governance & Compensation Committee will maintain an "evergreen list" of potential board nominees. In establishing the "evergreen list" the committee will consider the criteria outlined in the skills matrix and board diversity.

In addition, each year the Corporate Governance & Compensation Committee will: (i) assess the effectiveness of the board diversity policy and related objectives; (ii) monitor and review our progress in achieving our aspirational target for gender diversity; (iii) monitor the implementation of the diversity policy; and (iv) report to the board and recommend any revisions that may be necessary.

Board Assessment

We have a formal process of assessing our board and its committees and the individual directors, under the direction of the Corporate Governance & Compensation Committee. Our process consists of an annual written director self-assessment completed by all directors as well as one-on-one personal interviews conducted by our Chair and lead director with each member of the board. The board has satisfied itself that the board, its committees and individual directors are performing effectively through this process. The most recent board effectiveness survey was completed in December of 2020 and our board of directors has determined that the required skills are well represented by the current slate of director nominees for election at the meeting.

Director Orientation and Continuing Education

Upon joining our board, a new director is provided with a directors' information binder which includes a copy of all board and committee mandates, corporate policies, relevant position descriptions, organizational structure, the structure of the board and its committees, by-laws as well as agendas and minutes for board and committee meetings for the preceding 12 months. In addition, any new director will receive presentations with respect to our operations. As part of continuing education, our board receives management presentations with respect to the operations and risks of our business at least four times per year, with a more significant presentation provided in conjunction with the annual budgeting process and annual strategic planning meeting with all directors and officers in attendance. In addition, the individual directors identify their continuing education needs through a variety of means, including discussions with management and at board and committee meetings. In 2019, we conducted a field trip including a tour of production facilities, well pads, and an active well fracture stimulation operation. Due to the impacts of COVID-19, in 2020 our board members have been restricted from making field visits.

Ethical Business Conduct

Our board has adopted a Code of Business Conduct and Ethics, a copy of which is available to review at *www.sedar.com* and on our website at *www.nuvistaenergy.com*. Each employee, officer and director confirms annually that he or she has read, understood and complied with the code. Any reports of variance from the code are reported to the board.

Our board and executive officers comply with all legal requirements relating to conflicts of interest and related party transactions. Pursuant to our Code of Business Conduct and Ethics, directors and executives must disclose their business and personal relationships with us and other companies or entities they have relationships with. If a director has a conflict of interest with a matter to be discussed by our board, he or she must not participate in any board or committee discussions or vote on the matter. In addition, in certain cases, an independent committee of our board may be formed to deliberate on such matters in the absence of the interested party. Our audit committee is responsible for reviewing all related party transactions and for ensuring the nature and extent of such transactions are properly disclosed.

Our board has also adopted a whistleblower policy which provides our directors, officers, employees and consultants and the general public with the ability to report, on a confidential and anonymous basis, any violations within our organization including (but not limited to), falsification of financial records, unethical conduct, harassment or theft. Our board believes that providing a forum for employees, officers, directors and others to raise concerns about ethical conduct and treating all complaints with the appropriate level of seriousness fosters a culture of ethical conduct.

Position Descriptions

Our board has developed position descriptions for each of the Chair, the President and Chief Executive Officer and the chair of each committee of our board.

Executive Succession Planning and Diversity Policy

Our board has developed a formal succession plan process for each of the executive officers, including the President and Chief Executive Officer. Our process includes:

- The presentation of formal written succession plans to the Corporate Governance & Compensation Committee and board of directors;
- The succession plans include details around each possible successor's competencies and areas requiring development, as well as a timeline and development plan;
- These plans are reviewed by the board annually with the Chief Executive Officer; and
- The board reviews the Chief Executive Officer's plan in an in-camera meeting of the independent directors.

Our board receives regular updates on the status of the succession plans and the professional development of individuals within our organization. Consistent with our board diversity policy, our board believes that the appointment of executive officers should be made on the basis of the skills, knowledge, experience and character of individual candidates and the requirements of the particular position. We believe that considering the broadest group of individuals who have the skills, knowledge, experience and character required to provide the leadership needed to achieve our business objectives is in our best interests and all of our stakeholders. We currently do not have any women serving in an executive officer position, although we have four women in management positions, which represent approximately 24% of our management positions. Although no quotas or targets have been imposed, we will strive to add female representation when considering executive appointments. This will be effected in part by ensuring that qualified female candidates are proactively sought out for consideration alongside any male candidates.

Retirement Policy / Board Tenure

We do not have a formal retirement policy for our directors or officers or a policy for term limits for our directors. We believe it is important that directors understand our industry and our business and this requires a certain length of tenure on our board. We also want diverse viewpoints and those often come from newer directors.

Our Corporate Governance & Compensation Committee considers both the term of service of individual directors, the average term of the board as a whole and turnover of directors over the prior three years when proposing a slate of nominees. The committee considers the benefits of regular renewal in the context of the needs of the board at the time and the benefits of the institutional knowledge of the board members.

As at December 31, 2020, our board was comprised of nine directors with an average tenure of 11 years. The tenure of the directors currently on our board is summarized below:

- Four of our directors (44 percent) have been on our board for a period of more than ten years;
- Four of our directors (44 percent) has been on our board for a period of six to ten years; and
- One of our directors (12 percent) has been on our board for five years or less.

In pursuit of board renewal, in 2020, Mr. Keith MacPhail stepped down as our board Chair and Mr. Pentti Karkkainen became our new Chair. We also eliminated the Lead Director position.

EXECUTIVE COMPENSATION

Identification of Named Executive Officers

We are required to disclose the compensation paid to our Chief Executive Officer, Chief Financial Officer, and each of the three other most highly compensated executive officers whose total annual compensation was more than $150,000. For the year ended December 31, 2020, our named executive officers or NEOs were Jonathan Wright our President and Chief Executive Officer, Ross Andreachuk our Vice President, Finance, Chief Financial Officer and Corporate Secretary, Michael Lawford our Chief Operating Officer, Kevin Asman our Vice President, Marketing, and Ryan Paulgaard our Vice President, Production and Facilities.

Compensation Objectives and Philosophy

We have developed an executive compensation strategy built on offering a competitive compensation package, which is oriented toward developing a culture of ownership by providing long-term equity-based incentives. As a result, the awarding of stock options, restricted share awards, performance share awards, restricted share units and performance share units under our incentive plans is a significant component of our executive compensation. This approach is based on the assumption that our share price performance over the long-term is an important indicator of long-term performance.

Our compensation philosophy is based on the following fundamental principles:

- Our compensation programs must be aligned with shareholder interests by aligning the goals of executives with maximizing long-term shareholder value;
- Our compensation to NEOs must be performance sensitive by linking compensation to our operating and market performance; and

- Our compensation programs must be market competitive in terms of value and structure in order to retain existing employees who are performing according to their objectives and to attract new individuals of the highest calibre. We target the median of the market for total compensation which includes base salary, long-term incentives and short term incentives.

In 2020, in response to COVID-19 and the low oil price environment, we took immediate steps to reduce costs and to limit dilution. We reduced compensation levels at all levels of our organization and took steps to minimize equity dilution in our long-term incentive program. In particular:

- our non-management directors elected to reduce their annual board and committee retainers by 20%;
- the base salaries of the CEO and our NEOs were reduced by 15% and 12.5% respectively;
- we implemented employee base salary reductions ranging from 5% to 10% with ascending seniority.
- we suspended the ability for our outside directors to take any portion of their annual board and committee retainer fees in the form of deferred share units;
- we awarded less than the target value of long-term incentives to all of our directors, and all employees including the CEO and our NEOs; and
- we introduced a cash award incentive plan which enables us to issue performance share units and restricted share units that can only be settled in cash.

In light of the difficult environment and the low stock price, the above changes were introduced in order to keep the LTIP burn rate from jumping to unacceptable levels. Although the one-year burn rate still temporarily reached 3%, we will be quickly working it back to the intended 1.5% target.

Compensation Risk and Risk Mitigation

In establishing our executive compensation program, our Corporate Governance & Compensation Committee considers the implication of the risks associated with our compensation program, including:

- The risk of executives taking inappropriate or excessive risks;
- The risk of inappropriate focus on achieving short term goals at the expense of long-term return to shareholders;
- The risk of encouraging aggressive accounting practices; and
- The risk of excessive focus on financial returns and operational goals at the expense of regulatory, environmental and health and safety.

While no program can fully mitigate these risks we believe that many of these risks are mitigated by:

- Weighting our long-term incentives towards share ownership and vesting our long-term incentives over a number of years;

- Awarding a significant portion of long-term incentive compensation in the form of performance-based incentives which, through the payout multiplier, provide a direct link between corporate performance and the level of payout received. If threshold performance is not met, the payout multiplier will be zero and no payouts will be made under the performance-based incentives;

- Annual variable pay is determined by a combination of both corporate and individual performance. If a minimum threshold performance is not met, the payout could be zero and no variable pay payment would occur;

- Avoiding narrowly focused performance goals which may encourage loss of focus on providing long-term shareholder return and retaining adequate discretion to ensure that our Corporate Governance & Compensation Committee and board retain their business judgement in assessing actual performance;

- Establishing a formal recoupment or "clawback" policy pursuant to which some or all incentive awards made to executives are subject to recoupment in the event of an accounting restatement resulting from misconduct;

- Establishing share ownership guidelines and imposing short selling and restrictions; and

- Establishing a strong "tone at the top" for accounting, regulatory, environmental and health and safety compliance.

Incentive Plan Design

The ability of our Corporate Governance & Compensation Committee to consider factors such as personal contributions to corporate performance and non-financial, non-production or non-reserves based elements of corporate performance allows the Corporate Governance & Compensation Committee to consider whether executive officers have attempted to bolster short term results at the expense of our long-term success in determining executive compensation. In addition, as the compensation program consists of fixed (base salary) and variable (annual cash variable pay and long-term incentive plan grants), the incentive for short term risk taking is balanced with the incentive to focus on generating long-term sustainable value for shareholders. Stock options, restricted share awards, performance share awards and performance share units which make up a significant portion of an executive officer's total compensation, generally vest over a period of time, which acts to further mitigate against the potential and inappropriate short term risk taking. There are no compensation policies and practices that are structured significantly different for any named executive officers. Our Corporate Governance & Compensation Committee and board of directors will continue to monitor compensation risk assessment practices on an ongoing basis to ensure that our compensation program is appropriately structured.

Clawback Policy

We have implemented a formal recoupment or "clawback" policy on executive incentive compensation, including, without limitation, variable pay, stock options, restricted share awards, performance share awards and performance share units, that may be awarded to our Chief Executive Officer and any of our Vice-Presidents including our named executive officers when (i) any of these executives engages in willful misconduct or fraud which causes or significantly contributes to a restatement of our financial statements due to material noncompliance with any applicable financial reporting requirement under securities laws,

(ii) the executive receives incentive compensation calculated on the achievement of those financial results, and (iii) the incentive compensation received would have been lower had the financial statements been properly reported. The policy provides that when a clawback is triggered, our board may, in its sole discretion and to the extent that it determines it is in our best interests to do so, require the executive to repay the amount of incentive compensation relating to the year(s) subject to the restatement (or received upon exercise or payment of incentive compensation in or following the year(s) subject to the restatement that is in excess of the incentive compensation the executive would have received if the incentive compensation had been computed in accordance with the results as restated, calculated on an after tax basis. In addition, the executive is required to repay any profits realized from the sale of our securities during a 12 month period from the date that the original financial statements that are subsequently restated were filed.

Short Selling Restrictions

Our directors and officers are not permitted to knowingly sell, directly or indirectly, any of our securities that he or she does not own or has not fully paid for. Directors and officers may not: (i) sell a call option or buy a put option in respect of our common shares or any other of our securities; (ii) enter into any financial instrument or other transaction designed to hedge or offset a decrease in the market value of our common shares; or (iii) enter into any other derivative instruments, agreements, arrangements or understanding (commonly known as equity monetization transactions) the effect of which is to alter, directly or indirectly, the director's or officer's economic interest in our securities, or the director’s or officer’s economic exposure to us.

Notwithstanding these prohibitions, solely in connection with the administration of our compensation plans, our directors and officers are permitted to sell through our compensation agent, currently Solium Capital Inc., common shares that are not yet owned by such director or officer provided that he or she holds stock options or other compensation related rights to acquire an equivalent number of our common shares and such director or officer has provided a notice of exercise for such stock options or other compensation rights to our compensation agent in order to facilitate the orderly settlement of such options or rights.

Share Ownership Requirements - Executives

Our executive officers are required to maintain a significant equity investment in us to align their interests with those of our shareholders and mitigate against the likelihood of undue risk taking. Our share ownership guidelines establish minimum share ownership levels for executives based on a multiple of their salary and executive level. See *Ownership Guidelines*.

Compensation Governance and Decision Making Process

The purpose of our Corporate Governance & Compensation Committee is to assist our board in fulfilling its responsibilities by monitoring our compensation plans and practices and ensuring their congruence with our objectives and goals by assessing and making recommendations regarding compensation, benefits, short and long-term incentive programs and employee retention. The compensation packages awarded to our executives is substantively the same as that provided to the rest of our employees, varying only with respect to the level of compensation provided in order to remain competitive with executives within our industry. This is intended to ensure that the interests of all of our employees are aligned internally, and with the long-term interests of our shareholders. Although the discussion below focuses upon our named executive officers, the same approach is broadly used for all staff. The more senior the staff, the higher the portion of "at risk" pay. Particularly at the most senior levels (executive), corporate performance target achievements are weighted more highly than personal performance although both are considered.

Our Corporate Governance & Compensation Committee is currently composed of four independent directors, Mr. MacPhail (Chair), Mr. Eckhardt, Mr. Karkkainen, and Mr. Poelzer. As described under *Biographies of our Directors* above each member of our Corporate Governance & Compensation Committee has direct experience in establishing and operating executive and corporate compensation programs.

Our Chief Executive Officer presents recommendations to the Corporate Governance & Compensation Committee regarding the total budget for salary adjustments, variable pay amounts and long-term incentives for all non-executive employees. Specific salary, variable pay and long-term incentive recommendations for each of our executive members are presented by our Chief Executive Officer to the Corporate Governance & Compensation Committee and recommendations are made by the Corporate Governance & Compensation Committee to our board. The Corporate Governance & Compensation Committee also makes specific recommendations to our board on our Chief Executive Officer's salary, variable pay and long-term incentive awards. Our board reviews all recommendations of the Corporate Governance & Compensation Committee before final approval. Any director who is also an officer is excused from the directors' meeting during any discussion of their compensation. Recommendations and approvals regarding executive salary, variable and long-term incentive awards are made at the same time as that for all of our employees.

Analysis of Compensation Practices of Competitors

Aggregate compensation for each NEO is designed to be competitive. In order to assess the market competitiveness of our executive compensation programs and assist the Corporate Governance & Compensation Committee in its evaluation of compensation, we participate in the annual Mercer Total Compensation Survey for the Petroleum Industry and compare to companies with production rates of between 10,000 and 100,000 barrels of oil equivalent ("Boe") per day. In addition, we review specific publicly disclosed compensation data from selected publicly traded peer companies. For the purpose of compensation comparisons, we select peer oil and gas companies from the Toronto Stock Exchange with market capitalization which range in size from 0.5 to 3.0 times ours.

In 2020, we considered data from for the following nineteen publicly traded companies:

Advantage Oil & Gas Ltd.
Athabasca Oil Corp.
Baytex Energy Corp.
Birchcliff Energy Ltd.
Bonterra Energy Corp.
Cardinal Energy Ltd.
Crew Energy Inc.
Enerplus Corporation
Kelt Exploration Ltd.
Obsidian Energy Ltd.
Paramount Resources Ltd.
Painted Pony Energy Ltd.
Pipestone Energy Corp.
Peyto Exploration & Development Corp.
Storm Resources Ltd.
Surge Energy Inc.
Tamarack Valley Energy Ltd.
TORC Oil & Gas Ltd.
Whitecap Resources Inc.

The purpose of reviewing the Mercer and peer company data is to:

- Understand the competitiveness of current salaries, variable payment levels and long-term incentives for staff and for each executive position relative to companies of similar size;
- Identify and understand any gaps that may exist between actual compensation levels and market compensation levels; and
- Establish a basis for developing salary adjustments and short and long-term incentive awards.

Elements of Compensation and Compensation Mix

In 2020, our executive compensation consisted of essentially four components: (1) base salary; (2) variable pay - an annual payment for short term incentive; (3) long-term incentive compensation; and (4) other benefits, as more fully described in the table below:

	Not at Risk Compensation		At Risk Compensation	
	Base Salary	**Other Benefits**	**Variable Pay**	**Long-Term Incentives [(1)]**
Description	Fixed amount of pay for day to day work	Includes health benefits, insurance, Employee Stock Savings Plan and parking	Lump sum cash payment for prior calendar year performance	Long-term incentives are split with 30% from stock options, 20% from restricted share awards ("RSAs") and 50% from performance share awards ("PSAs"). These long-term incentives may be reduced to limit dilution and the burn rate, in which case the reduced value in LTIP may be supplemented with the issuance of performance share units ("PSUs")
Purpose	Compensates for executive's role, experience and performance	To assist in share ownership, the health and the well-being of the executives and their families	To recognize achievement of prior year's corporate and individual performance targets	To align compensation with long-term strategy and overall long-term corporate performance
Determination	Based on peer market data (including Mercer), performance and scope of duties	Components are based primarily on industry norms and value determined as a percentage of base salary	On corporate and individual performance and achievement of prior year targets	On corporate and individual long-term performance versus industry

	Not at Risk Compensation		At Risk Compensation	
	Base Salary	**Other Benefits**	**Variable Pay**	**Long-Term Incentives (1)**
Timing of Payment or Grant	Bi-monthly (twice per month)	Bi-monthly (twice per month)	Annually	Options, RSAs, PSAs and PSUs are granted semi-annually and vest as follows: Options – vest in thirds over 3 years, expire 2.5 years after vesting RSAs – cliff vest two years after grant anniversary PSAs and PSUs – cliff vest three years after grant anniversary

Note:

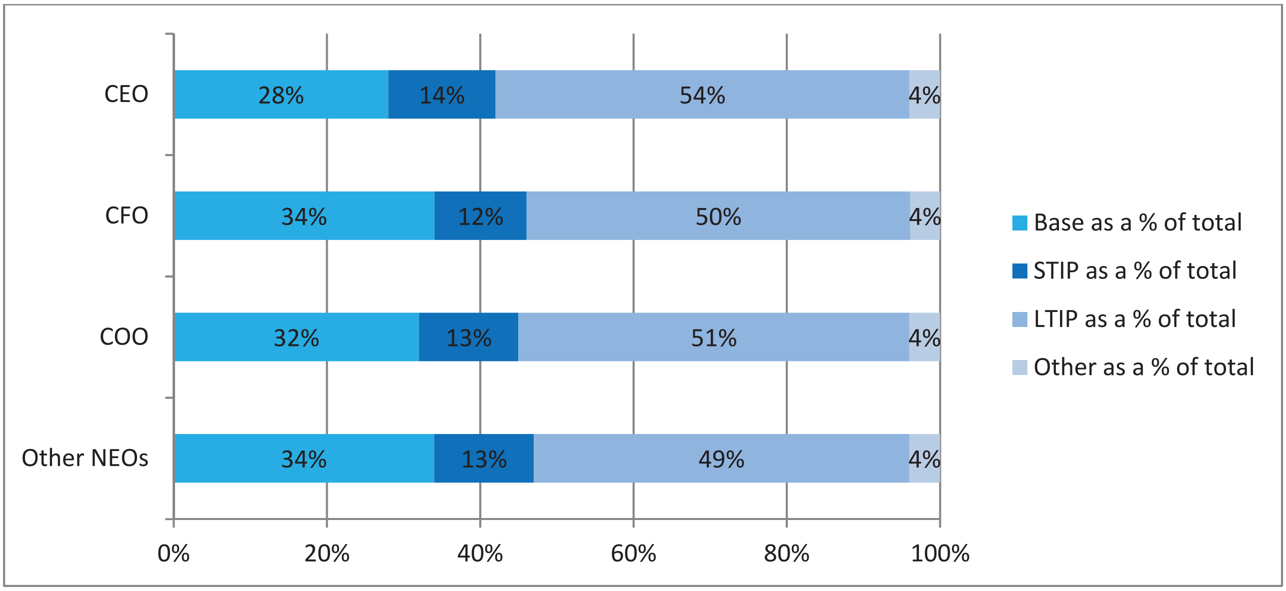
(1) In 2020, we established a cash award incentive plan pursuant to which we can issue both PSUs and restricted share units ("RSUs"). This plan only permits cash settlement of awards. A detailed description of this plan and our other incentive plans can be found under the heading *Long-term Incentive Plans*. As a result of a reduction in the grant of stock options, RSAs and PSAs to limit dilution and the burn rate, the reduced value in LTIP was partially supplemented with the issuance of PSUs that do not impact dilution or the burn rate. It is anticipated that PSUs will only be granted as needed to manage dilution and they are not intended to be a permanent component of the LTIP mix. The value of PSUs is capped at a maximum of 2x the original value at grant date to limit the cash liability to NuVista.

Performance Evaluations

In establishing base salary and long-term incentive compensation levels, the Corporate Governance & Compensation Committee uses current levels of compensation as the starting point and adjusts this based on certain factors including company and individual performance and industry and competitor analysis. By contrast, the annual variable pay amount is a complete reset annually and is based on achievement of annual corporate and individual targets. Depending on those results, the variable pay is pegged at the appropriate point in a predetermined range which is chosen to be competitive with the industry.

"At risk" refers to the fact that the payment is not guaranteed. A significant percentage of each executive's total compensation is comprised of variable pay and long-term incentives which are directly linked to corporate and individual performance. The salary component provides a base of secure compensation necessary to attract and retain executive talent and targets the median of the Mercer data for executives. The "at risk" components, variable pay and long-term incentives are designed to balance short term performance with our long-term interests and motivate the superior performance of both. The long-term incentive plan also aligns NEOs with shareholders and helps retain executive talent. Our employee stock savings plan further aligns NEOs with shareholders and allows NEOs to accumulate savings for retirement or other purposes. In line with our overall compensation philosophy that promotes ownership among our executives, a higher proportion of our NEO total compensation is at-risk and tied to our long-term performance.

The following chart depicts 2020 at-risk total direct compensation among our NEOs:



Note:

(1) STIP represents short term incentives (annual variable pay) and LTIP represents long-term incentives (stock options, RSAs, PSAs and PSUs).

In determining both variable pay and long-term incentives, our Corporate Governance & Compensation Committee reviews an internal scorecard which covers key aspects of our overall corporate performance. Our performance is compared against a variety of financial and operating targets including but not limited to health, safety, environment, and other ESG factors; per share and absolute growth of: production, adjusted funds flow, and reserves. Greatest weight is given to per share metrics for the long-term, however the meeting of absolute annual targets is also considered since appropriate long-term funding plans can impact short term per share metrics. Also considered are operating and general & administrative expenses per Boe; operating netbacks; finding and development costs and corporate recycle ratio. Greatest weight is given to management controllable items as opposed to those which are more commodity price driven.

As part of the scorecard, the Corporate Governance & Compensation Committee also considers our annual share price performance both on a standalone basis and versus industry peers, the development and execution of our longer term business strategies and other strategic elements. The Corporate Governance & Compensation Committee assesses the individual performance of our President and Chief Executive Officer and each of our other officers. Our President and Chief Executive Officer assists the Corporate Governance & Compensation Committee with the performance assessment of the other officers. This assessment considers both performance against the corporate scorecard described below and performance against specific departmental and personal goals. There is no specific numeric weighting between the NEO's performance against the corporate goals versus individual goals however heaviest weight is given by far to corporate performance, particularly for the CEO.

Corporate Variable Pay Performance Scorecard

The following table outlines our corporate scorecard for 2020 performance versus the 2020 plan, which is used for the purpose of establishing the variable pay multiplier (range of 0 - 1.5 times). It is important to note that the scorecard presented is the revised scorecard after our 2020 plans were radically and quickly modified to reduce spending and production in order to preserve value and protect our balance sheet in the wake of the COVID-19 pandemic. The original scorecard, which called for higher levels of adjusted funds flow and capital spending, made no sense versus our revised plan. As a result our board approved the following revised scorecard:

Corporate Variable Pay Scorecard 2020			
Performance Metric	**2020 Target**	**2020 Actual**	**Status (Red/Yellow/ Green)**
Health, safety and environment	Various lost time and reportable incident, and other environment targets	2 lost time incidents ("LTI's"). Total reportable incident frequency ("TRIF") ahead of target. No spills in 2020.	Yellow
Production – 2020 average (Boe per day)	50,000	50,443	Green
Production growth per weighted average share	-2%	-1%	Green
Capital expenditures (1) - $ millions	$180	$180	Green
Reserve additions – PDP (2)(3)	15.6 MMBoe (4)	19.1 MMBoe (4)	Green
Reserve additions – TP+PA (2)(3)	12.8 MMBoe (4)	17.7 MMBoe (4)	Green
PDP F&D (5)	$11.50/Boe	$9.44/Boe	Green
Operating expenses per Boe	$10.15	$9.83	Green
General & Administrative ("G&A") expenses per Boe	$0.78	$0.76	Green
Adjusted funds flow (1) (7) - $ millions	$145	$157	Green
Adjusted funds flow per weighted average share growth (1) (7)	-46%	-41%	Red
Adjusted funds flow netback per Boe (1) (7)	$7.80	$8.49	Red
Share price growth	15% generic	-71%	Red

Corporate Variable Pay Scorecard 2020			
Performance Metric	**2020 Target**	**2020 Actual**	**Status (Red/Yellow/ Green)**
Corporate recycle ratio (PDP) [6]	0.7x	0.9x	Red
Strategic Initiatives			
Advance Montney play and full field development plan	Execution of key 5 year plan initiatives	Pivoted quickly and decisively to cut capital expenditures, flatten production, work from home, renegotiate midstream minimum volume commitments ("MVCs"), cut operating costs, cut G&A expenses, adjust in every way to the COVID-19 crisis while still bringing in the Pipestone North compressor station construction and Wembley Plant turnaround under budget and with COVID social distancing.	Green
Manage take-or-pay ("TOP") commitments for assurance of infrastructure access	Reduce	Successfully renegotiated reduced TOP commitments	Green
Execute asset divestitures - $ millions	$0	$0	Green
Manage net debt to current quarter annualized adjusted funds flow ratio [1]	1.5 – 2.0x	3.0	Red

Notes:

(1) Capital expenditures, adjusted funds flow and net debt to adjusted funds flow do not have any standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other companies where similar terminology is used. For further information refer to the section "Non-GAAP measures" in our management's discussion and analysis of financial conditions and results of operations for the year ended December 31, 2020. Weighted average share is the average number of common shares outstanding in the year. Adjusted funds flow netback is operating netback

less general and administrative, share awards, deferred share units and interest expenses calculated on a Boe basis. Net debt to current quarter annualized adjusted funds flow ratio is calculated by dividing net debt by fourth quarter annualized adjusted funds flow. Net debt is calculated as long-term debt plus senior unsecured notes plus adjusted working capital. Adjusted working capital is current assets less current liabilities and excludes the current portions of the financial derivative assets or liabilities, asset retirement obligations and deferred premium on flow through shares.

(2) Reserve additions reflect 2020 drilling extensions plus technical revisions.

(3) PDP represents proved developed producing reserves and TP + PA represents total proved plus probable reserves, in each case as per the independent reserve evaluation effective December 31, 2020.

(4) MMBoe means million barrels of oil equivalent.

(5) Represents finding and developed costs ("F&D") for PDP reserves, an oil and gas metric prepared by management, which does not have a standardized meaning or standard method of calculation and therefore may not be comparable to similar measures used by other companies. This finding and development cost calculation includes all exploration and development capital for that period (as outlined in our annual financial statements) plus the change in future development capital for that period. This total capital including the change in the future development capital is then divided by the change in our PDP reserves for that period including revisions for that same period. The aggregate of the exploration and development costs incurred in the most recent financial year and the change during the year in estimated future development costs generally will not reflect total finding and development costs related to reserve additions for the year.

(6) Represents our proved developed producing recycle ratio, an oil and gas metric prepared by management, which does not have a standardized meaning or standard method of calculation and therefore may not be comparable to similar measures used by other companies. Proved developed producing recycle ratio has been calculated by dividing 2020 adjusted funds flow netback per Boe by our 2020 proved developed producing (excluding acquisitions) finding and development costs as shown above.

(7) Although the adjusted funds flow metric was scored green due to exceeding the revised target on the back of cost reductions, all other adjusted funds flow relative metrics were scored red in recognition that due to the COVID-19 pandemic and very challenging commodity prices, all adjusted funds flow relative results were poor relative to normally targeted amounts.

When assessing performance, the Corporate Governance & Compensation Committee and our board do not apply numerical weightings to any of these categories, rather a traffic light system of green/yellow/red is applied. The evaluation of performance also involves the use of informed judgement and consideration of circumstances such as the macroeconomic environment, other external factors and internal constraints in determining overall performance. For the most part, in 2020 we were successful in quickly pivoting to a defensive strategy in response to the onset of the COVID-19 pandemic, the resulting sudden decline in economic activity and a significant decline in oil and natural gas prices. Combined, these events resulted in a volatile and challenging economic environment which adversely affected our financial position. We quickly focused on two key factors. Firstly, in light of the COVID-19 pandemic, providing a safe environment for all our employees, contractors and for the residents of the communities in which we reside and operate. Secondly, maximizing economic value and maintaining an adequate level of liquidity to manage our business by using excess cash to reduce net debt in the second half of the year while maintaining production flat to stay ahead of future midstream MVCs. Once COVID-19 occurred and commodity prices fell so far and so suddenly, 2020 was destined to be a year with very difficult financial metrics. The areas in the scorecard where success was shown were related to the rapid and controllable actions which were taken to protect the balance sheet and preserve value in order to proceed with strength after commodity and economic environment recovery. In recognition of all this, the board set the actual multiplier for variable pay in 2020 at 0.65x compared to the targeted range of 0 - 1.5x.

The key performance highlights in 2020 included the following:

- HSE and ESG performance was above average with 2 LTI's vs our target of zero, TRIF ahead of target, and excellent environmental performance with zero reportable spills and continued project execution towards ESG performance in the area of GHG and methane emission reduction.
- In 2020, we chose to limit overall production to approximately 50,000 Boe/d in order to minimize natural production declines and to minimize the capital investment required to maintain flat production. We were successful in maintaining flat production through the year, with full year 2020 production average of 50,443 Boe/d lower by 1% from the full year 2019 production average of 50,803 Boe/d.
- Successfully managed liquidity on our credit facility in a challenging credit market and achieved operating expense and general and administrative expense reductions from cost control measures that included salary reductions.
- Successfully and quickly reduced capital expenditures by approximately 50%, to $180 million in order to preserve the balance sheet.
- Despite the reduced capital budget, managed to keep proved developed producing and probable reserves approximately flat through 2020, at favourable F&D cost.
- Continued our commodity price risk management program to underpin ongoing capital programs and to maintain balance sheet strength; and achieved our net debt reduction target of $50 - $60 million in the second half of 2020 with free cash flow achieving $58 million of net debt reduction.
- Completed the safe construction of our new Pipestone North Compressor Station under budget and on schedule, and executed the major planned Wembley Gas Plant turnaround under budget, both despite the additional challenges and costs of COVID-19 social distancing work procedures.
- Significantly advanced corporate long-term strategies including:

    To increase our flexibility and preserve economic value, we negotiated win-win adjustments to reduce MVCs with our midstream providers for processing and transportation for the years 2020-2022+, in exchange for term extension. This collaborative approach has ensured the mutual preservation of overall contract value while reducing near term requirements to grow in this unprecedented economic environment. This had no material impact on our near-term or long-term total cost structure on a per Boe basis.

Base Salaries

Typically, base salary increases are determined for all employees and executives in December of each year. For base salary, NEOs are targeted approximately to the median of the Mercer and industry peer results.

The initial determination of 2020 executive salaries was made in December 2019 and implemented effective January 1, 2020, prior to the global oil price war and the decline in demand we experienced as a result of COVID-19. Base salary increases were implemented for three NEOs below the CEO level in 2020. One of these increases was an incremental progression increase for a NEO newer in his role and the other two increases were based on a combination of competitive market positioning and the NEOs individual performance.

In 2020, oil prices declined dramatically due to the global oil price war and decline in demand due to COVID-19. NYMEX natural gas prices were also at decade lows for a good portion of the year, due to temporary oversupply after the mild winter of 2019-20. In response to these events, effective May 1, 2020 we reduced the base salaries of the CEO and all NEOs by 15% and 12.5% respectively and implemented employee base salary reductions ranging from 5% to 10% with ascending seniority. These salary reductions were reversed as of February 1, 2021 upon significant recovery in commodity prices.

Variable Pay

NEO variable pay amounts are targeted at the appropriate point within the pre-specified ranges shown below. Individual placement within the range is dependent on the traffic light scorecard results, the board's judgement, and to some extent, the NEO's individual performance. The ranges themselves are selected based on industry competitive analysis for similar roles, and are revisited periodically to ensure continued alignment with industry. By way of example, if the majority of scorecard items were red variable pay would normally be targeted at the bottom of the range or zero. If all were green, then variable pay would be targeted towards the top of the range. However our board also considers industry conditions.

The following table sets forth the variable pay target ranges for our CEO and the other NEOs. The performance multiplier range to be applied to the table below is 0–1.5x. Our board approved a performance multiplier for variable pay of 0.65x for the year of 2020.

The following table sets forth the variable pay target ranges for our CEO and the other NEOs:

NEO	Target	Actual Multiple
President and CEO	85% of base salary x range (0 - 1.5x)	0.65x
COO	75% of base salary x range (0 - 1.5x)	0.65x
All Other NEOs	65% of base salary x range (0 - 1.5x)	0.65x

Our board approved a reduced overall 2020 company variable pay pool amount of 17% of 2020 annual salaries paid to employees including executives, or $2.0 million.

The following table details the portion of variable pay awarded to our NEOs for 2020 versus 2019. Variable pay for 2020 was paid in January, 2021. Variable pay for 2019 was paid in January, 2020:

Name	2020 Variable Pay ($)	% of 2020 Annual Salary	2019 Variable Pay ($)	% of 2019 Annual Salary
Jonathan Wright	208,850	51%	360,000	79%
Ross Andreachuk	95,000	37%	162,500	60%
Michael Lawford	125,000	45%	210,000	71%
Kevin Asman	95,000	41%	162,500	67%
Ryan Paulgaard	86,000	39%	147,500	63%

Long-term Incentives

Our long-term incentive plans for our officers and employees currently consist of our stock option plan, share award incentive plan, cash award incentive plan and employee stock savings plan.

Our non-management directors are not entitled to participate in any of these plans. We have a separate deferred share unit plan for our non-management directors. See *Director Compensation* for a summary of our deferred share unit plan.

Our long-term incentive plans are designed to align the interests of our employees with shareholders by linking a component of compensation to the long-term performance of our common shares. Our directors' deferred share unit plan is the only form of long-term incentive for our non-management directors.

Although we participate annually in the Mercer survey, from time to time we engage compensation consultants to assist us in a review of our executive compensation system. In the first quarter of 2020, we engaged Lane Caputo Compensation Inc. to assist us in a review of our executive compensation program which resulted in recommended changes to our long-term incentive plan components effective January 1, 2020 to provide that long-term incentive grants for our executives and senior staff would be split as follows: 30% stock options, 20% RSAs and 50% PSAs from the former split of 50% from stock options, 20% RSAs and 30% from PSAs. In October, Lane Caputo Compensation Inc. provided us with an update on market trends in salaries. We paid Lane Caputo Compensation Inc. a fee of $17,800 for the services provided to us in 2020.

Stock options and incentive awards which consist of RSAs, PSAs, RSUs and PSUs are granted to officers and employees generally upon commencement of service based on the level of responsibility with us. Although our plans also allow us to grant stock options and incentive awards to other service providers, we do not do so.

Our current policy is that additional grants are generally made on a semi-annual basis. Our Corporate Governance & Compensation Committee is responsible for determining the allocation of long-term incentive grants between stock options and incentive awards. The percentage of stock options received relative to incentive awards increases with greater levels of responsibility but the largest focus is upon PSA's.

Each RSA entitles the holder to an amount computed by the value of a notional number of common shares designated in the award on the second anniversary of the date of grant (or such earlier or later dates as may be determined by our board). Each PSA and PSU entitles the holder to an amount computed by the value of a notional number of common shares designated in the award multiplied by a payout multiplier on the third anniversary of the date of grant (or such earlier or later dates as may be determined by our board). The payout multiplier is dependent on our performance relative to pre-defined corporate performance measures for a particular period and will payout n a range of 0 to 2.0x and will be the arithmetic average of the payout multiplier for each of the three preceding fiscal years. RSUs and PSUs are issuable under our cash award incentive plan and can only be settled in cash. Our cash award incentive plan also imposes a cap on the award value of all grants under the plan to two times the fair market value of our common shares on the grant date. RSAs and PSAs are issuable under our share award plan and can be settled in common shares issued from treasury.

In 2020, CEO and NEOs' long-term incentives were comprised of a combination of stock options, RSAs, PSAs and PSUs. As a result of a reduction in the grant of stock options, RSAs and PSAs to limit dilution and the burn rate, the reduced value in LTIP was supplemented with the issuance of PSUs that do not impact dilution or the burn rate. It is anticipated that PSUs will only be granted as needed to manage dilution and not intended to be a permanent component of the LTIP mix. The value of PSUs is capped at a maximum of 2x the original value at grant date, to limit the cash liability to us. We granted 1,746,216 RSAs, 3,941,811 PSAs and PSUs and 2,033,034 stock options to employees during 2020, of which 509,882 RSAs, 1,783,419 PSAs and PSUs and 1,219,017 stock options were granted to officers. No RSAs, PSAs, PSUs or stock options were granted to our non-management directors in 2020.

For the long-term incentive portion of total NEO compensation, the amounts targeted are primarily driven by an attempt to maintain long-term incentive compensation in or near the second quartile of Mercer and industry peers. However, the data for these amounts are, by nature, annually volatile, so multi-year smoothing and dampening is always required. The exact placement each year is made to maintain the competitive position noted above, taking into account our long-term, absolute and relative performance versus our peers, job responsibility, scarcity of skills, and to some extent, personal performance. We also believe that while creating long-term retention, our long-term incentive payments are also highly aligned with company and long-term shareholder compensation given that actual payouts are entirely tied to share price performance.

The following table sets forth the 2020 long-term incentive target for our CEO and the other NEOs.

NEO	Target
President and CEO	260% of base salary x range (0.7-1.3x)
COO	220% of base salary x range (0.7-1.3x)
All Other NEOs	200% of base salary x range (0.7-1.3x)

The following table details the stock options, RSAs, PSAs and PSUs granted to each of our NEOs during 2020. No RSUs have been granted. The stock options vest over a three year period, with a vesting of one third of the grants at each anniversary date. The RSAs cliff vest two years from the date of grant and the PSAs and PSUs cliff vest three years from the date of grant.

		Performance-Based Awards Granted		Time-Based Awards Granted
Name	**Number of Stock Options Granted**	**PSAs**	**PSUs (1)**	**RSAs**
Jonathan Wright	336,930	443,625	140,700	177,450
Ross Andreachuk	161,544	212,700	67,461	85,080
Michael Lawford	189,228	249,150	79,025	99,660
Kevin Asman	146,391	192,750	60,779	77,100
Ryan Paulgaard	135,888	178,920	56,746	71,568

Note:

(1) Issued under cash settled incentive plan which also imposes a cap on the award value of all grants under the plan to two times the fair market value of our common shares on the grant date.

PSA and PSU Scorecard

The PSA and PSU scorecard is different from the variable pay scorecard shown earlier as it is focused on long-term evergreen metrics as opposed to current year performance versus current year plan. PSAs and PSUs awards cliff vest after three years and the performance multiplier used at vesting time will be the arithmetic average of the performance multiplier approved by the board in each of the prior three years, with a range of 0 – 2.0x.

Our policy on PSAs and PSUs is to cap the performance multiplier at 1.0x for any year where the share price has reduced from the beginning of year to the end of the year. This reflects a hard limit on increased payouts for any year where there was no return for the shareholders in the form of share price appreciation, regardless of positive relative TSR performance. In addition, our cash settled incentive plan also imposes a cap on the award value of all PSUs granted under the plan to 2.0x the fair market value of our common shares on the grant date.

Effective January 1, 2018, our Corporate Governance & Compensation Committee established the following corporate performance targets listed in the table below (and the weighting of each measure) for the performance multiplier. The scorecard targets have not changed in the three years since. In March of 2021, our Corporate Governance & Compensation Committee met to assess our performance relative to such corporate performance measures and to establish the 2020 performance award payout multiplier. Listed below are the results of the assessment.

2020 Performance Award Payout Multiplier Scorecard					
Corporate Performance Measure	**Results / Quartile Ranking**	**Weighting**	**Target Range (0 - 2)**	**Awarded Rating (0 - 2)**	**Weighted Score**
Health, Safety & Environment	2 LTI's + TRIF ahead of target. No spills in 2020.	10%	0 – 2.0	1.40	0.14
Production per share growth	-1%	15%	0 – 20%	0.00	0.00
Corporate PDP Recycle Ratio (1)	0.9x	15%	1.0 – 1.75	0.00	0.00
Net Debt to Adjusted Funds Flow ratio (2)	3.8x	10%	1.25 – 2.25x	0.00	0.00
Progress on strategic initiatives	Managed COVID-19 crisis well & successfully renegotiated MVCs	30%	0 – 2.0	1.80	0.54
TSR Relative	Bottom quartile performance	20%	0 – 2.0	0.25	0.05
Calculated Payout Multiplier					0.73
Final Payout Multiplier (capped at 1.0 due to absolute share price growth below zero)					0.73

Notes:

(1) Represents our proved developed producing recycle ratio, an oil and gas metric prepared by management, which does not have a standardized meaning or standard method of calculation and therefore may not be comparable to similar measures used by other companies. Proved developed producing recycle ratio has been calculated by dividing 2020 adjusted funds flow netback per Boe by our 2020 proved developed producing (excluding acquisitions) finding and development costs.

(2) Adjusted funds flow and net debt to adjusted funds flow do not have any standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other companies where similar terminology is used. For further information refer to the section "Non-GAAP measures" in our management's discussion and analysis of financial conditions and results of operations for the year ended December 31, 2020. Weighted average share is the average number of common shares outstanding in the year. Adjusted funds flow netback is operating netback less general and administrative, cash based share awards, deferred share units and interest expenses calculated on a Boe basis. Net debt to adjusted funds flow ratio is calculated by dividing net debt by adjusted funds flow. Net debt is calculated as long-term debt plus senior unsecured notes plus adjusted working capital. Adjusted working capital is current assets less current liabilities and excludes the current portions of the financial derivative assets or liabilities, asset retirement obligations and deferred premium on flow through shares.

We did not issue any PSAs until 2018. Our first grant of PSAs will be settled in 2021. Based on the average of the 2018 and 2019 payout multipliers of 1.0x and the 2020 payout multiplier of 0.73x, the payout multiplier for these awards will be 0.91x.

In March of 2021 our board met to consider changes to the target metrics and the makeup of our annual PSA scorecard in light of the changes in the oil and gas industry and investor preferences over the three years since the original scorecard was put in place. The board agreed to formally make ESG part of the overall HSE target section, to eliminate production per share growth as a target, and to make the PDP recycle ratio target a relative quartile target vs peers, as opposed to an absolute target. The weightings of the categories for HSE & ESG, Relative PDP recycle ratio, and TSR Relative performance, were increased. A copy of the new approved PSA scorecard for 2021 and beyond is shown below.

2021 Performance Award Payout Multiplier Scorecard		
Corporate Performance Measure	**Weighting**	**Target Range (0 – 2.0)**
ESG and Health, Safety & Environment	15%	0 – 2.0
Relative Corporate PDP Recycle Ratio (1)	20%	0 – 2.0
Net Debt to Adjusted Funds Flow ratio (2) (3)	10%	1.25 – 2.25x
Progress on strategic initiatives	30%	0 – 2.0
TSR Relative	25%	0 – 2.0
Calculated Payout Multiplier (capped at 1.0x if absolute share price growth below zero)		

Notes:

(1) Represents our proved developed producing recycle ratio, an oil and gas metric prepared by management, which does not have a standardized meaning or standard method of calculation and therefore may not be comparable to similar measures used by other companies.

(2) Adjusted funds flow and net debt to adjusted funds flow do not have any standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other companies where similar terminology is used. For further information refer to the section "Non-GAAP measures" in our management's discussion and analysis of financial conditions and results of operations for the year ended December 31, 2020.

(3) Our target net debt to adjusted funds flow ratio beyond 2021 is less than 1.0x. For 2021 the target range will remain as shown until our debt reduction measures take effect.

Reported Compensation compared to Realized Compensation

Annual realized compensation varies from "as granted" or "reported" annual compensation due to phasing of LTIP encashment and also primarily due to the fact that LTIP is granted based on an assumed Black-Sholes calculation of the value of stock options, RSAs, PSAs and PSUs. Actual value when encashed is of course dependent on share performance between the grant date and the encashment date.

The following table demonstrates the long-term orientation of our executive compensation program by comparing the difference between the reported pay shown in the summary compensation table and the actual pay realized by our current NEOs for the last three years (or the period of time for which they have been a NEO):

Name and principal position	Year	Total Reported "As Granted" Compensation ($)	Total Realized Compensation (1) ($)	Realized vs. Reported Compensation ($)	Realized as a Percentage of Reported Compensation (%) (2)
Jonathan Wright President and Chief Executive Officer	2020	1,453,723	684,956	(768,767)	47
	2019	1,773,691	962,115	(811,576)	54
	2018	2,258,232	1,376,509	(881,723)	61
Ross Andreachuk Vice President, Finance, Chief Financial Officer and Corporate Secretary	2020	764,462	396,469	(367,993)	52
	2019	909,030	523,000	(386,030)	58
	2018	1,166,318	756,021	(410,297)	65
Michael Lawford Chief Operating Officer	2020	878,125	447,247	(430,878)	51
	2019	1,092,869	614,549	(478,320)	56
	2018	1,346,943	856,497	(490,446)	64
Kevin Asman Vice President, Marketing	2020	699,883	367,079	(332,804)	53
	2019	850,190	480,322	(369,868)	56
	2018	1,099,444	693,647	(405,797)	63
Ryan Paulgaard Vice President, Production and Facilities	2020	651,127	341,605	(309,522)	52
	2019	803,830	438,977	(364,853)	55

Notes:

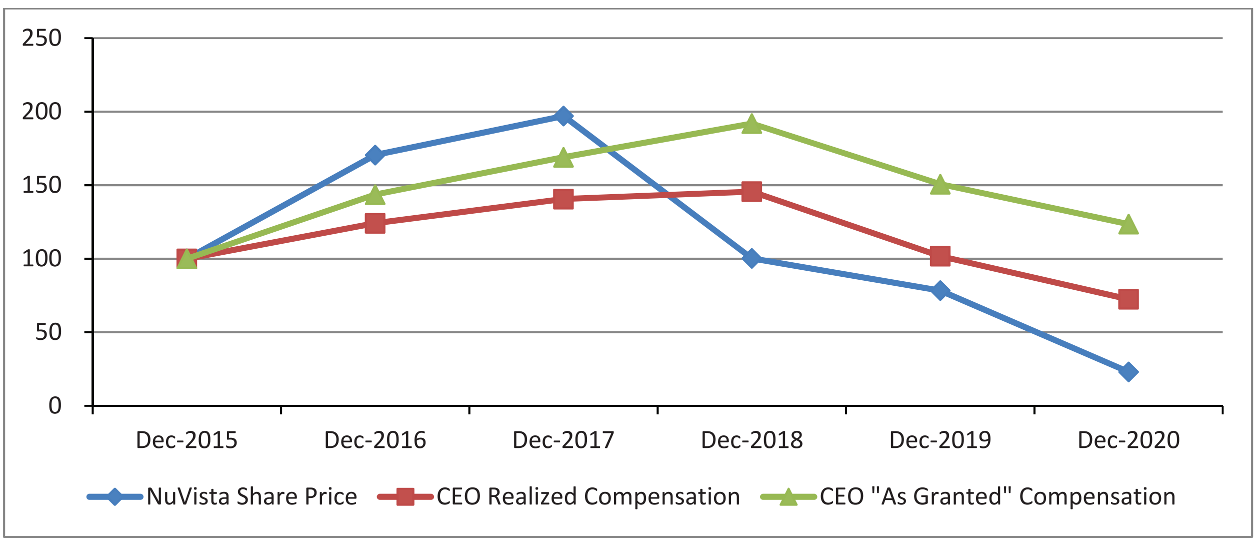
(1) Total realized compensation is based on income as reported on the officer's official tax slip adjusted for variable pay amounts which apply to that year but are not paid until the following January. For example, the 2020 realized compensation above is the officer's income as per their 2020 tax slip minus the variable pay amount paid in January 2020 (which applies to 2019 performance) plus the variable pay amount paid in January 2021 (which applies to 2020 performance).

(2) This calculation assumes a payout multiplier of 1x for the PSAs and PSUs granted in 218, 2019 and 2020. The actual value realized may be greater or less than the indicated value based on stock price movements prior to the future vesting date.

The following table shows a breakdown of realized LTIP compensation by our current NEOs in 2020, broken down between share-based awards and option-based awards:

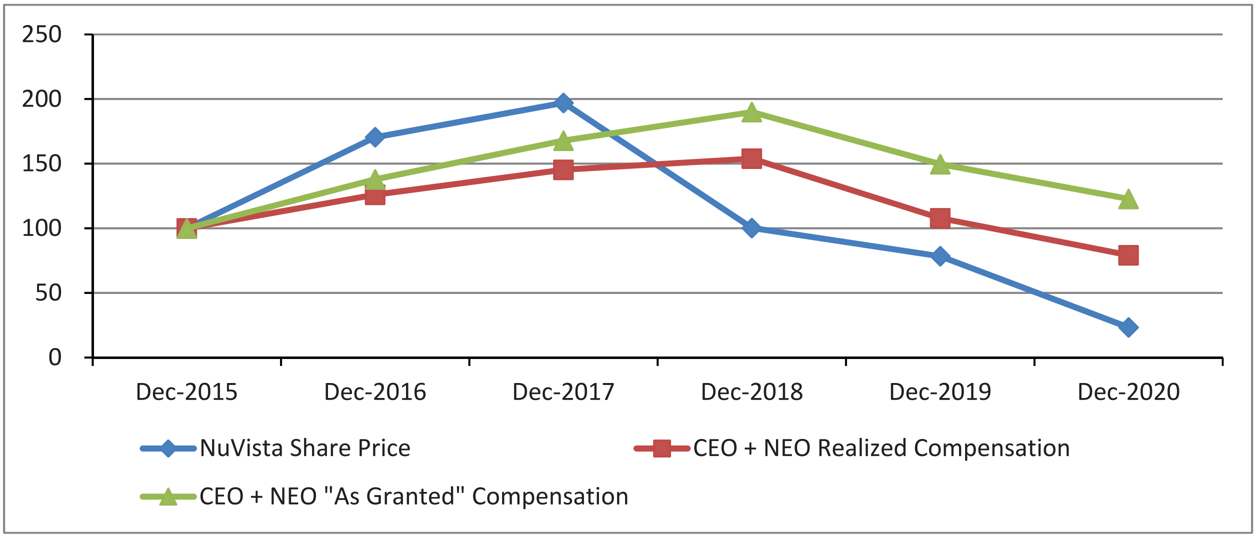
Name and principal position	Realized Value of Option-based Awards ($)	Realized Value of Share-based Awards ($)	Total Realized LTIP Value ($)
Jonathan Wright President and Chief Executive Officer	-	22,876	22,876
Ross Andreachuk Vice President, Finance, Chief Financial Officer and Corporate Secretary	-	11,568	11,568
Michael Lawford Chief Operating Officer	-	13,731	13,731
Kevin Asman Vice President, Marketing	-	10,859	10,859
Ryan Paulgaard Vice President, Production and Facilities	-	9,758	9,758

The following graph demonstrates the long-term orientation of our executive compensation program by comparing the difference between the reported pay shown in the summary compensation table and the actual pay realized by our CEO for the last five years, versus our share price performance on a relative basis:



	2015/12	2016/12	2017/12	2018/12	2019/12	2020/12
NuVista Common Share Price	100	171	197	100	78	23
CEO Realized Compensation	100	124	141	146	102	72
CEO "As Granted" Compensation	100	144	169	192	151	124

The following graph demonstrates the long-term orientation of our executive compensation program by comparing the difference between the reported pay shown in the summary compensation table and the actual pay realized by our CEO and NEOs who have been NEOs for the last five years versus our share price performance on a relative basis.



	2015/12	2016/12	2017/12	2018/12	2019/12	2020/12
NuVista Common Share Price	100	171	197	100	78	23
CEO + NEO Realized Compensation	100	126	145	154	108	79
CEO + NEO "As Granted" Compensation	100	138	168	190	150	123

Summary Compensation of NEOs

The following table sets forth the full detail for the years ended December 31, 2020, December 31, 2019 and December 31, 2018, information concerning the "as granted" compensation paid to our NEOs:

Name and principal position	Year	Salary ($)	Share-based awards (1) ($)	Option-based awards (2) ($)	Non-equity incentive plan compensation: Annual incentive plans (3) ($)	Non-equity incentive plan compensation: Long-term incentive plans ($)	Pension value ($)	All other compen-sation ($)	Total compen-sation ($)
Jonathan Wright President and Chief Executive Officer	2020	409,500	629,540	162,103	208,850	-	-	43,730	1,453,723
	2019	455,000	479,798	428,810	360,000	-	-	50,083	1,773,691
	2018	455,000	495,304	807,917	450,000	-	-	50,011	2,258,232
Ross Andreachuk Vice President, Finance, Chief Financial Officer and Corporate Secretary	2020	259,971	301,839	77,722	95,000	-	-	29,930	764,462
	2019	270,100	231,984	209,260	162,500	-	-	35,186	909,030
	2018	270,100	244,122	406,981	210,000	-	-	35,115	1,166,318
Michael Lawford Chief Operating Officer	2020	276,848	353,568	91,041	125,000	-	-	31,668	878,125
	2019	295,967	285,321	250,933	210,000	-	-	50,647	1,092,869
	2018	287,500	287,268	481,362	256,000	-	-	34,813	1,346,943
Kevin Asman Vice President, Marketing	2020	233,406	273,231	70,431	95,000	-	-	27,815	699,883
	2019	242,500	220,728	193,571	162,500	-	-	30,891	850,190
	2018	242,500	229,802	381,323	215,000	-	-	30,819	1,099,444
Ryan Paulgaard Vice President, Production and Facilities	2020	219,550	253,902	65,378	86,000	-	-	26,297	651,127
	2019	233,827	204,896	181,861	147,500	-	-	35,746	803,830
	2018	227,200	204,107	340,693	175,000	-	-	29,127	976,127

Notes:

(1) Includes RSAs and PSAs under our share award incentive plan which permits treasury settlements and PSUs granted under our cash award incentive plan which may only be settled in cash. This calculation assumes a payout multiplier of 1x for the PSAs and PSUs and does not give effect to the cap on the award value of all grants under the cash award incentive plan to two times the fair market value of our common shares on the grant date. Based on the grant date fair value of the applicable awards on the date of the grant. Fair value is determined based on the weighted average trading price of the five days preceding the grant date. These amounts are not necessarily reflective of actual amounts that may be realized on exercise. See *Outstanding Option-Based Awards and Share-Based Awards* which reflect the value at December 31, 2020.

(2) Based on the grant date fair value of the applicable options on the date of grant. The fair value of each option granted is determined on the date of grant using the Black-Scholes option pricing model. During 2020, in the pricing model, the average risk free interest rate was 0.4%; volatility of 76%; an average expected life of 4.5 years; an estimated forfeiture rate of 10%; and dividends of $nil per share. These amounts are not necessarily reflective of actual amounts that may be realized on exercise. See *Outstanding Option-Based Awards* and *Share-Based Awards* which reflect the value at December 31, 2020.

(3) This represents annual cash variable payments to our NEOs.

Long-Term Incentive Plans

The following is a summary of the terms of our stock option plan, share award incentive plan, cash award incentive plan and employee stock savings plan.

Stock Option Plan

A copy of our stock option plan was filed on our profile on the SEDAR website at *www.sedar.com* on May 13, 2020, under the category "Other Securityholders Documents".

Purpose

The principal purposes of our stock option plan are: (i) to retain and attract qualified directors, officers, employees and other service providers that we require; (ii) to promote a proprietary interest in us by such persons and to encourage such persons to remain in our employ or service and put forth maximum efforts for the success of our business; and (iii) to focus management on operating and financial performance and long-term total shareholder return.

Incentive-based compensation such as our stock option plan is an integral component of our compensation. The attraction and retention of qualified employees has been identified as one of the key risks to our long-term strategic growth plan. Our stock option plan is intended to maintain our competitiveness within the Canadian oil and gas industry to facilitate the achievement of our long-term goals. In addition, this incentive-based compensation is intended to directly link a component of compensation to the performance of our common shares.

Administration

Our stock option plan is administered by our board and our board has the authority to appoint a committee of the board to administer the stock option plan. In addition, our board may delegate to one or more of its members, to our President and Chief Executive Officer or to one or more agents such administrative duties as it may deem advisable, and the board or any person to whom it has delegated duties as aforesaid may employ one or more persons to render advice with respect to any responsibility the board or such person may have under the stock option plan.

Participants

Under the terms of stock option plan, any of our directors, officers, employees and other service providers may be granted stock options. In determining the persons to whom stock options may be granted and the number of common shares to be granted, our board may take into account such factors as it shall determine in its sole discretion.

Exercise Price

The exercise price of any stock option granted pursuant to the stock option plan must be fixed by our board when the stock option is granted, provided that such price shall not be less than the "market price" of our common shares on the date of the grant. "Market Price", on any date, is defined in the stock option plan, as the volume weighted average trading price of our common shares on the Toronto Stock Exchange for the five trading days prior to the date of grant (or, if our common shares are not then listed and posted for trading on the Toronto Stock Exchange, such price as is required by such stock exchange in Canada on which our common shares are listed and posted for trading as may be selected for such purpose by our board) and provided that in the event that our common shares are not listed and posted for trading on any stock exchange in Canada, the exercise price shall be determined by the board in its sole discretion. Notwithstanding the foregoing, in certain circumstances, such as when a stock option is offered to an individual as an inducement to secure employment, the exercise price may be otherwise determined, but only with the prior consent of all stock exchanges on which our common shares are at that time listed.

Plan Limits

Our stock option plan currently provides that the maximum number of common shares reserved for issuance from time to time pursuant to outstanding stock options granted and outstanding under the plan may not exceed 9,500,000 common shares. We are proposing to increase this to 10,445,000 common shares at the meeting.

The aggregate number of common shares issuable pursuant to the stock option plan to any single holder of stock options may not exceed 5% of our outstanding common shares. In addition, in accordance with the rules of the Toronto Stock Exchange, the number of common shares issued to insiders within one year pursuant to the stock option plan, and issuable to insiders at any time, under the stock option plan or when combined with all of our other security based compensation arrangements, may not exceed 10% of our outstanding common shares. In determining the number of common shares issuable within one year for this purpose, the number of common shares will be determined on the basis of the number of common shares that are outstanding immediately prior to the common share issuance, excluding any common shares issued pursuant to share compensation arrangements over the preceding one-year period.

The number of common shares issuable pursuant to the stock option plan to all non-management directors is limited to a maximum of 0.25% of our outstanding common shares and the value of stock options granted to any one non-management directors during a calendar year, as calculated on grant date, shall not exceed $100,000. Notwithstanding this, our deferred share unit plan is our only form of long-term incentive for our non-management directors.

Our stock option plan provides that if any stock option granted under the plan expires, terminates or is cancelled for any reason without the common shares issuable thereunder having been issued in full, such unissued common shares shall be available for the purposes of the granting of further stock options under the plan. Common shares issued upon exercise of stock options are not available for the purposes of the granting of further stock options under the plan.

Vesting

Our board has the sole discretion to determine the time during which stock options will vest and the method of vesting, or that no vesting restriction shall exist either before or after the date of grant.

Expiry

All stock options granted pursuant to the stock option plan will expire on a date determined by our board at the time of the grant provided that no stock option may be exercised beyond six years from the time of the grant. Any stock options which have not been exercised by the applicable expiry date will expire and become null and void.

If the expiry date of any stock option falls within any blackout period imposed by our board, then the expiry date of such stock options will be extended to the date that is ten business days, following the end of such blackout period and if that date is not a business day, such date will be further extended by that number of days required such that the period ends on a business day. Unless approved by the board, no stock options may be exercised by a holder of stock options during a blackout period.

Put Right

Holders of stock options may exercise stock options from time to time by delivering a written notice of exercise specifying the number of common shares with respect to which the stock option is being exercised and accompanied by payment in full of the exercise price of the common shares then being purchased. In addition, holders of stock options have the right (the "Put Right") to request that we purchase each of their vested stock options for a price equal to the difference, if positive, between the market price of our common shares on the day prior to date of notice of exercise of the Put Right (which is equal to the closing price on such date and without the typical flow through share premium) and the exercise price of the option. We have the discretion to not accept any exercise of the Put Right. In addition, each holder of stock options that exercises the Put Right may purchase common shares from treasury with the proceeds of the exercise of the Put Right at the market price of our common shares. In certain circumstances as set forth in the stock option plan, a holder of stock options that exercises the Put Right may purchase common shares from us, which may, at our election, be issued on a flow-through basis under the *Income Tax Act* (Canada). The maximum number of common shares available under the Put Right is currently set at 700,000 common shares. To date, we have not issued any common shares pursuant to the exercise of this Put Right.

Financial Assistance

Our stock option plan does not contain any provisions for financial assistance by us in respect of any stock options granted thereunder.

Change of Control

In the event of a "change of control" (as defined in the plan) of us, the vesting date(s) applicable to all stock options will be accelerated to the effective date of the change of control.

Anti-Dilution

The stock option plan contains anti-dilution provisions which allow our board to make such adjustments to the plan, to any stock option as our board of directors may, in its sole discretion, consider appropriate in the circumstances to prevent dilution or enlargement of the rights granted to employees thereunder.

Early Termination

Our stock option plan currently provides that, unless otherwise determined by our board or unless otherwise provided in an option agreement pertaining to a particular award or any written employment or consulting agreement, the following provisions shall apply in the event that a holder ceases to be a director, officer, employee or other service provider:

(a) Involuntary Termination for Cause – Upon the termination of a holder for cause, all stock options held by such person on the cessation date (whether vested or not) shall immediately terminate and become null and void and all rights to receive common shares thereunder shall be forfeited effective on the cessation date.

(b) Termination Upon Retirement – Upon the retirement of a holder (as defined in the stock option plan), all stock options held by the holders the cessation date shall be forfeited on the earlier of: (A) the expiry date; and (B) the date that is six (6) months from the cessation date. In addition, the holder may, within two (2) years from the cessation date and prior to the expiry date, exercise stock options which vest within such period, after which time any remaining stock options held by the holder (whether vested or not) shall terminate and become null and void.

(c) Death – Upon the death of a holder, the holder's personal representative, within six months from the date of death and prior to the expiry date, exercise stock options which are vested within such period, after which time any remaining stock options (whether vested or not) shall terminate and become null and void.

(d) Other Termination – If a holder voluntarily ceases to be a director, officer, employee or other service provider for any reason whatsoever, other than as a result of retirement or as a result of termination other than for cause: (i) all stock options held by the holder which have vested as of the cessation date shall be forfeited effective on the earlier of: (a) the expiry date; and (b) the date that is 30 days from the cessation date; and (ii) all stock options held by the holder which have not vested as of the cessation date shall immediately terminate and become null and void and all rights to receive common shares thereunder shall be forfeited.

No Assignment

Except in the case of death, the right to receive common shares pursuant to a stock option may only be exercised by a holder personally. Except as otherwise provided in the stock option plan, no assignment, sale, transfer, pledge or charge of a stock option, whether voluntary, involuntary, by operation of law or otherwise, vests any interest or right in such stock option whatsoever in any assignee or transferee and, immediately upon any assignment, sale, transfer, pledge or charge or attempt to assign, sell, transfer, pledge or charge, such stock option shall terminate and be of no further force or effect.

Amendments

Our stock option plan and any stock options granted pursuant thereto may, subject to any required approval of the Toronto Stock Exchange, be amended, modified or terminated without the approval of our shareholders. Notwithstanding the foregoing, the stock option plan or any stock options may not be amended without shareholder approval to:

(a) make any amendment to the stock option plan to increase the number of common shares issuable on exercise of outstanding stock options above the plan limit;

(b) extend the expiry date of any outstanding stock options;

(c) make any reduction in the exercise price of a stock option or permit a reduction in the exercise price of a stock option by the cancellation and immediate re-issue of stock options or other entitlements;

(d) change participants eligible to receive stock options under the plan to permit the introduction or re-introduction of non-management directors on a discretionary basis;

(e) make any amendment to the stock option plan that would permit a holder to transfer or assign stock options to a new beneficial holder other than in the case of death of the holder;

(f) any amendment to increase the number of common shares that may be issued to a single holder above the restriction contained in the stock option plan;

(g) any amendment to the limit on non-management directors;

(h) any amendment to increase the number of common shares that may be issued to an insider above the plan limits; or

(i) an amendment to amend the amending provision of the stock option plan.

In addition, no amendment to the stock option plan or stock options granted pursuant to the stock option plan may be made without the consent of the holder, if it adversely alters or impairs any stock option previously granted to such holder under the stock option plan.

2020 Grants and Total Outstanding

At December 31, 2020, we had 8,054,966 stock options outstanding. In 2020, we granted a total of 2,033,034 stock options to employees, including officers. All of these stock options vest over a three year period, with a vesting of one-third on each anniversary date.

Share Award Incentive Plan

A copy of our share award incentive plan was filed on our profile on the SEDAR website at *www.sedar.com* on May 13, 2020, under the category "Other Securityholders Documents".

Purpose

Our long-term incentive plans are designed to align the interests of our employees with shareholders by linking a component of compensation to the long-term performance of our common shares. Our share award incentive plan allows grantees the opportunity to retain some or all of the underlying shares.

Administration

Our share award incentive plan is administered by our board, provided that our board has the authority to appoint a committee of the board to administer the plan. In the event that the board appoints a committee of the board to administer the plan, all references in the plan to our board will be deemed to be references to such other committee.

Our board has the full power and sole responsibility to interpret the provisions of the plan, to administer the plan and to exercise all the powers and authorities either specifically granted to it under the plan or necessary or advisable in the administration of the plan.

Participants

Share awards may be granted under the share award incentive plan to our officers, employees, consultants and other service providers and any of our controlled entities such as a subsidiary, partnership or trust.

Type of Awards

Under the terms of the share award incentive plan we may grant RSAs (which are time-based awards) or PSAs (which are dependent on performance). In determining the persons to whom share awards may be granted, the number of common shares to be covered by each share award and the allocation of the share award between RSAs and PSAs, our board of directors may take into account such factors as it shall determine in its sole discretion.

Each RSA will entitle the holder to be issued the number of common shares designated in the award. Each PSA will entitle the holder to be issued the number of common shares designated in the award multiplied by a payout multiplier.

The payout multiplier for PSAs is determined by our board based on an assessment of the achievement of predefined corporate performance measures in respect of the applicable period. These corporate performance measures may include: health, safety and environmental performance, production volumes, recycle ratio, our net debt to adjusted funds flow ratio, the execution of our strategic plan; relative total shareholder return and such additional or other measures as our board of directors considers appropriate in the circumstances. The payout multiplier for a particular period will be determined by our board based on the performance scorecard shown earlier in this information circular. In addition, if relative total shareholder return is negative, we intend to cap the payout multiplier at 1.0x.

Where the settlement date of a PSA is not the first anniversary of the grant date, the payout multiplier for those PSAs will be the arithmetic average of the payout multiplier for each of the preceding annual performance assessment periods. In any case where the payout multiplier has not been determined prior to the vesting date of a PSA, our President and Chief Executive Officer in the case of a grantee who is not a director or officer and our board in all other cases, taking into consideration the performance of the applicable grantee and our performance since the date of grant of the PSA(s), may determine in its sole discretion the payout multiplier to be applied to any PSA held by the grantee of such award.

Plan Limits

The number of common shares reserved for issuance from time to time pursuant to outstanding share awards granted and outstanding under the plan is limited to 10,100,000 common shares.

If any share awards granted under the share award incentive plan expire, terminate or are cancelled for any reason without the common shares issued thereunder having been issued in full, any unissued common shares to which such share awards relate shall be awardable for the purposes of granting of further share awards under the plan. Non-management directors are not eligible to participate in the plan.

Share awards may be granted under the share award incentive plan to our officers, employees, consultants and other service providers and any of our controlled entities such as a subsidiary, partnership or trust provided that the aggregate number of share awards granted to any single holder shall not exceed 1% of our issued and outstanding common shares (including common shares issuable upon exchange or conversion of any of our fully paid securities or those of our controlled entities that are exchangeable or convertible into common shares). In accordance with the rules of the Toronto Stock Exchange, the number of common shares issued to insiders within one year pursuant to the share award incentive plan, and issuable to insiders at any time, under the plan or when combined with all of our other security based compensation arrangements, shall not exceed 10% of our issued and outstanding shares (including common shares issuable upon exchange or conversion of any of our fully paid securities or those of our controlled entities that are exchangeable or convertible into common shares).

Vesting

Vesting arrangements are within the discretion of our board, and our Chief Executive Officer, in certain circumstances, although each RSA will typically vest on the second anniversary of the grant date and each PSA will typically vest on the third anniversary of the grant date. In the event of a change of control (as defined in the share award incentive plan), all outstanding share awards will fully vest on the date that the change of control is completed and the payout multiplier applicable to any PSAs will be determined by the board and in making such determination, the board shall assess performance relative to the pre-established corporate performance measures using an end date for the current performance assessment period as determined by the board.

The expiry date of share awards issued pursuant to the share award incentive plan will typically be the next business day following the applicable vesting date(s) unless otherwise determined by our board or our Chief Executive Officer, in certain circumstances, provided however that in the event of a blackout period imposed upon a grantee, the expiry date will be extended to the date which is ten business days from the date that the blackout period ends and any expiry date that falls on a non-business day will be extended to the next business day.

Settlement

Share awards will be settled through the issuance of common shares from treasury or acquired by us on the Toronto Stock Exchange, or a combination thereof, at our discretion. In addition, in certain circumstances, a holder may request that we settle a share award in cash in an amount equal to the aggregate current market value of the common shares to be issued. We may, but are not obligated to accept such election.

Early Termination

Unless otherwise determined by our board or our Chief Executive Officer, in certain circumstances or unless otherwise provided in a share award agreement pertaining to a particular grant or any written employment agreement, upon the termination of a grantee for cause, all share awards held by the grantee on the cessation date shall immediately terminate.

If a grantee voluntarily ceases employment for any reason whatsoever, other than retirement (as defined in the plan), all outstanding share awards which have not vested shall terminate and all vested share awards will terminate on their expiry date. In the case of retirement or involuntary termination not for cause or death, a certain number of unvested share awards will vest in accordance with the provisions of the share award incentive plan and all vested share awards held by the grantee will expire on the earlier of their expiry date or 30 days following the cessation of employment. In the case of death of the grantee, a certain number of share awards will vest in accordance with the provisions of the plan and all vested share awards held by the grantee will expire on the earlier of their expiry date or six months following cessation of employment.

No Assignment

No assignment, sale, transfer, pledge or charge of a share award, whether voluntary, involuntary, by operation of law or otherwise (except by will or the laws of descent and distribution), vests any interest or right in a share award whatsoever in any assignee or transferee and, immediately upon any assignment, sale, transfer, pledge or charge or attempt to assign, sell, transfer, pledge or charge, such share award will terminate and be of no further force or effect.

Amendments

We have the right to amend the terms and conditions of the share award incentive plan and any share awards granted under the plan, without shareholder approval. However, the plan and any share award granted thereunder may not be amended without shareholder approval to: (a) increase the number of common shares issuable on exercise of share awards; (b) extend the expiry date of any outstanding share awards held by insiders; (c) permit a grantee to transfer or assign share awards to a new beneficial holder other than in the case of death; (d) any amendment to the limits on non-management directors contained in the plan; (e) any amendment to increase the number of common shares that may be issued to insiders above the restrictions contained in the plan or (f) amend the amendment provisions of the plan.

Anti-Dilution

The share award incentive plan contains anti-dilution provisions which allow our board to make such adjustments to the plan and to any share awards as our board of directors may, in its sole discretion, consider appropriate in the circumstances to prevent dilution or enlargement of the rights granted to employees thereunder.

2020 Grants and Total Outstanding

In 2020, we granted a total of 1,746,216 RSAs under the share award incentive plan all of which cliff vest two years from the date of grant. At December 31, 2020, there were 2,407,697 RSAs outstanding under the share award incentive plan.

In 2020, we granted a total of 2,966,375 PSAs under the share award incentive plan all of which cliff vest three years from the date of grant. At December 31, 2020, there were 3,948,785 PSAs outstanding under the share award incentive plan.

Cash Award Incentive Plan

In 2020, our cash award incentive plan was put in place as part of our efforts to minimize equity dilution in our long-term incentive program. This plan is similar to our share award incentive plan except that awards can only be settled in cash. A copy of our cash award incentive plan was filed on our profile on the SEDAR website at *www.sedar.com* on concurrently with the filing of this information circular – proxy statement, under the category "Other Securityholders Documents".

Purpose

Our long-term incentive plans are designed to align the interests of our employees with shareholders by linking a component of compensation to the long-term performance of our common shares.

Administration

Our cash award incentive plan is administered by our board, provided that our board has the authority to appoint a committee of the board to administer the plan. In the event that the board appoints a committee of the board to administer the plan, all references in the plan to our board will be deemed to be references to such other committee.

Our board has the full power and sole responsibility to interpret the provisions of the plan, to administer the plan and to exercise all the powers and authorities either specifically granted to it under the plan or necessary or advisable in the administration of the plan.

Participants

Cash incentive awards may be granted under the cash award incentive plan to our officers, employees, consultants and other service providers and any of our controlled entities such as a subsidiary, partnership or trust.

Type of Awards

Under the terms of the cash award incentive plan we may grant RSUs (which are time-based awards) or PSUs (which are dependent on performance). Although the plan allows us to issue RSUs, it is anticipated that only PSUs will granted and then only as needed to manage dilution as they are not intended to be a permanent component of the LTIP mix.

In determining the persons to whom cash incentive awards may be granted, the number of notional common shares to be covered by each cash incentive award and the allocation of the cash incentive award between RSUs and PSUs, our board of directors may take into account such factors as it shall determine in its sole discretion.

Each RSU will entitle the holder to receive a cash amount equal to the fair market value of the notional number of common shares designated in the award. Each PSU will entitle the holder to receive a cash amount equal to the fair market value of the notional number of common shares designated in the award multiplied by the payout multiplier. The cash award incentive plan also imposes a cap on the award value of all grants under the plan to two times the fair market value of our common shares on the grant date.

The payout multiplier for PSUs is determined by our board based on an assessment of the achievement of predefined corporate performance measures in respect of the applicable period. These corporate performance measures may include: health, safety and environmental performance, production volumes, recycle ratio, our net debt to adjusted funds flow ratio, the execution of our strategic plan; relative total shareholder return and such additional or other measures as our board of directors considers appropriate in the circumstances. The payout multiplier for a particular period will be determined by our board based on the performance scorecard shown earlier in this information circular. In addition, if relative total shareholder return is negative, we intend to cap the payout multiplier at 1.0x.

Where the settlement date of a PSU is not the first anniversary of the grant date, the payout multiplier for those PSUs will be the arithmetic average of the payout multiplier for each of the preceding annual performance assessment periods. In any case where the payout multiplier has not been determined prior to the vesting date of a PSU, our President and Chief Executive Officer in the case of a grantee who is not a director or officer and our board in all other cases, taking into consideration the performance of the applicable grantee and our performance since the date of grant of the PSU(s), may determine in its sole discretion the payout multiplier to be applied to any PSU held by the grantee of such award.

Plan Limits

Cash incentive awards may be granted under the cash award incentive plan to our officers, employees, consultants and other service providers and any of our controlled entities such as a subsidiary, partnership or trust. Non-management directors are not eligible to participate in the cash award incentive plan.

Vesting

Vesting arrangements are within the discretion of our board, and our Chief Executive Officer, in certain circumstances, although each RSU will typically vest on the second anniversary of the grant date and each PSU will typically vest on the third anniversary of the grant date. In the event of a change of control (as defined in the cash award incentive plan), all outstanding cash incentive awards will fully vest on the date that the change of control is completed and the payout multiplier applicable to any PSUs will be determined by the board and in making such determination, the board shall assess performance relative to the pre-established corporate performance measures using an end date for the current performance assessment period as determined by the board.

The expiry date of cash incentive awards issued pursuant to the cash award incentive plan will typically be the next business day following the applicable vesting date(s) unless otherwise determined by our board or our Chief Executive Officer, in certain circumstances, provided however that in the event of a blackout period imposed upon a grantee, the expiry date will be extended to the date which is ten business days from the date that the blackout period ends and any expiry date that falls on a non-business day will be extended to the next business day.

Settlement

Each RSU will be settled in cash in an amount equal to the fair market value of the notional number of common shares designated in the RSU. Each PSU will be settled in cash in an amount equal to the fair market value of the notional number of common shares designated in the PSU multiplied by the payout multiplier. The cash award incentive plan also imposes a cap on the award value of all grants under the plan to two times the fair market value of our common shares on the grant date.

Early Termination

Unless otherwise determined by our board or our Chief Executive Officer, in certain circumstances or unless otherwise provided in a cash award agreement pertaining to a particular grant or any written employment agreement, upon the termination of a grantee for cause, all cash incentive awards held by the grantee on the cessation date shall immediately terminate. If a grantee voluntarily ceases employment for any reason whatsoever, other than retirement (as defined in the plan), all outstanding cash incentive awards which have not vested shall terminate and all vested cash incentive awards will terminate on their expiry date. In the case of retirement or involuntary termination not for cause or death, a certain number of unvested cash incentive awards will vest in accordance with the provisions of the cash award incentive plan and all cash incentive awards held by the grantee will expire on the earlier of their expiry date or 30 days following the cessation of employment. In the case of death of the grantee, a certain number of cash incentive awards will vest in accordance with the provisions of the plan and all cash incentive awards held by the grantee will expire on the earlier of their expiry date or six months following cessation of employment.

No Assignment

No assignment, sale, transfer, pledge or charge of a cash incentive award, whether voluntary, involuntary, by operation of law or otherwise (except by will or the laws of descent and distribution), vests any interest or right in a cash incentive award whatsoever in any assignee or transferee and, immediately upon any assignment, sale, transfer, pledge or charge or attempt to assign, sell, transfer, pledge or charge, such cash incentive award will terminate and be of no further force or effect.

Amendments

We have the right to amend the terms and conditions of the cash award incentive plan and any cash incentive awards granted under the plan, without shareholder approval.

Anti-Dilution

The cash award incentive plan contains anti-dilution provisions which allow our board to make such adjustments to the plan and to any cash incentive awards as our board of directors may, in its sole discretion, consider appropriate in the circumstances to prevent dilution or enlargement of the rights granted to employees thereunder.

2020 Grants and Total Outstanding

In 2020, we granted a total of 975,436 PSUs under the cash award incentive plan all of which cliff vest three years from the date of grant. No RSUs have been granted under this plan.

At December 31, 2020, there were 975,436 PSUs outstanding under the cash award incentive plan.

Employee Stock Savings Plan

We have an employee stock savings plan whereby all employees, including executive officers, are encouraged to contribute up to a maximum of 6% of their salary to the employee stock savings plan. Employees can choose to direct this money into a registered or non-registered savings plan. For each dollar contributed by the employee to the employee stock savings plan, we contribute 1.5 dollars. The funds are used to purchase our common shares in the open market. Both the employee and the employer contributions are subject to a one-year restriction on removal from the plan. Since the plan is available to all employees, it has been successful in encouraging employees to become shareholders of us and promoting the principle of alignment with shareholder interests. The Corporate Governance & Compensation Committee considers this program to be competitive. There is no other form of retirement or savings program. All NEOs participated in the program in 2020. These amounts are included in the "All Other Compensation" item in the *Summary Compensation Table* above.

Outstanding Option-Based Awards and Share-Based Awards

The following table sets forth for each NEO, all option-based awards and share-based awards outstanding at the end of the year ended December 31, 2020:

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Total value of all unexercised in-the-money options [(1)] ($)	Number of share-based awards that have not vested [(2)] (#)	Market or payout value of share-based awards that have not vested [(2)(3)] ($)	Market or payout value of vested share-based awards not paid out or distributed ($)
Jonathan Wright	37,436	0.79	Nov 14, 2023	5,615	974,225	915,772	-
	37,437	0.79	Nov 14, 2024	5,616			
	37,437	0.79	Nov 14, 2025	5,616			
	74,873	0.84	May 19, 2024	7,487			
	74,873	0.84	May 19, 2025	7,487			
	74,874	0.84	May 18, 2026	7,487			
	46,772	2.36	May 20, 2023	-			
	46,772	2.36	May 20, 2024	-			
	46,772	2.36	May 19, 2025	-			
	62,071	3.59	Nov 16, 2022	-			
	62,072	3.59	Nov 16, 2023	-			
	62,072	3.59	Nov 16, 2024	-			
	30,000	4.25	May 17, 2021	-			
	62,067	4.46	May 20, 2022	-			
	62,066	4.46	May 20, 2023	-			
	62,067	4.46	May 19, 2024	-			
	41,666	6.24	Dec 22, 2021	-			
	46,667	6.87	Jun 5, 2021	-			
	46,666	6.87	Jun 4, 2022	-			
	37,144	7.43	Nov 19, 2021	-			
	37,144	7.43	Nov 18, 2022	-			
	37,144	8.53	May 9, 2021	-			
	37,144	8.53	May 9, 2022	-			
	37,144	8.53	May 8, 2023	-			
	33,808	9.43	Nov 22, 2021	-			
	33,808	9.43	Nov 22, 2022	-			
	33,807	9.43	Nov 21, 2023	-			
Total	1,301,653			39,308			

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Total value of all unexercised in-the-money options [(1)] ($)	Number of share-based awards that have not vested [(2)] (#)	Market or payout value of share-based awards that have not vested [(2)(3)] ($)	Market or payout value of vested share-based awards not paid out or distributed ($)
Ross Andreachuk	17,949	0.79	Nov 14, 2023	2,692	467,835	439,765	-
	17,949	0.79	Nov 14, 2024	2,692			
	17,950	0.79	Nov 14, 2025	2,693			
	35,899	0.84	May 19, 2024	3,590			
	35,899	0.84	May 19, 2025	3,590			
	35,898	0.84	May 18, 2026	3,590			
	21,335	2.36	May 20, 2023	-			
	21,335	2.36	May 20, 2024	-			
	21,335	2.36	May 19, 2025	-			
	31,260	3.59	Nov 16, 2022	-			
	31,260	3.59	Nov 16, 2023	-			
	31,260	3.59	Nov 16, 2024	-			
	18,334	4.25	May 17, 2021	-			
	33,600	4.46	May 20, 2022	-			
	33,600	4.46	May 20, 2023	-			
	33,600	4.46	May 19, 2024	-			
	23,834	6.24	Dec 22, 2021	-			
	26,333	6.87	Jun 5, 2021	-			
	26,334	6.87	Jun 4, 2022	-			
	21,130	7.43	Nov 19, 2021	-			
	21,130	7.43	Nov 18, 2022	-			
	21,130	8.53	May 9, 2021	-			
	21,130	8.53	May 9, 2022	-			
	21,130	8.53	May 8, 2023	-			
	16,014	9.43	Nov 22, 2021	-			
	16,014	9.43	Nov 22, 2022	-			
	16,015	9.43	Nov 21, 2023				
Total	668,658			18,847			

	Option-based Awards				Share-based Awards		
Name	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Total value of all unexercised in-the-money options [(1)] ($)	Number of share-based awards that have not vested [(2)] (#)	Market or payout value of share-based awards that have not vested [(2)(3)] ($)	Market or payout value of vested share-based awards not paid out or distributed ($)
Michael Lawford	21,025	0.79	Nov 14, 2023	3,154	553,004	519,824	-
	21,025	0.79	Nov 14, 2024	3,154			
	21,026	0.79	Nov 14, 2025	3,154			
	42,051	0.84	May 19, 2024	4,205			
	42,051	0.84	May 19, 2025	4,205			
	42,050	0.84	May 18, 2026	4,205			
	26,240	2.36	May 20, 2023	-			
	26,240	2.36	May 20, 2024	-			
	26,240	2.36	May 19, 2025	-			
	37,051	3.59	Nov 16, 2022	-			
	37,051	3.59	Nov 16, 2023	-			
	37,052	3.59	Nov 16, 2024	-			
	18,334	4.25	May 17, 2021	-			
	40,334	4.46	May 20, 2022	-			
	40,333	4.46	May 20, 2023	-			
	40,333	4.46	May 19, 2024	-			
	24,666	6.24	Dec 22, 2021	-			
	27,667	6.87	Jun 5, 2021	-			
	27,666	6.87	Jun 4, 2022	-			
	22,242	7.43	Nov 19, 2021	-			
	22,242	7.43	Nov 18, 2022	-			
	22,242	8.53	May 9, 2021	-			
	22,242	8.53	May 9, 2022	-			
	22,242	8.53	May 8, 2023	-			
	18,683	9.43	Nov 22, 2021	-			
	18,683	9.43	Nov 22, 2022	-			
	18,684	9.43	Nov 21, 2023	-			
Total	765,695			22,077			

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Total value of all unexercised in-the-money options [1] ($)	Number of share-based awards that have not vested [2] (#)	Market or payout value of share-based awards that have not vested [2][3] ($)	Market or payout value of vested share-based awards not paid out or distributed ($)
Kevin Asman	16,265	0.79	Nov 14, 2023	2,440	427,850	402,179	-
	16,266	0.79	Nov 14, 2024	2,440			
	16,266	0.79	Nov 14, 2025	2,440			
	32,532	0.84	May 19, 2024	3,253			
	32,531	0.84	May 19, 2025	3,253			
	32,531	0.84	May 18, 2026	3,253			
	20,300	2.36	May 20, 2023	-			
	20,300	2.36	May 20, 2024	-			
	20,300	2.36	May 19, 2025	-			
	28,543	3.59	Nov 16, 2022	-			
	28,543	3.59	Nov 16, 2023	-			
	28,543	3.59	Nov 16, 2024	-			
	14,667	4.25	May 17, 2021	-			
	30,933	4.46	May 20, 2022	-			
	30,934	4.46	May 20, 2023	-			
	30,933	4.46	May 19, 2024	-			
	19,334	6.24	Dec 22, 2021	-			
	21,000	6.87	Jun 5, 2021	-			
	21,000	6.87	Jun 4, 2022	-			
	16,904	7.43	Nov 19, 2021	-			
	16,904	7.43	Nov 18, 2022	-			
	16,904	8.53	May 9, 2021	-			
	16,904	8.53	May 9, 2022	-			
	16,904	8.53	May 8, 2023	-			
	15,243	9.43	Nov 22, 2021	-			
	15,243	9.43	Nov 22, 2022	-			
	15,244	9.43	Nov 21, 2023	-			
Total	591,971			17,079			

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Total value of all unexercised in-the-money options [(1)] ($)	Number of share-based awards that have not vested [(2)] (#)	Market or payout value of share-based awards that have not vested [(2)(3)] ($)	Market or payout value of vested share-based awards not paid out or distributed ($)
Ryan Paulgaard	15,098	0.79	Nov 14, 2023	2,265	396,842	373,031	-
	15,099	0.79	Nov 14, 2024	2,265			
	15,099	0.79	Nov 14, 2025	2,265			
	30,197	0.84	May 19, 2024	3,020			
	30,197	0.84	May 19, 2025	3,020			
	30,198	0.84	May 18, 2026	3,020			
	18,844	2.36	May 20, 2023	-			
	18,844	2.36	May 20, 2024	-			
	18,843	2.36	May 19, 2025	-			
	26,967	3.59	Nov 16, 2022	-			
	26,967	3.59	Nov 16, 2023	-			
	26,968	3.59	Nov 16, 2024	-			
	8,000	4.25	May 17, 2021	-			
	28,266	4.46	May 20, 2022	-			
	28,267	4.46	May 20, 2023	-			
	28,267	4.46	May 19, 2024	-			
	8,667	6.24	Dec 22, 2021	-			
	9,667	6.87	Jun 5, 2021	-			
	9,666	6.87	Jun 4, 2022	-			
	7,740	7.43	Nov 19, 2021	-			
	7,741	7.43	Nov 18, 2022	-			
	7,740	8.53	May 9, 2021	-			
	7,740	8.53	May 9, 2022	-			
	7,741	8.53	May 8, 2023	-			
	13,345	9.43	Nov 22, 2021	-			
	13,345	9.43	Nov 22, 2022	-			
	13,346	9.43	Nov 21, 2023	-			
Total	472,858			15,855			

Notes:

(1) Calculated based on the difference between the market price of our common shares at December 31, 2020 ($0.94) and the exercise price of the options.

(2) Includes RSAs, PSAs and PSUs granted under our share award incentive plan and our cash award incentive plan. This calculation assumes a payout multiplier of 1x for the PSAs and PSUs and does not give effect to the cap on the award value of all grants under the cash award incentive plan to two times the fair market value of our common shares on the grant date. A portion of these include PSAs that will be settled in 2021. Based on the average of the 2018 and 2019 payout multipliers of 1.0x and the 2020 payout multiplier of 0.73x, the payout multiplier for these awards will be 0.91x and not the assumed 1.0x.

(3) Calculated based on the value of our common shares at December 31, 2020 ($0.94).

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth for each NEO, the value of option-based awards and share-based awards which vested during the year ended December 31, 2020, and the value of non-equity incentive plan compensation earned during the year ended December 31, 2020:

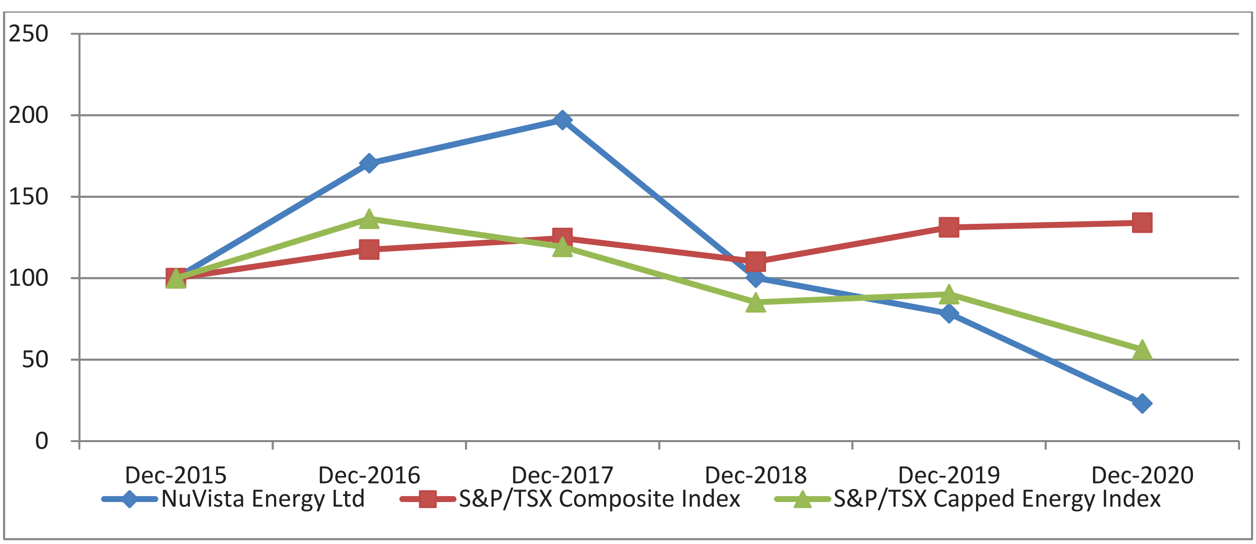
Name	Option-based awards – Value vested during the year (1) ($)	Share-based awards – Value vested during the year (2) ($)	Non-equity incentive plan compensation – Value earned during the year ($)
Jonathan Wright	-	22,876	208,850
Ross Andreachuk	-	11,568	95,000
Michael Lawford	-	13,731	125,000
Kevin Asman	-	10,859	95,000
Ryan Paulgaard	-	9,758	86,000

Notes:

(1) Calculated based on the difference between the market price of our common shares on the vesting date and the exercise price of the options on the vesting date.

(2) Calculated based on the five day volume weighted average share price for the five trading days prior to the vesting date.

Performance Graph



	2015/12	2016/12	2017/12	2018/12	2019/12	2020/12
NuVista Share Price	100	55	94	108	55	43
S&P/TSX Composite Index	100	92	111	121	110	136
S&P/TSX Capped Energy Index	100	76	106	95	70	76

Notes:

(1) The S&P/TSX was previously called the TSE 300 Index.
(2) The S&P/TSX Capped Energy Index.

Our cumulative shareholder return performance reflects both operational and financial performance within our control as well as volatile commodity prices and economic and market conditions beyond our control with the impact of the decline in the global economy and more recently with the weakness of North American natural gas prices and world oil prices.

Salaries and variable pay for our executive officers are based on peer company salary levels and the board's assessment of annual corporate and individual performance based on financial and operating performance metrics and other pertinent considerations. The variable pay amounts awarded do not necessarily track the annual change in the market value of our common shares.

Our long-term incentive plans are designed to align the interests of employees, including NEOs, with shareholders by linking a component of compensation to our common share performance. The percentage of stock options received relative to restricted share awards and performance share awards increases with greater levels of responsibility. The mix of stock options, RSAs, PSAs and PSUs restricted share awards and performance share awards in our NEOs compensation was more heavily weighted towards stock options at 50% from stock options, 20% from RSAs and 30% from PSAs in 2019. Effective January 1, 2020 we amended our grant policy so that long-term incentive grants for our executives will be split as follows: 30% stock options, 20% RSAs and 50% PSAs.

Securities Authorized for Issuance Under Equity Compensation Plans

The following sets forth information in respect of securities authorized for issuance under our equity compensation plans as at December 31, 2020:

Plan Category	Number of securities to be issued upon exercise of outstanding options and awards (a)	Weighted average exercise price of outstanding options and awards (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders:			
Stock Option Plan (1)	8,054,966	$4.30	1,278,668
Share Award Incentive Plan (2)(3)	6,356,482	n/a	2,156,107
Deferred Share Unit Plan (4)	208,294	n/a	291,706
Equity compensation plans not approved by securityholders	-	-	-
Total	14,619,742		3,726,481

Notes:

(1) As at December 31, 2020, and March 26, 2021, respectively, an aggregate of 8,054,966 and 8,017,672 stock options were outstanding under our stock option plan. The maximum number of common shares available under our stock option plan is currently limited to 10,445,000 common shares. In addition, if any option granted under the option plan expires, terminates or is cancelled without the underlying common shares having been issued, such common shares will be available for further option grants under the plan.

(2) As at December 31, 2020, and March 26, 2021, respectively, an aggregate of 2,407,697 and 2,388,686 RSAs and 3,948,785 and 3,913,746 PSAs were outstanding under our share award incentive plan. The number of common shares issuable pursuant to the share award incentive plan assumes a payout multiplier of 1x for the PSAs. Under our share award incentive plan, the number of common shares reserved for issuance from time to time pursuant to outstanding share awards granted and outstanding under the plan shall not exceed 10,100,000 common shares. In addition, if any share award granted under the share award incentive plan expires, terminates or is cancelled without the underlying common shares having been issued, such common shares will be available for further grants under the plan. Share awards will be settled through the issuance of common shares from treasury or acquired by us on the Toronto Stock Exchange, or a combination thereof, at our discretion.

(3) Does not include PSUs granted under our cash award incentive plan as such awards can only be settled in cash.

(4) At December 31, 2020, and March 26, 2021, there were 1,002,594 deferred share units outstanding, 208,294 of which can, at our election, be settled in common shares. The number of common shares reserved for issuance from time to time pursuant to outstanding deferred share units granted and outstanding under our directors' deferred share unit plan is limited to 500,000 common shares. If any deferred share units granted under the plan expire, terminate or are cancelled for any reason without the common shares issued thereunder having been issued in full, any unissued common shares to which

such deferred share units relate shall be awardable for the purposes of granting of further deferred share units. All deferred share units and dividend entitlements thereon (if any) will be redeemed for a cash payment except that, at our election, we may redeem deterred share units and dividend entitlements thereon (if any) issued as compensation for annual board and committee retainers and meeting attendance fees, in cash or through the issuance of common shares from treasury or purchased on the market and any combination of these.

The following table summarizes the number of incentive awards granted to all of our directors, officers and employees during the periods noted below and the potential dilutive effect of such incentive awards:

Period	Weighted Average Common Shares Outstanding (1)	Stock Options Granted and Burn Rate		Share Awards Granted and Burn Rate (2)(3)(4)(5)			
		Stock Options	Stock Option Burn Rate	RSAs	RSA Burn Rate	PSAs	PSA Burn Rate
2018	190,568,473	2,368,461	1.2%	275,921	0.1%	295,078	0.2%
2019	225,429,356	1,796,148	0.8%	722,709	0.3%	773,842	0.3%
2020	225,683,404	2,033,034	0.9%	1,746,216	0.8%	2,966,375	1.3%

Notes:

(1) Pursuant to the requirements of the Toronto Stock Exchange, the weighted average number of common shares outstanding during the period is the number of common shares outstanding at the beginning of the period, adjusted by the number of common shares bought back or issued during the period multiplied by a time-weighting factor. The time-weighting factor is the number of days that the common shares are outstanding as a proportion of the total number of days in the period.

(2) The burn rate for a given period is calculated by dividing the number of options and share awards granted during such period by the weighted average number of common shares outstanding during such period and is presented based on a 1x multiplier for PSAs.

(3) Using the established multiplier of 0.91x for the 2018 PSA grants and an assumed maximum multiplier of 2x for the remaining PSAs, the PSA burn rate for 2018, 2019 and 2020 PSAs would be 0.1%, 0.7% and 2.6%.

(4) Does not include 975,436 PSUs granted under our cash award incentive plan, as such awards may only be settled in cash.

(5) Does not include 61,548 deferred share units granted in 2018 and 73,983 deferred share units granted in 2019, in lieu of cash director fees, which can, at our election, be settled in common shares. No deferred share units were granted in lieu of cash director fees in 2020.

Pension Plan Benefits

We do not have any pension plans for our employees. We have established a savings plan to assist employees in meeting their savings goals. See *Executive Compensation – Long-Term Incentive Plans – Employee Stock Savings Plan*.

Employment Agreements

We have entered into employment agreements with each of our NEOs pursuant to which we have agreed to make certain payments to the executive in the event of termination without cause, a "change of control" without termination and a "change of control" with termination.

The following is a description of payments or the nature of the vesting of long-term incentives due to the NEO's departure upon resignation, termination without cause, normal retirement, and change of control without termination and a change of control with termination pursuant to the employment agreements and the terms of our long-term incentive plans. For the purpose of the employment agreements, termination includes constructive dismissal.

Resignation

- Retiring allowance – none.
- Stock options – prior to the applicable expiry date or within 30 days of ceasing to be an employee, whichever is earlier, the NEO can exercise all vested stock options.
- Share-based awards – all outstanding awards which have not vested shall terminate and all vested awards will terminate on their expiry date.

Termination Without Cause

- Retiring allowance to be paid within five business days of termination consisting of:
  - One and one-half times the NEO's current base salary;
  - 20% of such amounts in-lieu of employment benefits; and
  - One times the greater of any cash variable pay amount paid to the NEO in the year prior to termination or an average of the variable pay amount paid to the NEO in the two years prior to termination. Mr. Wright's and Mr. Lawford’s employment agreements provide for payment one and one-half times the greater of any cash variable pay amount paid to the NEO in the year prior to termination or an average of the cash variable pay amount paid to the NEO in the two years prior to termination.
- Stock options – all stock options that would have vested within one and one-half years of the termination will vest and all stock options held by the NEO will expire on the earlier of their expiry date or 30 days following the termination.
- Share-based awards - a certain number of unvested awards will vest in accordance with the provisions of the applicable plan and all vested awards held by the NEO will expire on the earlier of their expiry date or 30 days following the termination.

Retirement

- Retiring allowance – none.
- Stock options – Upon the retirement of a holder (as defined in the stock option plan), all stock options held by a holder which have vested as of the cessation date shall be forfeited on the earlier of: (A) the expiry date; and (B) the date that is six (6) months from the cessation date. In addition, the holder may, within two (2) years from the cessation date and prior to the expiry date, exercise any remaining stock options which vest within such period, after which time any remaining stock options held by the holder (whether vested or not) shall terminate and become null and void.

- Share-based awards – prior to the applicable expiry date or within 30 days of ceasing to be an employee, whichever is earlier, the NEO can exercise all awards that have vested on the date of ceasing to be an employee plus a proportionate number of awards based on length of active service that had not yet vested.

Change of Control Without Termination

- Retiring allowance – none.

- Stock options – all stock options outstanding vest prior to the change of control.

- Share-based awards – all outstanding awards vest on the change of control. The payout multiplier applicable to any performance-based awards will be determined by our board and in making such determination, the board will assess performance relative to the pre-established corporate performance measures using an end date for the current performance assessment period as determined by the board.

Change of Control With Termination

- Retiring allowance to be paid within five business days of termination consisting of:

    - One and one-half times the NEO's current base salary;

    - 20% of such amounts of employment benefits; and

    - One times the greater of any cash variable pay amount paid to the NEO in the year prior to termination or an average of the cash variable pay amounts paid to the NEO in the two years prior to termination. Mr. Wright's and Mr. Lawford's employment agreements provide for payment of one and one-half times the greater of any cash variable pay amount paid to the NEO in the year prior to termination or an average of the cash variable pay amounts paid to the NEO in the two years prior to termination.

- Stock options – all stock options outstanding vest prior to the change of control.

- Share-based awards – all outstanding awards vest on the change of control. The payout multiplier applicable to any performance-based awards will be determined by our board and in making such determination, the board will assess performance relative to the pre-established corporate performance measures using an end date for the current performance assessment period as determined by the board.

Other key terms of the employment agreements:

- We are entitled to terminate a NEO's employment for just cause at any time without notice and without any payment to the NEO whatsoever, save and except only for payment of the pro-rata salary earned for services rendered up to and including the termination date, plus any outstanding vacation pay and expenses.

- The NEO may resign by providing us with two months advance written notice of the resignation date.

- Should there be a change of control and an event that constitutes constructive dismissal within six months of the change of control, the NEO has the right, for a period of ninety days following the event or events that constituted the change of control, to elect to terminate his employment upon providing us with one week advance written notice.

- In the event of a change of control and the NEO elects to terminate his employment, the NEO will be required, at our option, to continue his employment with us for a period of up to two months at the NEO's then existing compensation package, to assist us in an orderly transition of management.

The following table summarizes the estimated payments and benefits to each of our NEOs as if the employment events listed above had occurred on December 31, 2020:

Name	Resignation ($)	Termination (without cause) ($)	Normal Retirement [1] ($)	Change of Control without Termination ($)	Change of Control with Termination ($)
Jonathan Wright	-	1,912,007	196,683	955,081	2,200,718
Ross Andreachuk	-	959,445	95,254	458,612	1,097,851
Michael Lawford	-	1,174,629	-	541,901	1,336,780
Kevin Asman	-	881,048	-	419,258	1,006,333
Ryan Paulgaard	-	712,999	-	388,885	953,835

Notes:

(1) Retirement amounts have not been included for Messrs. Lawford, Asman or Paulgaard as they are not eligible for retirement benefits unless the board determines otherwise.

(2) These calculations assume a payout multiplier of 1x for all PSAs and PSUs and does not give effect to the cap on the award value of all grants under the cash award incentive plan to two times the fair market value of our common shares on the grant date.

EQUITY OWNERSHIP

The following table summarizes the common shares and other securities beneficially owned, controlled or directed (directly or indirectly) by each of our named executive officers and all of our directors as of March 26, 2021, based on information provided by such individuals.

	Common Shares (1)		Stock Options (2)		Share-based awards (3)		Total Value ($)
	Amount (#)	**Value ($)**	**Amount (#)**	**Value ($)**	**Amount (#)**	**Value ($)**	
Jonathan Wright	811,785	1,923,930	1,301,653	522,506	829,874	1,966,801	4,413,237
Ross Andreachuk	163,169	386,711	668,658	250,495	400,374	948,886	1,586,092
Michael Lawford	201,441	477,415	765,695	293,460	473,979	1,123,330	1,894,205
Kevin Asman	183,430	434,729	591,971	227,027	367,071	869,958	1,531,714
Ryan Paulgaard	143,790	340,782	472,858	210,739	340,096	806,028	1,357,549
Total Named Executive Officers	1,503,615	3,563,567	3,800,835	1,504,227	2,411,394	5,715,003	10,782,797
Pentti O. Karkkainen	150,000	355,500	-	-	134,906	319,727	675,227
Ronald J. Eckhardt	158,311	375,197	-	-	144,034	341,361	716,558
Keith A. MacPhail	3,532,042	8,370,940	-	-	180,153	426,963	8,797,903
Ronald J. Poelzer	5,901,277	13,986,026	-	-	101,080	239,560	14,225,586
Brian G. Shaw	99,301	235,343	-	-	123,758	293,306	528,649
Sheldon B. Steeves	25,631	60,745	-	-	98,212	232,762	293,507
Deborah S. Stein	32,710	77,523	-	-	98,212	232,762	310,285
Grant A. Zawalsky	211,915	502,239	-	-	122,239	289,706	791,945
Total Non-Management Directors	10,111,187	23,963,513	-	-	1,002,594	2,376,147	26,339,660
Total Directors and NEOs	11,614,802	27,527,080	3,800,835	1,504,227	3,413,988	8,091,150	37,122,457

Notes:

(1) The value of the common shares was based on the closing price of our common shares on the Toronto Stock Exchange on March 26, 2021 ($2.37).

(2) The value of the stock options was calculated based on the difference between the closing price of our common shares on the Toronto Stock Exchange on March 26, 2021 and the exercise price of the stock options.

(3) Does not include PSUs granted under our cash award incentive plan which can only be cash settled.

(4) Includes RSAs and PSAs granted under our share award incentive plan and deferred share awards, as applicable, which have been valued based on the closing price of our common shares on the Toronto

Stock Exchange on March 26, 2021. This calculation assumes a payout multiplier of 1x for the PSAs granted.

OWNERSHIP GUIDELINES

Our board believes it is important that our directors and our senior officers demonstrate their commitment to our stewardship through common share ownership.

We have established an equity ownership policy that non-management directors must have an equity ownership interest in our common shares within six months of joining our board of at least three times their annual board retainer. Following the phase-in period, directors are expected to be in continuous compliance with these guidelines. In the event that an individual who has achieved the target ownership level subsequently falls below such target ownership level due solely to a decline in the market price of our common shares, such individual will be considered to be in compliance with the ownership guidelines as long as the adjusted cost base of his or her common shares exceeds the target ownership level.

In 2016, following a review of our executive compensation governance practices; we amended our equity ownership policy to include our Chief Executive Officer, Chief Financial Officer and all of our Vice Presidents, although our Chief Executive Officer has always had ownership requirements under his employment contract.

The policy requires our CEO to maintain an equity ownership interest in our common shares equal to at least three times his annual base salary within five years from the later of the commencement of employment or December 31, 2015. Our other officers are required to maintain an equity ownership interest in our common shares equal to at least two times their annual base salary within five years from the later of the commencement of employment or December 31, 2015. Officers are expected to work towards this goal and will be required to meet one-fifth of this requirement cumulatively for each year of the phase-in period. Following the phase-in period, these officers are expected to be in continuous compliance with these guidelines. In the event that an individual who has achieved the target ownership level subsequently falls below such target ownership level due solely to a decline in the market price of our common shares, such individual will be considered to be in compliance with the ownership guidelines as long as the adjusted cost base of his or her common shares exceeds the target ownership level.

The following table sets out the total ownership level of our named executive officers and each of our non-management directors as at March 26, 2021, relative to our equity ownership policy.

Name	Current Annual Salary/Board Retainers ($)	Ownership Value Guideline ($)	Ownership Value ($) (1)	Guideline Met (Y) or Not Met (N) (2)(3)
Named Executive Officers:				
Jonathan Wright	455,000	1,365,000	1,923,930	Y
Ross Andreachuk	283,605	567,210	386,711	N (3)
Michael Lawford	302,106	604,212	477,415	Y
Kevin Asman	254,625	509,250	434,729	Y
Ryan Paulgaard	250,488	500,976	340,782	Y
Directors:				
Pentti O. Karkkainen	55,000	165,000	355,500	Y
Ronald J. Eckhardt	55,000	165,000	375,197	Y
Keith A. MacPhail	55,000	165,000	8,370,940	Y
Ronald J. Poelzer	55,000	165,000	13,986,026	Y
Brian G. Shaw	55,000	165,000	235,343	Y
Sheldon B. Steeves	55,000	165,000	60,745	Y
Deborah S. Stein	55,000	165,000	77,523	Y
Grant A. Zawalsky	55,000	165,000	502,239	Y

Notes:

(1) Based on the closing price of the common shares on the Toronto Stock Exchange on March 26, 2021 (being $2.37).

(2) For the purposes of compliance with the policy, the value of holdings is based on the higher of average cost base or the current market price. As a result, the value presented may be less than the required multiple although the guideline has been met.

(3) Mr. Andreachuk was in compliance with the ownership guideline on December 31, 2020. With the reversal of salary reduction effective February 1, 2021, he is currently not in compliance but is expected to restore compliance with the ownership guideline during 2021.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

We have directors' and officers' liability insurance and have entered into indemnity agreements with each of our directors and officers pursuant to which we have agreed to indemnity such directors and officers from liability arising in connection with the performance of their duties. Such indemnity agreements conform to the provisions of the *Business Corporations Act* (Alberta).

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

At no time during the most recently completed fiscal period was there any indebtedness of any executive officer, director, employee or any former executive officer, director or employee, or any associate of any of the foregoing to us or to any other entity which is, or at any time since the beginning of the most recently completed financial period, has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by us.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed herein or as set forth below, there were no material interests, direct or indirect, of our insiders, proposed nominees for election as directors, or any associate or affiliate of such insiders or nominees since January 1, 2020, or in any proposed transaction, which has affected or would materially affect us or any of our subsidiaries.

INTEREST OF CERTAIN PERSONS AND COMPANIES IN MATTERS TO BE ACTED UPON

Our management is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or executive officer or anyone who has held office as such since the beginning of our last financial year, any proposed nominee for election as a director, or of any associate or affiliate of any of the foregoing in any matter to be acted on at the meeting, save as is disclosed herein.

ADDITIONAL INFORMATION

Upon request, we will provide securityholders with a copy of our 2020 annual financial statements and associated management's discussion and analysis of financial condition and results of operations, as well as a copy of our annual information form, subsequent interim financial statements and management's discussion and analysis and this information circular - proxy statement.

Copies of these documents may be obtained on request without charge from our Vice President, Finance and Chief Financial Officer at 2500, 525 – 8th Avenue S.W., Calgary, Alberta, T2P 1G1; telephone (403) 538-8500 or by accessing the disclosure documents available under our profile on the SEDAR website at *www.sedar.com*.

OTHER MATTERS

Our management knows of no amendment, variation or other matter to come before the meeting other than the matters referred to in the notice of annual meeting. However, if any other matter properly comes before the meeting, the accompanying proxy will be voted on such matter in accordance with the best judgement of the person voting the proxy.

The contents and the sending of this information circular - proxy statement have been approved by our directors.

Dated: March 26, 2021

SCHEDULE A

BOARD OF DIRECTORS MANDATE

The Board of Directors (the "**Board**") of NuVista Energy Ltd. ("**NuVista**") is responsible for the stewardship of NuVista, its subsidiaries, partnerships and other controlled entities. In discharging its responsibility, the Board will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances and will act honestly and in good faith with a view to the best interests of NuVista. In general terms, the Board will:

- In consultation with the CEO, define the principal objectives of NuVista.
- Supervise the management of the business and affairs of NuVista with the goal of achieving NuVista's principal objectives as defined by the Board.
- Discharge the duties imposed on the Board by applicable laws.
- For the purpose of carrying out the foregoing responsibilities, take all such actions as the Board deems necessary or appropriate.

Without limiting the generality of the foregoing, the Board will perform the following duties:

Strategic Direction and Capital and Financial Plans

- Require the CEO to present annually to the Board a longer range strategic plan and a shorter range business plan for NuVista's business, which plans must:
  - be designed to achieve NuVista's principal objectives;
  - identify the principal strategic and operational opportunities and risks of NuVista's business; and
  - be approved by the Board as a pre-condition to the implementation of such plans.
- Review progress towards the achievement of the goals established in the strategic, operating and capital plans.
- Identify the principal risks of NuVista's business and take all reasonable steps to ensure the implementation of the appropriate systems to manage these risks.
- Approve the annual operating and capital plans.
- Approve acquisitions and dispositions which require approval pursuant to expenditure limits established by the Board.
- Approve the establishment of credit facilities.

- Approve issuances of common shares or other instruments to the public.

Monitoring and Acting

- Monitor NuVista's progress towards achieving its goals, and revise and alter its direction through management in light of changing circumstances.

- Monitor overall human resources policies and procedures, including compensation and succession planning.

- Approve the dividend policy of NuVista.

- Appoint the CEO and determine the terms of the CEO's employment with NuVista.

- Ensure systems are in place for the implementation and integrity of NuVista’s internal control and management information systems.

- In consultation with the CEO, develop a position description for the CEO.

- Evaluate the performance of the CEO at least annually.

- In consultation with the CEO, establish the limits of management's authority and responsibility in conducting NuVista's business.

- In consultation with the CEO, appoint all officers of NuVista and approve the terms of each officer's employment with NuVista.

- Develop a system under which succession to senior management positions will occur in a timely manner.

- Approve any proposed significant change in the management organization structure of NuVista.

- Approve all NuVista-sponsored retirement plans for officers and employees of NuVista.

- In consultation with the CEO, establish a disclosure policy for NuVista.

- Generally provide advice and guidance to management.

- Approve all matters relating to a takeover bid for the securities of NuVista.

Finances and Controls

- Review NuVista's systems to manage the risks of NuVista's business and, with the assistance of management, NuVista's auditors and others (as required), evaluate the appropriateness of such systems.

- Monitor the appropriateness of NuVista's capital structure.

- Ensure that the financial performance of NuVista is properly reported to shareholders, other security holders and regulators on a timely and regular basis.
- In consultation with the CEO, establish the ethical standards to be observed by all officers and employees of NuVista and use reasonable efforts to ensure that a process is in place to monitor compliance with those standards.
- Require that the CEO institute and monitor processes and systems designed to ensure compliance with applicable laws by NuVista and its officers and employees.
- Require that the CEO institute, and maintain the integrity of, internal control and information systems, including maintenance of all required records and documentation.
- Approve material contracts to be entered into by NuVista.
- Recommend to shareholders of NuVista a firm of chartered accountants to be appointed as NuVista's auditors.
- Ensure NuVista's oil and gas reserves report fairly represents the quantity and value of corporate reserves in accordance with generally accepted engineering principles and applicable securities laws.
- Take reasonable actions to gain reasonable assurance that all financial information made public by NuVista (including NuVista's annual and quarterly financial statements) is accurate and complete and represents fairly NuVista’s financial position and performance.

Governance

- In consultation with the Chair of the Board, develop a position description for the Chair.
- Select nominees for election to the Board.
- Facilitate the continuity, effectiveness and independence of the Board by, amongst other things:
    - appointing a Chair of the Board;
    - appointing from amongst the directors an audit committee and such other committees of the Board as the Board deems appropriate;
    - defining the mandate of each committee of the Board;
    - ensuring that processes are in place and are utilized to assess the effectiveness of the Chair of the Board, the Board as a whole, each committee of the Board and each director; and
    - establishing a system to enable any director to engage an outside adviser at the expense of NuVista.
- Review annually the composition of the Board and its committees and assess directors' performance on an ongoing basis, and propose new members to the Board.

- Review annually the adequacy and form of the compensation of directors.

Delegation

- The Board may delegate its duties to, and receive reports and recommendations from, any committee of the Board.

Composition

- The Board should be composed of at least five individuals elected by the shareholders at the annual meeting.
- A majority of Board members should be independent directors (within the meaning of National Instrument 58-101) and free from any business or other relationship that could impair the exercise of independent judgment.
- Members should have or obtain sufficient knowledge of NuVista and the oil and gas business to assist in providing advice and counsel on relevant issues.
- Board members should offer their resignation from the Board to the Chair of the Governance and Nominating Committee following:
    - change in personal circumstances which would reasonably interfere with the ability to serve as a director; and
    - change in personal circumstances which would reasonably reflect poorly on NuVista (for example, finding by a Court of fraud, or conviction under Criminal Code or securities legislation).

Meetings

- The Board shall meet at least four times per year and/or as deemed appropriate by the Chair.
- The Board shall meet at the end of its regular quarterly meetings without members of management being present.
- Minutes of each meeting shall be prepared.
- The CEO and CFO shall be available to attend all meetings of the Board upon invitation by the Board.
- Vice-Presidents and such other staff as appropriate to provide information to the Board shall attend meetings at the invitation of the Board.

Authority

- The Board shall have the authority to review any corporate report or material and to investigate activity of NuVista and to request any employees to cooperate as requested by the Board.

- The Board may retain persons having special expertise and/or obtain independent professional advice to assist in fulfilling its responsibilities at the expense of NuVista.

Approved by the Board: March 2, 2021

TSX: NVA

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