

MEG Energy Corp. Insider Trading and Disclosure Policy

MEG Energy Corp. (“MEG”) has adopted a *Business Conduct Charter* which sets out the key principles shared by MEG representatives in conducting business ethically. Compliance with the law is one of the key principles. This *Insider Trading and Disclosure Policy* (“*Policy*”) has been developed to ensure that all representatives of MEG understand and comply with their legal obligations relating to trading in securities and the disclosure of information. This *Policy* applies to the directors, officers, employees and consultants of MEG and of any affiliate of MEG (collectively, the “Representatives”).

Restrictions on Trading in Securities

Insider Trading and Tipping

The *Securities Act* (Alberta) and other applicable corporate, criminal and securities laws, regulations and rules (the “*Securities Laws*”) contain restrictions on the purchase and sale of securities. Under the *Securities Laws*, it is illegal for anyone in possession of “*Material Information*”¹ about an issuer to buy or sell securities of that issuer unless the information has been generally disclosed to the public and there has been sufficient time for such information to become known by the market. MEG considers a period of two trading days to be sufficient time for information to be absorbed by the market.

It is also illegal for a Representative to disclose (or “tip”) non-public *Material Information* concerning an issuer to any person except in accordance with the exceptions contained in the *Securities Laws*. The penalties for failure to comply with the insider trading and anti-tipping provisions of the *Securities Laws* are severe. Representatives could face imprisonment, large fines and a loss of employment. It is therefore vital that all Representatives understand and comply with the *Securities Laws* and the following specific rules:

- A Representative must not trade² in MEG securities (such as MEG shares and options) if in possession of non-public *Material Information* relating to MEG.
- A Representative must not trade in securities of another issuer if in possession of non-public *Material Information* relating to that issuer.
- A Representative must not disclose non-public *Material Information* relating to MEG to any other person or company unless such disclosure complies with the provisions of this *Policy* relating to disclosure practices and the treatment of confidential information.

If a Representative has any doubt about whether particular information would be considered “*Material Information*”, they should contact MEG’s Trading Officer. For the purposes of this *Policy*, the Trading Officer is the General Counsel of MEG, or his or her designee.

¹ In this *Policy*, the term “*Material Information*” means any fact or change relating to an issuer that would reasonably be expected to have a significant effect (either positive or negative) on the market price or value of the issuer’s securities. Examples of such information could include earnings figures and projections, significant acquisitions or dispositions of assets and significant changes in operational results.

² The restrictions on trading in securities extend to all securities which are beneficially owned or controlled by a Representative.

Reporting Insiders

Each of MEG's "reporting insiders" is required by the Securities Laws to report their holdings of MEG securities and to report all changes in those holdings. While compliance with such laws is the responsibility of each reporting insider, MEG's Legal Department will from time to time identify Representatives that are believed to be reporting insiders and, upon the timely receipt of a request from a Representative, MEG's Legal Department will assist the Representative with the filing of insider reports.

Blackout Periods

From time to time, Representatives may come into possession of Material Information about MEG which has not yet been disclosed to the public. In these circumstances and as described in the *Insider Trading and Tipping* section above, such Representatives may not trade in MEG securities. Representatives may also sometimes be prohibited from trading in MEG securities during what are called "blackout" periods. There are two types of blackout periods: general blackout periods and specific blackout periods.

General blackout periods coincide with the preparation and release of MEG's quarterly and annual financial statements and are designed to ensure that there is no perception that any Representatives are making trading decisions using the information that is to be contained in MEG's financial statements. These general blackout periods commence on the 15th day of the month following a quarter-end or year-end. A general blackout period will therefore commence on each of January 15th, April 15th, July 15th and October 15th. Each general blackout period will expire at the end of the second trading day following the public release of the quarterly or annual financial results. During a general blackout period, no Representatives are to buy or sell shares of MEG or exercise MEG options.

Specific blackout periods may be applied by the Disclosure Committee (as described below) from time to time if circumstances arise which cause certain Representatives to possess non-public Material Information. A specific blackout could arise in situations such as a pending material acquisition, reorganization or declaration of dividend. In these situations, the Disclosure Committee or the Trading Officer will advise the affected Representatives that they are subject to a specific blackout period and are not to trade in MEG securities.

In extreme circumstances, a Representative may apply to the Trading Officer in writing for relief from a specific or general blackout period, specifying the rationale for such relief. The Trading Officer may in his or her sole discretion lift the blackout period for that Representative if the Trading Officer is satisfied that the proposed trade is necessary, that the Representative does not possess any non-public Material Information and that there will be no perception of impropriety as a result of the trade.

Speculative Trades

To ensure there is no perception that Representatives are engaged in improper insider trading, a Representative must not engage in speculative trades in MEG securities. Examples include trading in call or put options on MEG shares, buying and then rapidly reselling MEG shares and the "shorting" of MEG shares.

Disclosure of Information and Confidentiality

Disclosure of Information

MEG is committed to complete, fair, broad and timely disclosure of all Material Information in compliance with the Securities Laws. In meeting this commitment, MEG will abide by the following disclosure principles:

- Subject to prescribed exceptions, Material Information about MEG will be disclosed by press release on a timely basis. If Material Information is to be announced at an industry conference, shareholders meeting or other forum, any such announcement will correspond with the issuance of a press release to ensure that MEG does not engage in selective disclosure.
- A disclosure of Material Information will not omit any information that would cause the rest of the disclosure to be misleading. If MEG learns that a previous disclosure contained a material error at the time of the previous disclosure, the disclosure should be corrected as soon as reasonably practicable.

MEG's Disclosure Committee is responsible for overseeing MEG's disclosure practices and for establishing and documenting the procedures and controls that are used to ensure that MEG's disclosure practices comply with the Securities Laws. All press releases and other public disclosures of Material Information must be approved by the Disclosure Committee. The Disclosure Committee consists of the CEO, the CFO and the General Counsel of MEG, along with other individuals as may be designated by the Disclosure Committee from time to time. If a Representative has concerns about MEG's disclosure practices, such concerns should be brought to the immediate attention of the Disclosure Committee. In some circumstances, the Representative may wish to communicate the concerns using MEG's *Business Conduct Helpline*, which can be accessed from MEG's website or intranet.

Confidentiality

MEG's confidential information is a valuable asset and it is important that this information be protected from unauthorized use and disclosure. All Representatives that possess MEG's confidential information are not to use or disclose such information except to the extent required in the ordinary course of business. If MEG's confidential information is to be disclosed to a third party, adequate steps are to be taken to ensure that the use and disclosure of that information is adequately protected. If such information is non-public Material Information, additional steps must be taken to ensure that the third party has agreed not to trade in MEG's securities in violation of the Securities Laws. The Disclosure Committee is responsible for establishing and documenting the procedures and controls that are to be used to protect MEG's confidential information.