

**PERPETUAL ENERGY INC.
NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD MAY 15, 2019**

NOTICE IS HEREBY GIVEN that the annual and special meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares ("**Shares**") of Perpetual Energy Inc. ("**Perpetual**" or the "**Corporation**") will be held at the Calgary Petroleum Club, 319 – 5th Avenue S.W., Calgary, Alberta on May 15, 2019 at 9:00 a.m. (Mountain Daylight Time) for the following purposes:

- (a) to receive and consider the audited consolidated financial statements of the Corporation for the year ended December 31, 2018, together with the auditor's report thereon;
- (b) to elect the directors of the Corporation;
- (c) to appoint auditors of the Corporation and to authorize the directors to fix their remuneration as such;
- (d) to approve the unallocated options under the Corporation's share option plan;
- (e) to approve the unallocated rights under the Corporation's restricted rights plan;
- (f) to vote on an ordinary resolution to reduce the share capital for accounting purposes; and
- (g) to transact such further and other business as may properly be brought before the Meeting or any adjournment thereof.

Specific details of the matters to be put before the Meeting are set forth in the attached Management Information Circular and Proxy Statement dated March 29, 2019 (the "**Information Circular**").

Perpetual has elected to use the notice-and-access provisions under National Instrument 54-101 and National Instrument 51-102 ("**Notice-and-Access Provisions**") for this Meeting. 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 Perpetual to post the Information Circular and any additional materials online. See "*General Proxy Matters – Notice and Access*" in the Information Circular for further information on the Notice-and-Access Provisions. Perpetual has posted the Information Circular and additional materials on their website www.perpetualenergyinc.com. A Shareholder may also use the toll-free number 1-800-811-5522 to obtain additional information about the Notice and Access Provisions or to receive a paper copy of the Information Circular.

The record date (the "**Record Date**") for determination of Shareholders entitled to receive notice of and to vote at the Meeting is March 29, 2019. Shareholders of the Corporation of record as at the Record Date are entitled to receive notice of the Meeting and to vote those Shares included in the list of Shareholders entitled to vote at the Meeting prepared as at the Record Date, unless any such Shareholder transfers Shares after the Record Date and the transferee of those Shares, having produced properly endorsed certificates evidencing such Shares or having otherwise established that he or she owns such Shares, demands, not later than 10 days before the Meeting, that his or her name be included in the list of Shareholders entitled to vote at the Meeting, in which case such person shall be entitled to vote such Shares at the Meeting.

Each Share outstanding on the Record Date is entitled to one vote at the Meeting.

A Shareholder may attend the Meeting in person or may be represented by proxy. **If you are a registered Shareholder and are unable to attend the Meeting or any adjournment thereof in person, please exercise your right to vote by dating, signing and returning the accompanying form of proxy to Odyssey Trust Company ("Odyssey"), the Corporation's transfer agent.** To be valid, proxy forms must be dated, completed, signed and deposited with Odyssey, (i) by mail using the enclosed return envelope or one addressed to Odyssey Trust Company, Proxy Department, 350, 300 - 5th Avenue SW, Calgary, Alberta, T2P 3C4, (ii) by hand delivery to Odyssey Trust Company, 350, 300 - 5th Avenue SW, Calgary, Alberta, T2P 3C4, (iii) by facsimile to 1-800-517-4553, or (iv) by internet by clicking "Vote" at <http://odysseytrust.com/Transfer-Agent/Login> and following the instructions provided. **You will require your 12 digit Control Number found on your proxy form. If you vote through the Internet, you may also appoint another person to be your proxyholder. Your proxy or voting instructions must be received in each case no later than 9:00 a.m. (Calgary time) on Monday, May 13, 2019, or, if the Meeting is adjourned, 48 hours (excluding Saturdays and holidays) before the beginning of any adjournment of the Meeting.**

DATED at the City of Calgary, in the Province of Alberta, this 29th day of March, 2019.

**BY ORDER OF THE BOARD OF DIRECTORS OF
PERPETUAL ENERGY INC.**



Susan L. Riddell Rose
President and Chief Executive Officer