

FLINT ENERGY SERVICES LTD.

MANAGEMENT INFORMATION CIRCULAR AND PROXY STATEMENT

DATED April 6, 2009

for the Annual General and Special Meeting of Shareholders
to be held on May 11, 2009

All dollar amounts in this Management Information Circular and Proxy Statement ("Information Circular") are in Canadian dollars unless otherwise stated.

General Proxy Information

This Information Circular is furnished by the management ("Management") of Flint Energy Services Ltd. (the "Corporation") to holders (the "Shareholders") of common shares of the Corporation (the "Shares") in connection with the solicitation of proxies for use at the Annual General and Special Meeting of Shareholders (the "Meeting") to be held on the 11th day of May, 2009, Main Floor Theatre, at The Metropolitan Centre, 333 Fourth Avenue S.W., Calgary, Alberta at 3:00 p.m. (Calgary Time) and at any adjournment thereof, for the purposes set forth in the Notice of Annual General and Special Meeting accompanying this Information Circular (the "Notice of Meeting").

Solicitation of Proxies

The enclosed form of proxy is solicited by and on behalf of the Management of the Corporation. The persons named in the enclosed form of proxy are directors or senior officers of the Corporation. A Shareholder desiring to appoint some other person (who need not be a Shareholder) to represent him or her at the Meeting may do so either by inserting such other person's name in the blank space provided in the proxy form or by completing another proper form of proxy.

Instruments of proxy must be received by the Corporation's transfer agent, Computershare Investor Services Inc. ("Computershare"), Proxy Dept., 9th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, Fax 1-866-249-7775 (within North America) or (416) 263-9524 (outside North America), not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for the holding of the Meeting or any adjournment thereof. Solicitation will be primarily by mail, but some proxies may be solicited personally or by telephone, facsimile transmission or other electronic means by officers, directors or employees of the Corporation at a nominal cost. The cost of solicitation will be borne by the Corporation.

Voting of Common Shares - Advice to Beneficial Shareholders

The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold Shares in their own name (referred to herein as "Beneficial Shareholders").

Beneficial Shareholders should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holders can be recognized and acted upon at the Meeting. If Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, then in almost all cases those Shares will not be registered in the Shareholder's name on the records of the Corporation. Such Shares will more likely be registered under the name of the broker or an agent of a broker. Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, a broker and its agents and nominees are prohibited from voting Shares for the broker's clients.

Beneficial Shareholders will not be recognized at the Meeting for the purposes of voting their Shares in person or by way of proxy except in accordance with the following procedures. These procedures should be followed if Beneficial Shareholders wish to have Shares held for them by others recognized for the purposes of voting on matters to be dealt with at the Meeting.

Applicable Canadian regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of the Meeting. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar or identical to the form of proxy provided to registered Shareholders. However, its purpose is limited to instructing the registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("Broadridge"). In most cases, Broadridge mails the proxy materials to the Beneficial Shareholders with a voting information form ("VIF") and asks them to return the VIF to Broadridge. Alternatively, Beneficial Shareholders can either call the Broadridge toll-free telephone number to vote their Shares, or access Broadridge's dedicated voting website at www.proxyvotecanada.com to deliver their voting instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of the Shares to be represented at the Meeting. ***A Beneficial Shareholder receiving a VIF from Broadridge cannot use that proxy to vote Shares directly at the Meeting. The VIF must be returned to Broadridge, or alternatively, instructions must be received by Broadridge, well in advance of the Meeting in order to have the Shares voted.*** Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting the Shares registered in the name of his or her broker (or an agent of the broker), a Beneficial Shareholder may attend the Meeting as proxy holder for the registered Shareholder and vote the Shares in that capacity. A Beneficial Shareholder who wishes to attend the Meeting and indirectly vote his or her Shares as proxy holder for the registered Shareholder, should enter his or her own name in the blank space on the form of proxy provided to him or her and return the same form to his or her broker (or broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

Record Date

The Board of Directors of the Corporation (the "Board") has fixed the record date for the Meeting at the close of business on March 30, 2009 (the "Record Date"). Only

Shareholders of the Corporation of record as at that date are entitled to receive notice of, and to vote at the Meeting, unless such Shareholder transfers Shares after the Record Date and the transferee establishes ownership of such Shares and demands, not later than the close of business ten (10) days before the Meeting, that the transferee's name be included in the list of Shareholders entitled to vote.

Revocability of Proxy

A registered Shareholder who has submitted a proxy may revoke it at any time prior to the exercise thereof by (a) depositing an instrument in writing (which includes another proper form of proxy with a later date) executed by the Shareholder or by the Shareholder's attorney authorized in writing (i) at the offices of Computershare at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or (ii) with the chair of the Meeting on the day of the Meeting or an adjournment thereof, or (b) attending the Meeting in person and registering with the scrutineers as a Shareholder personally present.

Exercise of Discretion by Proxyholders

Shares represented by proxy in favour of Management nominees shall be voted on any ballot at the Meeting, and where the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares shall be voted in accordance with the specification so made, including on any ballot.

In the absence of such specification, the Shares will be voted in favour of the matters to be acted upon. The persons appointed under the form of proxy furnished by the Corporation are conferred with discretionary authority with respect to amendments or variations of those matters specified in the proxy and Notice of Meeting, and with respect to other matters which may properly come before the Meeting or any adjournment thereof. At the time of printing this Information Circular, Management of the Corporation knows of no such amendment, variation or other matter.

Voting Shares and Principal Holders Thereof

The Corporation is authorized to issue an unlimited number of Shares. As of the date of this Information Circular, there are 46,125,214 Shares outstanding. Each Share carries the right to one vote on any matter properly coming before the Meeting.

On December 15, 2006, the Corporation effected a two-for-one stock split of the outstanding Shares, pursuant to which Shareholders of record at the close of business on such date received one additional Share for each Share held on said date. All data relating to Shares contained in this Information Circular is presented on a post-split basis unless otherwise indicated.

As of the date hereof, to the knowledge of the directors and executive officers of the Corporation, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Shares carrying more than 10% or more of the voting rights attached to all issued and outstanding Shares, other than the following:

Table 1

Name	Nature of Ownership	Number of Shares	Percentage of Outstanding Shares
SCF-IV, LP ¹	Direct	9,203,761	19.9%
Mackenzie Financial Corporation ²	Indirect	5,137,183	11.1%
Franklin Templeton Investment Corporation ³	Indirect	9,273,644	20.1%
Fidelity Investments ⁴	Indirect	7,215,500	15.6%

Notes:

1. SCF-IV, LP is the registered owner of 6,710,505 Shares representing 14.5% of all issued and outstanding Shares, and SCF-V LP is the registered owner of 2,493,256 Shares, representing 5.4% of all issued and outstanding Shares included in the above figure. SCF-IV, LP and SCF-V, LP are controlled, directly or indirectly, by SCF Partners. Mr. Geddes, a director of the Corporation, is a Managing Director of SCF Partners. SCF reports its holdings as an insider on SEDI.
2. Mackenzie Financial Corporation reported its holdings as of February 28, 2009 through an Early Warning Report under the Alternative Monthly Reporting System of the National Instrument 62-103 filed on SEDAR on March 10, 2009.
3. Franklin Templeton reported its holdings as of November 30, 2008 through the Alternative Monthly Reporting System of the National Instrument 62-103 filed on SEDAR on December 10, 2008.
4. Fidelity Investments reported its holdings through an Early Warning Report under the Alternative Monthly Reporting System of the National Instrument 62-103 dated March 31, 2008 and filed on SEDAR on April 10, 2008.

CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms) holds in excess of 10% of the Shares for the benefit of its participants.

Matters to be Dealt With or Acted Upon at the Meeting

The following matters will be dealt with at the Meeting:

1. Receipt and review of the December 31, 2008 Financial Statements of the Corporation;
2. Election of Directors;
3. Shareholder approval of a Deferred Share Unit compensation plan for the Directors and all awards made under the Deferred Share Unit Plan;
4. Shareholder approval of the unallocated options under the Stock Option Plan;
5. Appointment of auditors for the Corporation; and
6. Other matters.

Receipt of December 31, 2008 Financial Statements

The consolidated audited financial statements for the financial year ended December 31, 2008 of the Corporation have been distributed to Shareholders together with this Information Circular and published on the internet on the System for Electronic

Document Analysis and Retrieval (SEDAR). These documents can be accessed at www.sedar.com. No formal action will be taken at the Meeting to approve the financial statements. If any Shareholders have questions respecting the December 31, 2008 consolidated financial statements, the questions may be brought forward at the Meeting.

Election of Directors

The Board presently consists of eight (8) directors. The Board is elected annually and consists of such number of directors as is fixed from time to time by resolution of the Board. The Articles of the Corporation provide that the Corporation may have a minimum of three (3) directors and a maximum of twelve (12) directors.

The number of directors to be elected at the Meeting is fixed at eight (8) directors, to hold office until the next annual general meeting or until their successors are elected or appointed.

The names and provinces or states and countries of residence of the persons nominated for election as directors; the number of voting securities of the Corporation beneficially owned, directly or indirectly, or over which each exercises control or direction; committee memberships; the period served as director; and the principal occupation, business or employment of each are as follows:

Table 2

Name, Province or State and Country of Residence	Number of Shares Beneficially Owned ¹	Director Since	Principal Occupation
John Geddes ^{3, 4, 9} Alberta, Canada	87,783	1998	Managing Director, SCF Partners (<i>private equity firm</i>)
Stuart O'Connor ^{2, 7} Alberta, Canada	20,000	1998	President, Timber Ridge Capital Ltd. (<i>private holding and advisory firm</i>)
John Bates ^{2, 5} Oklahoma, United States	62,981	1998	President, Flint Resources Company, LLC (<i>commercial construction and investments</i>)
W. J. (Bill) Lingard Alberta, Canada	126,560	2005	President and Chief Executive Officer of the Corporation
Douglas E. Swanson ³ Texas, United States	4,000	2005	Retired. Former CEO, Oil States International Inc. (<i>oil and gas services</i>)
T. D. (Terry) Freeman ^{6, 9} Alberta, Canada	200,202	2007	Managing Director, Northern Plains Capital (<i>private investment company</i>)
C. Douglas Annable ^{2, 3, 9} Alberta, Canada	nil	2007	President, CD Consulting Inc. (<i>management consulting</i>) Former President, Energy and Mining Division, AMEC Americas Limited
Philip C. Lachambre ^{2, 8} Alberta, Canada	4,000	2008 (Appointed)	President, PCML Consulting Inc. (<i>business management consulting</i>) Former Executive Vice President and Chief Financial Officer, Syncrude Canada Ltd. (<i>synthetic oil producer</i>)

Notes:

1. Information as to Shares beneficially owned, or over which control or direction is exercised, not being within the knowledge of the Corporation, has been furnished by the respective directors. This does not include Shares issuable upon exercise of options granted under the Corporation's Stock Option Plan.
2. Member of the Audit Committee of the Board. Mr. O'Connor is Chair of the Audit Committee of the Board. Mr. Lachambre replaced Mr. Annable on the Audit Committee on July 25, 2008.
3. Member of the Corporate Compensation Committee of the Board. Mr. Swanson is the Chair of the Corporate Compensation Committee of the Board.
4. Mr. Geddes is a Managing Director of SCF Partners, an entity that controls, directly or indirectly, SCF-IV, LP and SCF-V, LP, which owns 6,710,505 and 2,493,256 Shares, respectively. Mr. Geddes is the Chairman of the Board.
5. Mr. Bates is the President of Flint Resources Company, LLC and several subsidiaries thereof, including FRC Investors Inc. which owns 1,021,120 Shares. Flint Resources Company, LLC and its subsidiaries are not related to the Corporation.
6. Mr. Freeman is President of TDF Management Ltd. which owns 102,100 Shares.
7. Mr. O'Connor is a trustee of The Ronnoco Family Trust, a family trust, which holds 10,860 Shares.
8. Mr. Lachambre was appointed to the Board on May 12, 2008.
9. Member of the Corporate Governance and Nominating Committee of the Board. Mr. Freeman is the Chair of the Committee.

Each of the above nominees currently serves as a director of the Corporation. Other than Mr. Lachambre, who was appointed to the Board by the Board of Directors pursuant to provisions of the bylaws of the Corporation on May 12, 2008, each of the above nominees is a director of the Corporation elected at the last annual general meeting of Shareholders.

Each elected director will hold office until the close of the next annual meeting of Shareholders or until his successor is duly elected or appointed.

The Board of Directors recommends that each of the nominees listed above be elected to serve as a director of the Corporation, to hold office until the next annual general meeting of the Shareholders, or until such person's successor is elected or appointed. Unless otherwise directed, it is the intention of Management to vote proxies given in respect of the Meeting or any adjournment thereof in favour of the election as directors of the nominees set forth above.

Shareholder Approval of the Deferred Share Unit Plan (the "DSU Plan") and Awards Made Under the Plan

On March 18, 2008, the Corporation set the compensation for individuals acting as directors of the Corporation. As part of this compensation plan the Corporation established a DSU Plan. Under the terms of the DSU Plan, that portion of a Director's annual remuneration to be paid through units in the DSU Plan is set at the beginning of the Corporation's fiscal year (or, in the initial year of the plan, at March 18, 2008, subject to any trading blackouts then in effect) or on the date a director joins the Board in that fiscal year. The value of a unit in the DSU Plan set aside for a Director fluctuates. Its initial value is based upon the weighted average trading price per common share on the Toronto Stock Exchange for the five trading days prior to the date on which a Director's compensation and rights to participate in the DSU Plan are set and the units set aside. The DSU plan units are earned and accrue to a director over the fiscal year during which the Director serves on the Corporation's Board of Directors. Upon the death, retirement or departure of a Director from the Board (the "Termination Date") the Corporation has the option to either issue shares to the Director from treasury (each unit in the Director's

DSU account being equal to one common share in the Corporation), or to convert the units in the Director's account to a cash amount equal to the number of units multiplied by the fair market value of a common share in the Corporation as at the Termination Date and to pay such amount to such Director or to purchase in the Director's name, through a brokered transaction, common shares in the Corporation with the proceeds of the DSUs so redeemed.

Further details of the DSU Plan are as follows:

- **Eligible Participants** – The DSU Plan has been proposed as part of the overall strategy for compensation of Directors and, as such, Directors serving on the Board, alone, are eligible to participate in the DSU Plan. No one Director is entitled to a fixed percentage of the units under the DSU Plan. The DSU Plan is intended to apply for each member of the Board. Each member of the Board receives a portion of his or her director's compensation in the form of DSU Plan units which portion is determined by the Board. Rights under the DSU Plan are personal to the Director and cannot be assigned, except as expressly required by law.
- **Total Number of Securities Issuable Under the DSU Plan** – The DSU Plan provides that the maximum number of units issuable under the DSU Plan (which units can be settled on the departure of a Director from the Board through Shares issued from treasury on a one for one basis) shall not exceed 10% of the Shares of the Corporation issued and outstanding from time to time. The DSU Plan and awards under the DSU Plan are only available to insiders, Directors being insiders of the Corporation.
- **Total Number of Shares/Units Issued Under the DSU Plan** – The following units have been awarded to the Directors (subject to Shareholder approval) for 2008 and 2009:

Table 3

Director	DSU Award for 2008	DSU Award for 2009
John Geddes	4,605	14,456
Stuart O'Connor	4,063	12,755
John Bates	4,063	12,755
Douglas E. Swanson	4,063	12,755
T.D. (Terry) Freeman	4,063	12,755
C. Douglas Annable	4,063	12,755
Philip C. Lachambre	2,220	12,755
Total	27,140	78,231

If all of these units were ultimately settled by Shares issued from treasury, these awards would constitute 0.2 percent of the Shares of the Corporation currently issued and outstanding. The Shareholders will be asked to ratify these awards in addition to approving the DSU Plan.

- Method for Determining Value of DSU Units at the Date of Award – Units in the DSU Plan cannot be issued below the market price of the Shares of the Corporation. Under the terms of the DSU Plan the value of a DSU unit at the Award Date is based upon the volume weighted average trading price of the Shares on the Toronto Stock Exchange for the 5 trading days immediately preceding the date of the award. By operation of the DSU Plan awards can only be valued at times when insiders of the Corporation are free to trade in Shares of the Corporation. In 2008 the first trading day in 2008 which fell outside the Corporation's trading blackout period was March 25, 2008. With the five day trading period for determining the value of the DSU Plan units, the actual award date was March 31, 2008. Mr. Lachambre joined the Board on May 12, 2008. There was a trading blackout at that time. The first date following the blackout on which trading was permitted was May 29, 2008. Mr. Lachambre's DSU Plan units have been valued as at June 4, 2008. For the 2009 DSU awards, the first date following the blackout on which insiders could trade was March 17. Accordingly, the DSU Plan units for 2009 have been valued at March 23, 2009. That portion of the Director's compensation to be taken in units in the DSU Plan is divided by the price of a Share in the Corporation at the Award Date to determine the total number of DSU Plan units available under a particular award.
- Vesting/Earning of DSU Awards – DSU Plan units awarded to a Director are earned by the Director and accrue to the Director daily throughout the year for so long as the Director continues to serve as a director of the Corporation. A Director forfeits any DSU Plan units not accrued to or earned by him or her for that portion of the year following his or her departure from the Board.
- Redemption of DSU Plan Units – A Director is entitled to redeem DSU Plan units awarded to and earned by the Director (as described above) only when he or she ceases to serve as a member of the Board, for any reason whatsoever, including, without limitation, as a result of voluntary retirement, resignation, removal from the Board, failure to get re-elected or death of the Board member. At that time, and at the sole option of the Corporation, DSU Plan units can be redeemed for Shares in the Corporation issued from treasury, on a one for one basis, or by cash at the current value of the Shares based on the volume weighted average trading price of the Shares on the Toronto Stock Exchange for the 5 trading days immediately preceding the date on which the Shares are to be redeemed, subject to all withholdings required by law. (The Corporation is further authorized to settle a DSU account through the purchase by an independent broker acting on the departing Director's of Shares through the Toronto Stock Exchange.)
- Amendment of the Plan - The Board may amend, suspend or terminate the DSU Plan, or any portion thereof, and any awards made thereunder, without Shareholder approval, at any time, subject to those provisions of applicable law (including, without limitation, the rules, regulations and policies of the TSX, if any, that require the approval of shareholders or any governmental or regulatory body be obtained). However, no amendment, suspension, or termination may adversely affect Deferred Share Units previously granted to a Participant at the time of such amendment without the consent of the affected Participant(s) and no such amendment, suspension or termination shall be such that any Deferred Share Units or this Plan cease to comply with the provisions of paragraph (d) of

Regulation 6801 to the ITA for Participants who are Canadian taxpayers or with respect to any Participant who is a US taxpayer, Section 409A of the US IRC. Without limiting the generality of the foregoing, the Directors may make the following types of amendments to the Plan without seeking shareholder approval:

- (i) amendments of a "housekeeping" or administrative nature including, without limiting the generality of the foregoing, any amendment for the purpose of curing any ambiguity, error or omission in the Plan or to correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan;
- (ii) amendments necessary to comply with the provisions of applicable law (including, without limitation, the rules, regulations and policies of the TSX, paragraph (d) to Regulation 6801 of the ITA and Section 409A of the IRC and related authority);
- (iii) amendments respecting administration of the Plan;
- (iv) any amendment to add or modify the vesting or redemption provisions of the Plan or any Deferred Share Unit;
- (v) any amendment to the definition of "Participant" or otherwise relating to the eligibility of any Participant;
- (vi) any amendment to facilitate the participation in the Plan by, and the granting of Deferred Share Units to, Directors who are subject to the laws of countries other than those of Canada, which grants may have terms and conditions that differ from the terms thereof as provided elsewhere in the Plan for the purpose of complying with foreign laws;
- (vii) amendments necessary to suspend or terminate the Plan; and
- (viii) any other amendment, whether fundamental or otherwise, not requiring shareholder approval under applicable law (including, without limitation, the rules, regulations and policies of the TSX).

Shareholder approval will be required for amendments required to be approved by shareholders under applicable law (including, without limitation, the rules, regulations and policies of the TSX).

- Cessation of the DSU Plan - The DSU Plan will finally cease to operate for all purposes when the last remaining Participant receives payment in respect of all Deferred Share Units recorded in the Participant's Account.

The foregoing is a brief summary only of the key terms of the DSU Plan and is qualified in its entirety by reference to the specific text of the DSU Plan. A complete copy of the DSU Plan is available to any Shareholder upon request in writing to Flint Energy Services Ltd., Attention: Mr. Guy Cocquyt, 700, 300 – 5th Avenue SW, Calgary, Alberta, Canada T2P 3C4 or by emailing Mr. Cocquyt at gcocquyt@flint-energy.com

The DSU Plan has been approved by the Board of Directors. However, ultimate adoption of this DSU Plan by the Corporation will be subject to the receipt of applicable shareholder and regulatory approvals. (A more complete discussion of the benefits to be awarded to each director is set out in the compensation discussion of this Information Circular.)

Shareholders will be asked to consider and approve the DSU Plan and the awards made thereunder for 2008 and 2009.

The text of the resolution to be considered at the Meeting is as follows:

BE IT RESOLVED that:

Subject to all required approvals of the Toronto Stock Exchange, the Deferred Share Unit Plan of the Corporation be and is hereby approved;

Those awards made under the Deferred Share Unit Plan in 2008 and 2009 be and are hereby approved; and

Any officer of the Corporation be and is hereby authorized to take such actions as such officer considers necessary or advisable to give effect to or implement this resolution. Such determination shall be conclusively evidenced by the taking of such actions.

The resolution requires approval by a simple majority of the votes cast with respect thereto at the Meeting.

Unless otherwise directed, it is the intention of Management to vote proxies given in respect of the Meeting or any adjournment thereof in favour of the foregoing resolution.

Shareholder Approval of the Unallocated Options under the Stock Option Plan

In March 2006, the Corporation's Stock Option Plan administered by the Board of Directors (the "Stock Option Plan"), which provided for the grant of stock options to directors, officers and employees of the Corporation and its subsidiaries, was amended and approved by the Board of Directors to provide that the aggregate number of shares reserved for issuance under the Stock Option Plan be set at a maximum of 12% of the total number of shares in the Corporation issued and outstanding from time to time rather than at a fixed number as the Stock Option Plan formerly provided. The Stock Option Plan, as amended, was submitted to and approved by the Shareholders at the Annual General Meeting on May 10, 2006.

Following are the significant terms of the Stock Option Plan:

- Participants – Directors as well as those executives, officers and employees of the Corporation selected by the Board are eligible to participate in the Stock Option Plan. Although the Stock Option Plan language has not been amended, the Board does not have a present intention to grant awards to Directors under the Stock Option Plan, relying rather on the proposed Deferred Share Unit Plan

referred to above to provide equity based compensation to the Directors of the Corporation;

- Total Number of Securities Issued or Issuable under the Stock Option Plan - The maximum number of options which may be reserved for issuance under the Stock Option Plan, together with all options then issued and outstanding, whether vested or unvested, is 12% of the Shares of the Corporation issued and outstanding at any time. As the number of outstanding options is reduced, either through expiry or exercise of the grant of options, there is a corresponding increase in the number of unallocated options reserved for issuance. The following table sets out the number of options currently outstanding together with the options remaining available under the Stock Option Plan stated in absolute numbers and as a percentage of Shares issued and outstanding:

Table 4

Shares outstanding	46,125,214	100.0%
Shares reserved for issuance at 12% (Per 4(b) of the Stock Option Plan)	5,535,025	12.0%
Less: Options outstanding at March 18, 2009	(3,017,044)	(6.5%)
Remaining Shares presently reserved for issuance	2,517,981	5.5%

- The Option Exercise Price - The exercise price of an Option grant is fixed by the Board at the time the option is granted and in no event shall the exercise price be less than the market price at the date of the grant;
- The Term of the Options - No option shall be exercisable more than 5 years after the date of the grant unless specifically provided by the Board, and in any event, no option is exercisable more than 10 years after the date of the grant;
- Limits on the Options Available to a Single Stock Option Plan Participant - The aggregate number of shares issued to any single Participant in the Stock Option Plan shall not exceed either 5 percent of the total number of shares issued and outstanding in the Corporation or 25 percent of the shares reserved for issuance to all participants in the Stock Option Plan;
- Limits on the Options Available to Insiders - The aggregate number of shares issued to insiders within any one year period under all security based compensation arrangements of the Corporation shall not exceed 10 percent of the total number of shares issued and outstanding in the Corporation;
- Termination of Rights to Unvested Options under an Award of Options - Unvested options expire immediately upon the Participant, to whom a grant of options is made, ceasing to be a director, officer or employee of the Corporation (or subsidiary of the Corporation) for any reason other than death, permanent disability or normal retirement;

- Termination of Rights to Vested Options under an Award of Options - Vested options expire on the earlier of the option period and the 90th day following the date the Participant ceases to be a director, officer or employee of the Corporation (or subsidiary of the Corporation);
- Assignability of Option Rights – Except transfers to the legal representative of a deceased participant or the personal representative of a participant permanently disabled as a result of mental incapacity, options granted under the Stock Option Plan are not assignable;
- Financial Assistance – The Corporation does not provide financial assistance to any participant to facilitate the purchase any Shares under the Stock Option Plan; and
- Amendments to the Stock Option Plan – The Stock Option Plan reserves to the Board the broadest powers permitted by the Rules of the Toronto Stock Exchange (as such Rules may be amended from time to time) to suspend, terminate, amend, revise or repeal any terms of this Plan, or add any new terms to this Plan (any such change, an "amendment"), that do not specifically require shareholder approval pursuant to the rules of the TSX or any other stock exchange or exchanges on which the Shares are listed. Such amendments by the Board may include, without limiting the generality of the foregoing:
 - (i) any amendment to the vesting provisions of the Plan or any Option;
 - (ii) any amendment to the termination provisions of the Plan or any Option;
 - (iii) any amendment to the definition of "Participant" or otherwise relating to the eligibility of any Participant;
 - (iv) the reduction of the exercise price of an Option or the extension of the term of an Option, in each case other than an Option held by an Insider;
 - (v) the addition of any form of financial assistance by the Corporation for the acquisition by all or certain categories of Participants of Shares under the Plan and the subsequent amendment of any such provision, including without limitation any such amendment more favourable to any such Participants;
 - (vi) the addition of a cashless exercise feature, payable in cash or securities, whether such feature provides for a full deduction of the number of underlying securities from the Plan reserve or otherwise;
 - (vii) any deferred or restricted share unit feature or any other provision which results in Participants receiving securities without payment of cash consideration to the Corporation; or

(viii) any other amendment, whether fundamental or otherwise;

provided, however, that no such amendment shall adversely alter the terms of any Options or other awards theretofore granted under this Plan and any such amendment shall be subject to the rules and approval, if required, of the TSX or any other stock exchange or exchanges on which the Shares are listed.

The foregoing is a brief summary only of the key terms of the Stock Option Plan and is qualified in its entirety by reference to the specific text of the Stock Option Plan as amended and restated. A complete copy of the Amended and Restated Stock Option Plan is available to any Shareholder upon request in writing to Flint Energy Services Ltd., Attention: Mr. Guy Cocquyt, 700, 300 – 5th Avenue SW, Calgary, Alberta, Canada T2P 3C4 or by emailing Mr. Cocquyt at gcocquyt@flint-energy.com.

The Board believes that the ability of the Corporation to grant options is an essential component in an overall compensation plan which better enables the Corporation to recruit, incentivize and retain key employees and to better align the interests of the officers, directors and key employees with the interests of the Corporation and its Shareholders.

Pursuant to the rules of the Toronto Stock Exchange, as the Stock Option Plan does not reserve a fixed number of shares for allocation under the Plan, any unallocated options, rights or obligations under the Stock Option Plan must be approved by the majority of the Directors of the Corporation and by the Shareholders by way of a meeting duly called by the third anniversary date of the last approval by the Shareholders. The Board considered the Stock Option Plan at a meeting of the Board on March 10, 2009, and has approved the unallocated options under the Stock Option Plan, permitting the Corporation to grant options under the Stock Option Plan up to those limits set out in the Stock Option Plan, being 12 percent of the Shares in the Corporation issued and outstanding from time to time, to continue to May 11, 2012.

Shareholders will be asked to consider and approve the unallocated options under the Stock Option Plan to continue to May 11, 2012. If the Shareholders do not approve the unallocated options under the Stock Option Plan, all options granted up to and including May 10, 2009 will remain valid and unaffected by such failure. However, any options granted to that date which lapse or are cancelled would not be available to be re-granted. Beyond May 10, 2009 the Corporation would not be able to make any other grants of options in furtherance of the objectives to attract, retain and incentivize key officers and employees of the Corporation through a Stock Option Plan without the approval sought under this resolution.

The text of the resolution to be considered at the Meeting is as follows:

BE IT RESOLVED that:

Subject to all required approvals of the Toronto Stock Exchange, the unallocated options under the Stock Option Plan of the Corporation up to those limits set out in the Stock Option Plan (being, together with the options then issued and outstanding, 12% of the issued and outstanding

shares of the Corporation from time to time), be and are hereby approved which approval shall be valid for the period up to May 11, 2012.

Any officer of the Corporation be and is hereby authorized to take such actions as such officer considers necessary or advisable to give effect to or implement this resolution. Such determination shall be conclusively evidenced by the taking of such actions.

The resolution requires approval by a simple majority of the votes cast with respect thereto at the Meeting. The effective date of the renewal of the Stock Option Plan, if approved by the Shareholders, will be the date of approval of the Shareholders.

The Board of Directors recommends that the foregoing resolution be approved and that the unallocated options under the Stock Option Plan be renewed for a further three years, to May 11, 2012 in accordance with the rules of the TSX. Unless otherwise directed, it is the intention of Management to vote proxies given in respect of the Meeting or any adjournment thereof in favour of the foregoing resolution.

Appointment of Auditor

KPMG LLP has been the Corporation's auditor since April 9, 1998. In 2008, the auditors were paid a total of \$1,008,612, of which \$945,762 was paid for audit services, \$19,925 for tax advice including tax planning and tax compliance services, and \$23,000 for related accounting services, including, notably, an analysis of the future impacts of the impending transition from Canadian generally accepted accounting principles to International Financial Reporting Standards on future consolidated financial statements of the Corporation.

The Board of Directors recommends that KPMG LLP continue to serve as the auditors of the Corporation.

Unless otherwise directed, it is the intention of Management to vote proxies given in respect of the Meeting or any adjournment thereof in favour of an ordinary resolution to appoint the firm of KPMG LLP, Chartered Accountants, Calgary, Alberta, to serve as auditor of the Corporation until the next annual general meeting of the Shareholders or until their successors are appointed, at a remuneration to be fixed by the Board.

Other Matters

Management knows of no amendment or variation of any matter referred to in the Notice of Meeting or any other matter to come before the Meeting. However, if any such amendment, variation or other matter properly comes before the Meeting, the accompanying proxy will be voted on such matter in accordance with the best judgment of the person or persons voting the proxy.

Statement of Executive Compensation

Summary Executive Compensation Table

The following table contains information on compensation earned by the Named Executive Officers (“NEO”) of the Corporation in connection with their employment by the Corporation in the year ending December 31, 2008. The Corporation’s NEOs include: W.J. (Bill) Lingard, the Chief Executive Officer (“CEO”), Paul M. Boechler, the Chief Financial Officer (“CFO”), Wayne Shaw, Senior Vice-President, Infrastructure Services, Keith Lambert, Senior Vice President, Production Services and Bryce Satter, President, Flint Energy Services Inc. (the Corporation’s largest U.S. subsidiary).

Table 5

Name and Principal Position	Year	Salary (\$)	Option-Based Awards (\$) (2008) ¹	Non-Equity Incentive Plan Compensation (\$)			Total Compensation (\$) ⁶
				Annual Incentive Plans CIP (2008) ²	Long Term Incentive Plans		
					KMI ³	Pension Value (\$) ⁴	
W. J. (Bill) Lingard, <i>CEO and President</i>	2008	\$480,000	\$227,000	\$236,520	nil	\$21,000	\$964,520
Paul M. Boechler, <i>CFO</i>	2008	\$310,000	\$181,600	\$122,202	nil	\$15,500	\$629,302
Wayne Shaw, <i>Senior VP, Infrastructure Services</i>	2008	\$300,000	\$113,500	\$132,167	nil	\$15,000	\$560,667
Keith Lambert, <i>Senior VP, Production Services</i>	2008	\$270,000	\$113,500	\$48,329	nil	\$13,500	\$445,329
Bryce Satter, ⁵ <i>President, Flint Energy Services, Inc.</i>	2008	\$246,100	\$113,500	\$190,210	nil	\$12,779	\$562,589

Notes:

- Options reported in Table 5 were options granted in February 2008.
- Annual incentive plan (CIP) reports the amount received in 2009 based upon 2008 performance.
- Long term incentive (KMI) was discontinued at the end of 2007.
- Pension contributions are defined contributions payable by the Corporation for 2008.
- Mr. Satter’s compensation was received in US dollars and the amounts recorded above have been converted into Canadian dollars using: for salary and pension, the Bank of Canada’s average noon rate of \$1.07 for 2008; for option grants, the average rate in February 2008, the grant date, was 1:1. For the CIP payment made in March 2009, the exchange rate is \$1.25.
- The amount of ‘other’ compensation for each of the named officers was less than 10 percent of salary and less than \$50,000, and falls below the reporting threshold in 2008.

Compensation Discussion and Analysis

Composition of the Corporate Compensation Committee

The Corporate Compensation Committee reports to the Board. The members of the Corporate Compensation Committee at the date of this Information Circular are Messrs. Geddes and Annable, with Mr. Swanson serving as Chairman. All of the members of the Corporate Compensation Committee are independent directors.

The Role of the Corporate Compensation Committee

The Corporate Compensation Committee (“Compensation Committee”) of the Corporation has the responsibility of developing the approach in which the Board establishes and implements the compensation strategy for the executives of the organization. The Compensation Committee reviews and recommends remuneration strategies for the executives, with emphasis on senior officers and members of the Board. In particular, the Compensation Committee focuses on establishing the Corporation’s goals and objectives relevant to the compensation of the Chief Executive Officer (CEO). The Compensation Committee provides assistance to the Board, where appropriate, in establishing the annual compensation of the CEO including base salary, bonus, incentive and equity compensation. The Compensation Committee also reviews annually and makes recommendations to the Board as to the form and amount of the Directors’ compensation. The Compensation Committee reviews annually, approves and/or revises, as necessary, all benefits and perquisites, employment agreements, severance arrangements and change of control arrangements and provisions for the CEO and other senior executives of the Corporation. The Compensation Committee is also responsible for reviewing and recommending for Board approval, as required, all public or regulatory disclosures respecting compensation and the basis on which performance is measured in respect of compliance with applicable legislation, regulatory and/or stock exchange requirements or guidelines.

Executive Compensation Philosophy and Strategy

The Corporation is committed to providing all executives with a competitive total rewards package that is reflective of current market trends. Base pay is set at the median, 50th percentile, of comparable positions from relevant labour markets in which the Corporation draws its executives. Executive level compensation packages are therefore competitive with similar companies and support the goal of attracting and retaining a highly qualified leadership team.

Executive Compensation Objectives

The Corporation supports the following compensation objectives for its executives:

- Provide a structure that will attract, retain and motivate executives of the highest caliber;
- Provide compensation which is fair, attractive and competitive with those of other corporations of comparable size, nature and complexity;

- Through the Corporate Incentive Plan, pay the NEO based on performance as outlined in the organization's strategic plan; and
- Support individual growth and development.

Elements of Executive Compensation

In 2008, the various components of executive compensation included: base pay (salary) with annual merit increases; equity based pay (stock option awards); annual incentive plan (bonus); a long term incentive plan, and a defined contribution Pension Plan. The NEO's compensation package provides a balanced set of some or all of these elements designed to deliver the objectives of the compensation philosophy. The fixed elements, salary, perquisites and pension plan, along with, in some cases, written employment contracts, provide a competitive base of secure compensation necessary to attract and retain executive talent. The variable elements, bonus and long-term incentive, are designed to balance short-term gains with the long-term interests of the Corporation and motivate the superior performance of both. The long-term incentive plan also aligns NEOs with shareholders and helps retain executive talent. The combination of the fixed elements and the variable incentive opportunities delivers a competitive compensation package as compared to the comparator group.

The Board considers the following to be included within the Corporation's peer group:

- Trinidad Energy Services Income Trust
- Trican Well Service Ltd.
- Ensign Energy Services Inc.
- Calfrac Well Services Ltd.
- Mullen Group Income Fund
- North American Energy Partners Inc.
- Precision Drilling Trust
- Savanna Energy Services Corp.

The Corporation participates in and has access to compensation surveys for the petroleum services industry through the Petroleum Services Association of Canada.

In addition to reviewing compensation surveys available through industry associations, leading up to the Corporation's 2008 financial year, the Corporation solicited comments from Hewitt Associates on the Corporation's compensation policies and practices. Following the review of market conditions and surveys of other incentive compensation programs in the Corporation's industry and in light of the comments received from Hewitt Associates, the Corporation made a number of changes to the executive compensation strategy for 2008. The following discussion of the compensation strategy in 2007 is offered as background to the discussion of the Corporation's compensation strategy for 2008.

Changes in Executive Compensation from 2007

The most significant structural change in the executive compensation strategy at the end of 2007 was the elimination of the Key Management Incentive (KMI) Plan. While eliminated at the end of 2007, information concerning the operation of the KMI Plan is

provided for a better understanding of the one time significant increases to base salary for certain employees in 2008.

The KMI Plan was established in 2005 to advance the interests of the Corporation by acting as a retention bonus for key management personnel during a period of relatively tight labour supply. Recognizing that base salaries for senior corporate management had been set at the 50th percentile for the industry, this plan was designed to supplement the base salary of selected managers and executives to encourage each manager and executive participating in the KMI Plan to remain associated with the Corporation over a longer term.

In administering the KMI Plan, the Compensation Committee selected key managers and executives of the Corporation to participate in the KMI Plan and determined the maximum amount of entitlement as well as other terms, conditions, and limitations applicable to each participant. Each of the NEOs participated in the KMI Plan.

Each KMI Plan agreement covered a two-year calendar term and specified a salary supplement to be paid in arrears over the term of the two year agreement. Mr. Lingard was eligible to receive \$160,000 paid over two years, Messrs. Boechler, Shaw and Lambert were eligible to receive \$100,000 paid over two years. Mr. Satter was eligible to receive \$60,000 paid over the two years of the plan. The initial KMI Plan payments were made quarterly during the first year at 12.5 percent of the total, resulting in the payment of 50 percent of the annual award in the first year. The remaining 50 percent of the award was payable at the end of the second year.

Hewitt Associates were of the view that the KMI Plan did not well serve the stated objectives of the plan, that is to retain key executives and employees over a longer term. The Board elected to terminate the KMI plan effective as of December 31, 2007. In 2008 each of the NEOs received the final 50 percent of the 2007 KMI award. The amounts paid to each of the NEOs under the KMI, although paid in 2008, relate back to the KMI for 2007, and reflect the transition from the former KMI Plan to the adjusted Base Salaries discussed below.

In 2007, bonus awards payable to the CEO and CFO were set based upon the Corporation achieving a predetermined earnings per share target, the Corporation achieving specific reductions in working capital and other subjective goals established by the Board throughout the 2007 financial year. To achieve the full amount of their annual CIP bonuses, the CEO and CFO would have to reach 110 percent of the EPS target and 100 percent of the targeted reductions in working capital target. For 2007, the CEO, who was eligible for a maximum bonus of \$400,000, was paid a CIP bonus of \$100,000 in 2008, or 25 percent of the maximum bonus award, having partially achieved the financial objectives and certain of the specific additional objectives assigned by the Board to him in 2007. However, the Corporation having failed to achieve the earnings per share targets for 2007, no portion of the possible bonus linked to these criteria was paid.

The CFO, who was eligible for a maximum bonus of \$200,000, relating to 2007 employment received the full \$200,000 for 2007. The CFO received the full payment for achieving the working capital objectives set by the Board and those various other additional tasks assigned specifically to him throughout the year relating to financial and accounting issues which arose from the rapid growth in Flint over the years prior to the

appointment of Mr. Boechler to the position of CFO. The Board determined that in light of the CFO's accomplishments resolving the legacy finance and accounting issues, it was appropriate that the CFO receive his full bonus for the year even though certain of the other measurable objectives (e.g. earnings per share measures) were not fully achieved.

For the other three NEOs, the primary performance measurement was EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization)¹, with annual divisional EBITDA targets established for each other NEO by the Board together with other financial and personal targets. In 2007, the primary target was based 70 percent upon divisional EBITDA, 15 percent corporate EBITDA and 15 percent personal targets. To achieve the full bonus payout of 80 percent of salary, the other named officers would have had to achieve 110 percent of their divisional EBITDA targets and 100 percent of corporate and personal goals. Mr. Shaw who was eligible for a maximum CIP bonus of \$200,000, received \$150,000 for partially achieving divisional EBITDA and personal goals for 2007. Mr. Lambert who was eligible for a maximum bonus of \$160,000 received \$100,000 for partially achieving divisional EBITDA and personal goals in 2007. Mr. Satter who was eligible for a maximum bonus of \$160,500, received a \$150,000 bonus for substantially achieving divisional EBITDA and personal goals in 2007. The personal goals for each of Mr. Shaw, Mr. Lambert and Mr. Satter included achieving working capital reductions and workplace safety statistics in each of their business segments, together with maintaining a high level of personal participation in the workplace safety program.

Notes

1. For the purposes of the Corporation's CIP certain items beyond the influence and control of the plan participants, such as head office expenses, were excluded from the EBITDA calculation.

Base Pay for 2008 (Salary)

Compensation trends are reviewed by the Compensation Committee throughout the year and the findings are used to set base rates for all executive positions with the objective of being competitive amongst the Corporation's peer group. While the Compensation Committee analyzes the market and makes recommendations, the Board ultimately determines the appropriate base pay for each executive.

Along with base pay, the Compensation Committee reviews annually and recommends to the Board merit increases for all executive officers and employees with an annual salary of \$200,000 or greater. The Committee reviews industry trends, salary surveys, and cost of living changes such as Consumer Price Index (CPI). While the Compensation Committee analyzes the market and makes recommendations, the Board ultimately determines the appropriate merit increase in base pay each NEO shall receive.

In making decisions with respect to Base Pay, the Compensation Committee seeks to provide a competitive, stable and secure income necessary to attract and retain qualified employees.

At the end of 2007, the Corporation's KMI, an important component of the Corporation's overall compensation strategy for key management and executives (which includes the NEOs), was eliminated. (A more complete discussion is set out above in the discussion of NEO compensation for 2007.) As a result, the Compensation Committee

recommended, and the Board approved, adjustments to the base salary for 2008 which included adding an amount, up to the equivalent amount which would have been paid under the former KMI Plan, to the base salaries for all former participants in the KMI Plan, together with, in the case of certain individuals, smaller incremental adjustments to base pay to reflect added responsibilities assigned to these individuals. (This larger one time adjustment to the base salary was also made to the base salaries of a wider range of senior and middle managers who had been participants in the KMI program.)

The following table sets out the changes to base salary as a result of the KMI program adjustment and other changes to base pay in 2008:

Table 6

Named Executive Officer	2007 Base Salary	2007 KMI Replacement Added to Base Pay	2008 Base Pay Adjustment	2008 Base Pay
W.J. (Bill) Lingard	\$400,000	\$80,000	nil	\$480,000
Paul M. Boechler	\$250,000	\$50,000	\$10,000	\$310,000
Wayne Shaw	\$250,000	\$50,000	Nil	\$300,000
Keith Lambert	\$200,000	\$50,000	\$20,000	\$270,000
Bryce Satter	\$200,625	\$42,800	\$2,675	\$246,100

The additional salary adjustments for Mr. Boechler, Mr. Lambert and Mr. Satter reflect an increase in base salary as a result of these individuals taking on enhanced responsibilities in new roles. Mr. Satter's base salary has been converted to Canadian dollars using an average exchange rate for 2007 and 2008 of \$1.07 Canadian dollars for each US dollar.

Variable (Incentive Pay)

The Compensation Committee reviews and makes recommendations to the Board annually with respect to incentive and equity based compensation plans (collectively, variable pay) that are subject to Board approval. Each NEO participates in short-term and long-term variable incentive plans.

Short-Term Incentive Plan

The objective of the short-term incentive plan (also known as the Corporate Incentive Plan, "the CIP") is to link a portion of key employee's compensation to, and reward key employee's for, performance based on the financial and business objectives of the Corporation.

All CIP criteria and payments are recommended by the Compensation Committee and approved by the Board. The NEOs are eligible to receive annual incentive bonuses based upon achieving specific performance targets composed of pre-set financial measures, along with specific personal goals and objectives.

The specific financial goals for the NEOs vary depending upon the objectives the Board wants the Corporation to achieve in any given year.

As in 2007, the most significant criteria for determining bonus entitlement for the CEO and CFO was achieving certain earnings per share (“EPS”) and, for the three other NEOs, achieving divisional EBITDA targets set by the Board. As for 2007, for each of the NEOs, only 50 percent of the maximum bonus attributable to the EPS or EBITDA performance targets would be paid on achieving the EPS or EBITDA target. The entire bonus component related to EPS or EBITDA would only be paid out if the relevant operations achieved 110% of the EPS or EBITDA target.

In mid 2008, the Board reviewed the bonus criteria and targets to measure actual performance against these financial targets. At that point it appeared that certain of the business divisions would not achieve the EBITDA targets for the year. In an effort to provide an incentive over the balance of the year, a revised bonus plan was approved by the Board. Bonuses were offered for recovering some portion of the EBITDA shortfall (as measured against the targets set earlier in the year) within the affected divisions over the balance of the year. Bonus payments under the EBITDA recovery plan would be paid in lieu of the original bonus criteria. That is, payments to a participant in the CIP could not be made under both the original EBITDA criteria and the EBITDA recovery plan. The maximum amount available under the EBITDA recovery bonus criteria was one half of the maximum bonus available under the original plan.

In addition to the primary bonus criteria, 15 percent of the CEO’s and CFO’s bonus was dependent upon the reduction of the Corporation’s debt from debt levels determined at December 31, 2007. Each of the other NEOs’ CIPs included a portion of the bonus for reducing the time within which the accounts receivable from their operations were paid (Days Sales Outstanding or “DSO”). It was felt that the interests of the Corporation were better served by reducing the Corporation’s debt and reducing the requirements to borrow to fund the Corporation’s operations.

In 2008, the maximum amount of the CIP award available for NEOs ranged from a maximum of 100 percent of base salary for the CEO, and up to 80 percent of base salary for each of the CFO and the other NEOs. (Mr. Satter’s base salary is US\$230,000. All discussion of Mr. Satter’s bonus participation in this section is stated in US dollars.)

For the CEO and CFO, the EPS target for 2008 was set at \$1.57. As for the EBITDA target, achieving the EPS target only entitled the CEO and CFO to 50 percent of this bonus component. Again, the entire bonus associated with this component would only be paid if a “stretch” target of 110 percent of the target were achieved. With respect to the debt reduction component, the entire bonus would pay out if the overall corporate debt were reduced by \$75,000,000

The weighting of the CIP bonus goals for 2008 were set by the Board for the CEO and CFO at 85 percent for the EPS criteria and 15 percent for the debt reduction criteria. Over the course of the 2008 however, a number of events occurred which made a simple mathematical calculation of the CEO’s and CFO’s bonus inappropriate. These events included the write down of the goodwill included in the Corporation’s financial statements and the use of corporate funds to repurchase Shares of the Corporation under the normal course issuer bid as opposed to paying down corporate debt. After considering the impact of these extraordinary items, the Board determined that the CEO’s and CFO’s partial achievements with respect to the EPS criteria merited a bonus payment of 46.5% of the maximum bonus entitlement for this criteria.

With respect to the reduction of the Corporation's overall debt financing, after factoring for amounts spent by the Corporation in support of the Corporation's repurchase of shares under a normal course issuer bid, the Board determined that the CEO and CFO had achieved 65% of this objective.

In 2008, 60 percent of Mr. Shaw's bonus entitlement was based upon the Corporation's Infrastructure group achieving a divisional EBITDA target of \$54,302,000. Of the remaining 40 percent, 30 percent would be awarded for reductions in the DSO to 100. The final 10 percent would be paid upon the Infrastructure group achieving divisional C-Sox compliance targets.

For Mr. Lambert, the 2008 CIP bonus was based 70 percent upon the Production Services group achieving a divisional EBITDA target of \$79,016,000. The balance of Mr. Lambert's bonus entitlement was dependent upon Production Services reducing the DSO to 80.

For Mr. Satter, the 2008 CIP bonus was based 70 percent on achieving an EBITDA target of \$59,541,000 from the Corporation's US operations and 30 percent for reducing the US Production Services group DSO to 70 days and reducing the DSO of the Corporation's US oilfield manufacturing and fabrication operations to 130.

The Infrastructure group fell just short of achieving the EBITDA target (\$53,400,000 as against the target of \$54,302,000) which would entitle Mr. Shaw to 50 percent of the bonus attributable to this factor. As a result Mr. Shaw was paid \$60,167 as against this component of the CIP. The Infrastructure group succeeded in meeting the DSO target and the full bonus for this criteria was paid. No bonus was awarded in connection with the CSOX compliance targets.

The US operations, led by Mr. Satter, exceeded the original EBITDA target for 2008 (\$62,468,000 as against a target of \$59,541,000) and was paid US\$110,768 for this component of his CIP. Part of the US operations met the DSO target entitling Mr. Satter to a portion of this bonus component.

The Production Services Group exceeded the EBITDA under the recovery plan but did not achieve the EBITDA target at which the entire bonus would be paid under either the initial EBITDA or recovery plan targets. This entitled Mr. Lambert to a portion of the reduced bonus. Although Production Services did reduce its DSO, having missed the target, no bonus was paid for this criteria.

The following table sets out the weighted bonus criteria (as revised), achievements as against the targets and the amounts paid for the achievements against the targets:

Table 7

Named Executive Officer	Target		Max Possible Bonus	Bonus Paid
W.J. (Bill) Lingard	EPS Recovery	85%	\$408,000	\$189,720
	Debt Reduction	15%	\$72,000	\$46,800
	Total	100%	\$480,000	\$236,520
Paul M. Boechler	EPS Recovery	85%	\$210,800	\$98,022
	Debt Reduction	15%	\$37,200	\$24,180
	Total	100%	\$248,000	\$122,202
Wayne Shaw	EBITDA	60%	\$144,000	\$60,167
	DSO Target	30%	\$72,000	\$72,000
	CSOX	10%	\$24,000	nil
	Total	100%	\$240,000	\$132,167
Keith Lambert	EBITDA Recovery	70%	\$151,200	\$48,329
	DSO Target	30%	\$64,800	nil
	Total	100%	\$216,000	\$48,329
Bryce Satter ¹	EBITDA	70%	US\$128,800	US\$110,768
	DSO Target	30%	US\$55,200	US\$41,400
	Total	100%	US\$184,000	US\$152,168

Note: 1. Mr. Satter's bonus calculations are stated in US dollars in Table 7. Mr. Satter's total bonus payment has been converted to and stated in Canadian dollars in Table 5 above.

Long-Term Incentive Plans

Stock Option Plan

The objective of the Stock Option Plan which came into effect in May 2006, is to advance the interests of the Corporation by aligning the interests of directors and select officers and key employees through the grant of stock options. The expectation is that a grant of options will increase the proprietary interests of such persons in the Corporation, encourage the grantees to remain associated with and committed to the Corporation for the longer term, and furnish the recipients with an additional incentive in their efforts on behalf of the Corporation.

The Compensation Committee, in consultation with the CEO, (and, in the case of proposed grants in favour of the CEO, in consultation with the Chairman of the Board) establishes and recommends stock option allocations, subject to Board approval, for select officers, directors and employees of the Corporation. Factors considered when deciding if, and how many options should be granted include the Corporation's performance and relative Shareholder return, the value of similar incentive awards to the CEO and other NEOs at comparable businesses, and awards given to the CEO and other NEOs of the Corporation in past years.

The Compensation Committee ensures that Shareholders are given materials to consider and the opportunity to vote at the Annual General Meeting on the creation or renewal of any equity based compensation plans, as required by law, and applicable listing standards. The current Stock Option Plan came into existence in May 2006, and approval of any unallocated options under the Stock Option Plan must be renewed by Shareholders every three years, with the renewal to be voted upon at the annual general

meeting on May 11, 2009. The terms of the Stock Option Plan are discussed in greater detail elsewhere in this Information Circular.

The aggregate number of shares reserved for issuance shall be fixed at a maximum of 12% of the total number of issued and outstanding shares. The prescribed maximum percentage may be subsequently increased to any other specified amount, provided the change is authorized by a vote of the Board and is otherwise effected in accordance with the listing standards.

Option Based Awards for 2008

Under the Stock Option Plan, the five NEOs received grants of stock options in 2008 as recommended by the Compensation Committee and approved by the Board in February of 2008. The intention of the Stock Option Plan is to better align the interests of the NEO with those of the Shareholders by providing an opportunity to the NEO to participate in the ownership of the Corporation and to assume some of the risks and rewards of ownership.

Having regard for the Corporation's performance and relative shareholder return, the value of similar incentive awards to the CEOs and other executive officers at comparable businesses, and awards given to the CEO and other executive officers of the Corporation in past years, the NEOs were awarded option grants in 2008 as follows, the values for which are reported in Table 5 under Option-Based Awards:

Table 8

Named Executive Officer	Number of Options Granted in 2008	Option Exercise Price	Black-Scholes Valuation	Value of Options Reported in Table 5
W.J. (Bill) Lingard	50,000	\$16.53	\$4.54	\$227,000
Paul M. Boechler	40,000	\$16.53	\$4.54	\$181,600
Wayne Shaw	25,000	\$16.53	\$4.54	\$113,500
Keith Lambert	25,000	\$16.53	\$4.54	\$113,500
Bryce Satter	25,000	\$16.53	\$4.54	\$113,500

The value of option-based awards reported in Table 5 was calculated using the Black-Scholes model which at the date of the grant was calculated at \$4.54 per option granted.

The option price for awards was based upon the average trading price in Flint securities for the five trading days immediately prior to the option grants on February 11, 2008. The average price established these 2008 option grants was \$16.53. The 2008 option grants vest one third after each year from the date of the grant, and will expire on February 13, 2013.

Incentive Plan Awards – Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth the details of all awards outstanding for the NEOs during the financial year ended December 31, 2008. Each grant of options has a life of 5 years from the date of the grant and vests in equal installments on the first, second and third anniversary dates of the grants. Any grant of options included in the following table having an expiration date prior to 2013 reflects grants which were made prior to 2008.

Table 9

Named Executive Officer	Number of Securities underlying unexercised options	Option Exercise Price	Option Expiration Date	Value of unexercised in-the-money options
W. J. (Bill) Lingard	50,000	\$ 11.50	17-Jan-10	0
	6,666	\$ 12.50	08-Mar-10	0
	100,000	\$ 24.25	27-Feb-11	0
	85,000	\$ 27.20	15-Feb-12	0
	50,000	\$ 16.53	11-Feb-13	0
Paul M. Boechler	40,000	\$ 11.57	24-Feb-09	0
	40,000	\$ 12.50	8-Mar-10	0
	80,000	\$ 24.25	27-Feb-11	0
	40,000	\$ 27.20	15-Feb-12	0
	40,000	\$ 16.53	11-Feb-13	0
Wayne Shaw	90,000	\$ 24.25	27-Feb-11	0
	40,000	\$ 27.20	15-Feb-12	0
	25,000	\$ 16.53	11-Feb-13	0
Keith Lambert	2,666	\$ 12.50	8-Mar-10	0
	20,000	\$ 24.25	27-Feb-11	0
	40,000	\$ 27.20	15-Feb-12	0
	25,000	\$ 16.53	11-Feb-13	0
Bryce Satter	4,000	\$ 12.50	8-Mar-10	0
	8,000	\$ 24.25	27-Feb-11	0
	20,000	\$ 27.20	15-Feb-12	0
	25,000	\$ 16.53	11-Feb-13	0

On December 31, 2008, the market price for shares in the Corporation was \$7.04. None of the options granted to the NEOs which had not vested by December 31, 2008 were "in-the-money".

In March, 2009, Mr. Lingard received a grant of a further 150,000 options, Mr. Boechler a further grant of 130,000 options and each of Messrs. Shaw, Lambert and Satter 90,000 options. These options relate to the compensation for these individuals for 2009 and are not included in the tables of this Information Circular.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the details of all awards vested or earned for the NEOs during the financial year ended December 31, 2008:

Table 10

Named Executive Officer	Option-Based Awards – Value Vested During The Year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During The Year (\$)
W. J. (Bill) Lingard	\$ (257,546.97)	\$236,520
	\$ (145,336.24)	
	\$ 35,529.00	
	\$ 341,500.00	
Paul M. Boechler	\$ (121,196.97)	\$122,202
	\$ (116,263.76)	
	\$ 71,065.00	
Keith Lambert	\$ (121,196.97)	\$48,329
	\$ (29,063.76)	
	\$ 7,105.00	
Wayne Shaw	\$ (121,196.97)	\$132,167
	\$ (130,800.00)	
	\$ 71,065.00	
Bryce Satter	\$ (60,593.94)	\$152,168
	\$ (11,623.76)	
	\$ 7,105.00	

All of the options which vested in 2008 vested on the anniversary dates of option grants from earlier years. Typically options are granted earlier in the year when the NEO's total compensation is being settled for that year. In 2008, if an option vested during a trading blackout period, the Corporation did not permit the exercise of the option until the first day on which insiders were permitted to trade under the Corporation's insider trading policy. The closing price on March 25, 2008 (being the first day insiders were permitted to trade in 2008) was \$17.83. The value of the options vesting in the money in 2008 have been calculated at that price on March 25, 2008.

As noted above, grants of options under the Corporation's Stock Option Plan vest in three equal installments on the first, second and third anniversary dates of the original grant. The "value vested" calculation in Table 10 reflects the value of the installment vesting in 2008 (whether or not the grant of options was exercised) and does not include any installments which might have vested in earlier years but which, as of 2008, had not been exercised.

Although certain of the options vesting in 2008 were "in-the-money" early in 2008 when they vested on the anniversary date of the earlier grants, with the general decline in stock markets later in 2008, no options which had vested but had not then been exercised, remained in the money by year end.

Pension Plan Benefits

The Corporation does not provide any defined benefit pension plans.

Defined Contribution Plans

The named executive officers participate in a defined contribution plan on the same basis as other salaried employees. The plan is designed to financially assist the employee in providing for retirement.

The Corporation contributes an amount equal to 5 percent of each Canadian based, salaried employee's (including each of the Canadian based NEOs) base salary to a Defined Contribution Registered Pension Plan (the "RPP") for the sole benefit of that employee. Contributions to the RPP for each Canadian based NEO (as for all of the Canadian based salaried employees) is subject to the annual maximum RPP contribution limit (\$21,000 in 2008) set out in the Income Tax Act. Employees are not required to make a matching contribution under the RPP. Enrollment in the plan begins upon commencement of employment and contributions vest after two years of continuous service with the Corporation. Funds are paid by the Corporation to the third party RPP administrator ("Standard Life") and are invested by Standard Life on behalf of the employee from within a broad range of investment options based on the instructions of each individual employee. Apart from the annual contributions, any growth in an individual's RPP is dependent upon the investment decisions made by that individual. The Corporation makes no investment decisions on behalf of the employee and has no obligations under the RPP other than in each year to remit the defined contributions into each employee's RPP (including each Canadian based NEO's RPP) on that individual's behalf.

The United States based NEO, in this case, Bryce Satter, is enrolled in a 401K plan (the "401K Plan") administered for the Corporation by the Bank of Oklahoma in Tulsa, Oklahoma. (As for the RPP in Canada, the 401K Plan is available generally to the United States based salaried employees and is not a benefit available solely to the United States based NEO.) The 401K Plan provides for the Corporation to match 100 percent of the participant's contribution up to the first 3 percent of the annual salary contributed, and 25 percent of any additional contributions from 3 percent to 6 percent of annual salary. The maximum employer matched contribution under the plan is equal to 3.75 percent of annual salary. Eligibility is based upon the participant making contributions to the plan and being an active employee on the last day of the plan quarter. The plan limits in 2008 were a maximum contribution of US\$15,500 plus a one time catch up contribution of US\$5,000. In 2008, Mr. Satter received a Corporation matching contribution of US\$11,943 based upon his contributions under the United States plan rules. As for the RPP, investment decisions in the 401K Plan are made by each individual participant in the 401K Plan for his or her own benefit. The Corporation makes no investment decisions on behalf of the employee and has no obligations under the 401K Plan other than in each year to remit the defined contributions into each employee's 401K Plan (including each Canadian based NEO's RPP) on that individual's behalf.

In making these employer contributions to each of the RPPs in Canada and the 401Ks in the United States, the Corporation seeks to remain competitive with other companies in the Corporation's industry in an effort to attract and retain skilled and qualified employees and officers.

The following table summarizes the pension plans that provide for payments or benefits at or in connection with retirement, for the NEOs of the Corporation during the financial year ended December 31, 2008:

Table 11

Name	Accumulated Value at Start of the Year (\$)	Compensatory (\$)	Non-Compensatory (\$)	Accumulated Value at Year End (\$)
W. J. (Bill) Lingard	\$54,422	\$21,000	\$(16,586)	\$60,815
Paul M. Boechler	\$156,446	\$ 15,000	\$(11,167)	\$160,216
Keith Lambert	\$45,139	\$13,500	\$(8,331)	\$50,017
Wayne Shaw	\$ 96,214	\$15,000	\$(23,475)	\$87,532
Bryce Satter	\$276,889	\$14,547	\$(64,373)	\$227,063

Mr. Satter's pension values are restated in Canadian Dollar values based upon the Bank of Canada's closing exchange rate on December 31, 2008 of \$1.218.

The column "Accumulated Value at Start of the Year" reflects the value of the original contributions since the date the NEO first became entitled to such contributions following his original date of hire (in the case of Mr. Satter, for example approximately 22 years of both the Corporation's and his matching contributions) together with any growth on such investments as was earned based on each NEO's instructions on the investment of such contributions. The column entitled "Non-Compensatory" reflects exclusively the growth (loss) in the RPP (401K Plan) over the past year on the investments selected by the NEO.

Termination

The Corporation believes that employment contracts alleviate personal uncertainty and provide fair treatment in the event of termination or a change in role. In exchange, executives commit to continuing terms related to non-competition and confidentiality. The terms of the Named Executive Officers' contracts are based on competitive practices.

Each of Messrs. Lingard, Boechler and Shaw has entered into a written contract of employment which provides for payments to the executive in the event of termination of his contract of employment without just cause. (In each case "just cause" is determined by reference to common law principles or applicable statute, if any.) If either Mr. Lingard's or Mr. Shaw's contract of employment is terminated by the Corporation without just cause, the dismissed executive would be entitled to receive 200 percent of his base salary (as determined in the year of his dismissal) together with a bonus equal to the bonus paid in the two years immediately preceding the year in which his contract is terminated. If Mr. Boechler's contract is terminated without just cause, Mr. Boechler would be entitled to receive 100 percent of his base salary (as determined in the year of his dismissal) together with 100 percent of his average annual bonus calculated based on the bonus paid in the two years preceding the year in which he was dismissed.

In all cases the employment contracts provide that the dismissed NEO would be entitled to receive all salary, bonus and benefits earned up to the date of termination.

While the actual amounts payable on termination can only be calculated in the year of termination (and, there being no termination of the employment of the NEO in question, no such amounts were paid in 2008) the following table sets out the amounts each such NEO would have received if his employment had been terminated in 2008 without just cause.

Table 12

Named Executive Officer	Base Salary Component	Annual Bonus Component	Total
W. J. (Bill) Lingard	\$960,000	\$430,000	\$1,390,000
Paul M. Boechler	\$310,000	\$200,000	\$510,000
Wayne Shaw	\$600,000	\$313,200	\$913,200

Messrs. Lingard and Shaw would also be entitled to the continuation of health and dental benefits (or a cash payment equal to the premium costs to the Corporation for such benefits) for 24 months following the termination of his contract of employment without just cause. Mr. Boechler would be entitled to the continuation of health and dental benefits (or a cash payment equal to the premium costs to the Corporation for such benefits) for 12 months following the termination of his contract of employment without just cause.

Each of the written contracts of employment include a “non-competition clause” which prohibits the NEO from engaging (as an employee, officer, director, executive or investor) in any business competitive with any business in which the Corporation was engaged (or in which it was proposed the Corporation be engaged) at the time of termination of the contract of employment, for a period of 12 months following such termination.

The entitlement to payment on termination is, in part, compensation for such non-competition clauses and is considered reasonable as the enforcement of the non-compensation provisions could seriously restrict the ability of a dismissed NEO to earn an income for at least the duration of the non-compete period following termination of his contract of employment.

The rights of Mr. Lambert and Mr. Satter on termination of employment would be determined by statute or common law.

By operation of the Stock Option Plan, all unvested options expire on termination of employment (except as a result of the death or permanent disability of the recipient, or as a result of normal retirement). Vested options which have not been exercised as of the date of termination of employment expire 90 days after termination of employment.

In all cases, in the event of termination of a contract of employment for just cause (as determined by common law), the dismissed executive would not be entitled to any compensation arising out of the termination of his contract of employment.

Change of Control Benefits

The employment contracts of Messrs. Lingard, Boechler and Shaw also include change of control provisions. Change of control will be deemed to have occurred upon the happening, generally, of any of the following:

- (i) the acquisition, by whatever means, of ownership or control of more than 50% of the shares of the Corporation by any person or group of persons acting jointly and in concert;
- (ii) the amalgamation, merger or consolidation of the Corporation with any other entity pursuant to which those persons who are shareholders of the Corporation immediately prior to such transaction, do not own shares of the successor corporation that would entitle them to cast more than 50% of the votes attaching to shares in the capital of the successor corporation;
- (iii) the sale of all or substantially all of the assets of the Corporation; or
- (iv) the approval by Shareholders of the liquidation, dissolution or wind-up of the Corporation.

Following any such change of control and on the occurrence of a Triggering Event within twelve months of the change of control, the NEO is entitled to terminate the contract of employment within twelve months of such change of control and to receive those same payments as the NEO would have received had his employment been terminated without just cause. "Triggering Events" are defined as the failure of the Corporation to continue the employment of the NEO on substantially the same terms and conditions as set out in, or on the Corporation assigning the NEO duties inconsistent with the terms of the written contract of employment following a Change of Control.

The NEO, on the other hand is, by the terms of the written contract of employment, prohibited from terminating his employment with the Corporation when he is notified by the Corporation that there is a proposed change of control of the Corporation. The NEO's rights to terminate the contract of employment are suspended until after the change of control is either abandoned or completed. The Corporation believes that the rights conferred on the NEOs following a change of control are reasonable and necessary compensation to secure the assistance of the NEO to complete any such change of control in an orderly manner for the benefit of all stakeholders in the Corporation and may, in many instances (as the rights are only available on termination of employment), be no more than what such NEO might otherwise be entitled to at common law in the event of a constructive dismissal.

On a change of control, all options granted under the Stock Option Plan, whether vested or unvested, may be exercised by the recipient of the grant from the change of control till the earlier of the last day of the term of the option or for 90 days following the termination of the recipient's employment.

Director Compensation

Prior to the 2008 financial year, the Board commissioned the Corporation's compensation consultants, Hewitt Associates, to conduct a study of directors' compensation to determine if the amount of directors' compensation then paid by the Corporation was in line with compensation paid to directors of other Canadian public companies operating in the Corporation's industry group. It was determined by this study that the Board was being paid significantly less than directors serving on similar boards. In addition, other corporations had recourse to plans, other than stock option plans, to provide an equity component to their directors' compensation. There was a

concern that without adjustment to the directors' compensation (both as to amount and type of compensation), the Corporation would have a difficult time attracting and retaining qualified individuals, knowledgeable in the Corporation's industry, to the Board.

Based on the results of this study and the recommendations of Hewitt Associates, in 2008, the Corporation restructured the compensation payable to the Directors, increasing the cash component of their annual retainer and changing the equity component of the Directors compensation from stock options to a deferred share unit plan (which plan is discussed elsewhere in this Information Circular).

The cash component of the compensation was increased to the amounts set out in Table 13.

The Board felt that a significant component of a director's compensation should be linked to the performance of the Corporation's shares, to better align the interests of the Directors with those of the Shareholders and to allow the Directors to participate with the Shareholders in both the risks and rewards of the Corporation's performance. Accordingly, as recommended by Hewitt Associates, the Board approved a plan which provides Deferred Stock Units (DSUs) for directors of the Corporation. It is intended that the DSU Plan will be the primary means of providing an equity based component to the Directors' compensation. While the Stock Option Plan, as it is worded, would continue to permit a discretionary grant of options to a director, there is no current intention to grant options to Directors under the Stock Option Plan. The DSU Plan has been approved by the Board but still requires Shareholder and regulatory approval. (A more fulsome discussion of the DSU Plan is set out below.)

The following table summarizes the fees and DSU grants which apply to the Directors of the Corporation during the financial year ended December 31, 2008.

Table 13

Non-Executive Chair of the Board <ul style="list-style-type: none"> John Geddes 	Annual retainer ¹	\$100,000	Board met 5 times in 2008
	Annual equity grants ²	\$85,000 in the form of DSUs	
	Meeting fees	\$1,500 per meeting	
Board of Directors <ul style="list-style-type: none"> Stuart O'Connor John Bates Douglas E. Swanson T. D. (Terry) Freeman C. Douglas Annable Philip Lachambre 	Annual retainer	\$25,000	
	Annual equity grants	\$75,000 in the form of DSUs	
	Meeting fees	\$1,500 per meeting	
Chair of Audit Committee <ul style="list-style-type: none"> Stuart O'Connor 	Annual additional retainer	\$7,500	Audit Committee met 10 times in 2008.
	Meeting fees	\$1,500 per meeting	
Audit Committee Composition <ul style="list-style-type: none"> John Bates Philip Lachambre 	Meeting fees	\$1,500 per meeting	
Chair of Governance Committee <ul style="list-style-type: none"> T. D. (Terry) Freeman 	Annual additional retainer	\$5,000	Governance Committee met once during 2008.
	Meeting fees	\$1,500 per meeting	
Governance Committee Composition <ul style="list-style-type: none"> John Geddes Douglas Annable 	Meeting fees	\$1,500 per meeting	
Chair of Compensation Committee <ul style="list-style-type: none"> Douglas E. Swanson 	Annual additional retainer	\$5,000	Compensation Committee met 4 times in 2008.
	Meeting fees	\$1,500 per meeting	
Compensation Committee Composition <ul style="list-style-type: none"> John Geddes C. Douglas Annable 	Meeting fees	\$1,500 per meeting	

Notes: 1. In 2007 the Directors annual cash retainer was set at \$15,000.
2. In 2007, the Directors were provided an equity component of compensation through 10,000 options issued under the Stock Option Plan. No options were issued to Directors in 2008.

Director Compensation Discussion and Analysis

The fees earned by the Directors for Board related activities in 2008 are set out in Table 14 and are based upon the fee schedule in Table 13. Compensation is based on Board positions and committee involvement as well as the number of meetings attended. The following table shows the fees earned by the members of the Board during 2008, as well as awards under the DSU Plan (subject to shareholder approval on May 11, 2009):

Table 14

Name	Fees Earned (\$)	Share-Based Awards (Deferred Share Units) (\$)	Total (\$)
John Geddes, <i>Chairman of the Board</i>	\$118,000	\$85,000	\$203,000
Stuart O'Connor	\$55,000	\$75,000	\$130,000
John Bates	\$47,500	\$75,000	\$122,500
W. J. (Bill) Lingard, <i>President and CEO</i>	nil	nil	nil
Douglas E. Swanson	\$52,500	\$75,000	\$127,000
T. D. (Terry) Freeman	\$39,000	\$75,000	\$114,000
C. Douglas Annable	\$46,000	\$75,000	\$121,000
Philip C. Lachambre ¹	\$31,667	\$52,000	\$83,667

Note: 1. Mr. Lachambre was appointed to the Board on May 12, 2008 and his annual retainer and share-based awards were pro-rated for the seven and one half months served as a board member in 2008.

Deferred Share Unit Plan ("DSU Plan")

On March 18, 2008, the Board, based on the recommendations of the Compensation Committee and Hewitt Associates, set the compensation for individuals acting as directors of the Corporation. As part of this compensation plan, the Corporation established a directors' deferred share unit plan (the "DSU Plan"). It is intended that the DSU Plan will replace the existing Stock Option as the equity based component of Director compensation.

Under the terms of the DSU Plan, that portion of a director's annual remuneration to be paid through units in the DSU Plan is set by the Board at the beginning of the Corporation's fiscal year (or, in the initial year of the plan, at March 18, 2008, subject to any trading blackouts then in effect) or on the date a director joins the Board in that fiscal year. The value at which a unit in the DSU Plan is issued is based upon the weighted average trading price per common share on the Toronto Stock Exchange for the five trading days prior to the date on which a director's compensation and rights to participate in the DSU Plan are set and the units set aside. (As an example, if the average weighted trading price were \$25/share, then a director receiving \$75,000 worth of DSUs would be entitled to 3,000 DSUs.)

The DSU Plan units are earned and accrue to a director over the fiscal year during which the director serves on the Corporation's Board. The value of a DSU fluctuates with the

value of the Shares of the Corporation. Upon the death, retirement or termination of a Director (the "Termination Date") the Corporation has the option to either issue shares to the director from treasury (each unit in the director's DSU account being equal to one common share in the Corporation), or to convert the units in the director's unit to a cash amount equal to the number of units times the fair market value of a common share in the Corporation as at the Termination Date, and to pay such amount to such director or to purchase in the director's name through a brokered transaction, common shares in the Corporation with the proceeds of the DSUs so redeemed.

On March 18, 2008, the DSU Plan was adopted by the Board. However, a trading blackout was then in effect, expiring on March 19, 2008. The value for each unit in the DSU Plan was taken at March 31, 2008, determined by the average trading price of the Corporation's shares for the preceding five trading days, was \$18.46. Based upon this price, Mr. Geddes' DSU grant (if the plan is approved by Shareholders) entitles him to 4,605 units under the plan. All other Board members, with the exception of Mr. Lingard and Mr. Lachambre, will receive 4,063 units under the DSU plan. As of the date of this Information Circular, assuming a fair market price for the Corporation's shares of \$5.80 per share, the DSU grants for Mr. Geddes if redeemed, would be valued at approximately \$26,709.00, and for all other Directors, \$23,565.00.

Mr. Lachambre joined the Board on May 12, 2008. Mr. Lachambre's director's compensation (including his DSU entitlements) was prorated for that portion of the year in which he served as a director. In addition, the share price, on which the price of Mr. Lachambre's 2008 units in the DSU Plan was calculated, was determined on the date he joined the Board, again subject to any trading blackouts then in effect. The trading blackout in May 2008 expired on May 28, 2008. The average weighted trading price over the next five trading days was \$23.42, entitling Mr. Lachambre to 2,220 DSUs for 2008. The total value of Mr. Lachambre's units in the DSU Plan for 2008, if redeemed, at a presumed share price of \$5.80 would be valued at approximately \$12,876.00.

Mr. Lingard, being a member of management of the Corporation, is not paid separate compensation in his role as a director.

The DSU Plan is being presented to the Shareholders for approval at the Meeting.

Stock Option Plan

While under the Stock Option Plan, the Corporation has retained the ability to grant options in the discretion of the Board, to one or more or all of the members of the Board, it is the Board's intention that the grant of DSUs shall be used in lieu of any grants of options to provide equity based compensation to members of the Board. There is no present intention to grant options to members of the Board.

The Corporation has not provided any financial assistance to participants in the exercise of any options to acquire Shares.

Performance Graph

The following graph and accompanying table compare the cumulative total shareholder return for \$100 invested in Shares on December 31, 2003 with the cumulative total shareholder return of the S&P/TSX Composite Index and the TSX Energy Equipment

Services Index (in the case of each such index, assuming reinvestment of dividends) for the period ending on December 31, 2008:

Figure 1

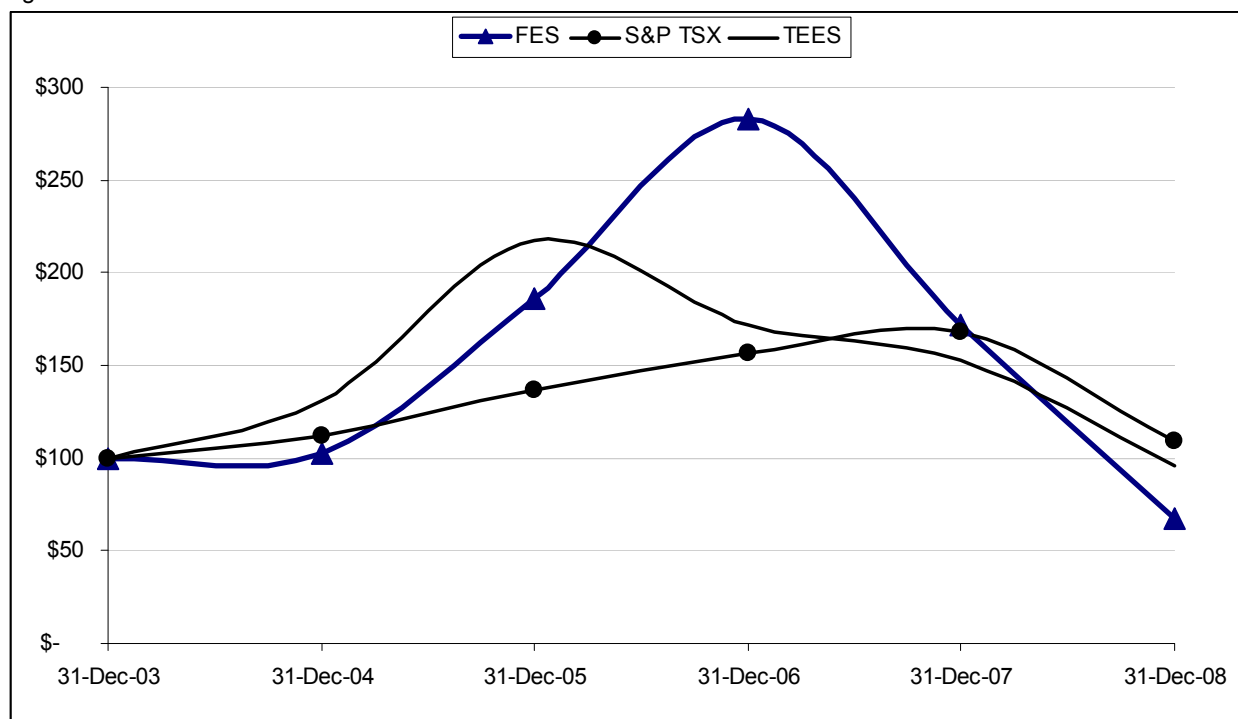


Table 15

Stock/Index	Symbol	December 31, 2003	December 31, 2004	December 31, 2005	December 31, 2006	December 31, 2007	December 31, 2008
Flint Energy Services Ltd.	FES	\$ 100	\$ 102	\$ 186	\$ 283	\$ 172	\$ 67
S&P TSX Composite Index	S&P TSX	\$ 100	\$ 112	\$ 137	\$ 157	\$ 168	\$ 109
TSX Energy Equipment and Services Index	TEES	\$ 100	\$ 131	\$ 217	\$ 172	\$ 153	\$ 96

Securities Authorized for Issuance under Equity Compensation Plans

The Stock Option Plan, which has been approved by Shareholders, is the only equity compensation plan of the Corporation under which Shares are authorized for issuance. (If approved by the Shareholders, the DSU Plan will permit the Corporation to settle compensation payable under that Plan either in Shares issued from treasury or in cash.) The following table indicates, as at December 31, 2008: (i) the total number of Shares to be issued upon exercise of all options outstanding under the Plan and the percentage of all outstanding Shares represented by that number; (ii) the weighted-average exercise price of all options outstanding under the Plan and (iii) the total number of Shares remaining available for future issuance under the Plan (other than Shares to be issued upon exercise of outstanding options) and the percentage of all outstanding Shares represented by that number.

Table 16

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding securities reflected in first column)
Equity compensation plans approved by security holders	2,349,728	\$22.12	3,191,214
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Total	2,349,728	\$22.12	3,191,214

Note: The plan provides for a fixed maximum percentage of Shares reserved under the Plan, whereby the number of Shares under the Plan increases automatically with increases in the total number of Shares outstanding. The fixed percentage is 12% of the total number of Shares outstanding.

For more information refer to *Stock Option Plan* contained in this Information Circular.

Indebtedness of Directors and Executive Officers

Management of the Corporation is not aware of any indebtedness (other than routine indebtedness) of any individual who is, or at any time during the most recently completed financial year of the Corporation was a director or executive officer of the Corporation; any nominee for election as a director of the Corporation (being the same individuals as the current directors); any associate of any such person, to the Corporation or any of its subsidiaries; or of any guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Corporation or any of its subsidiaries to another entity in respect of any indebtedness of any such person, at any time since the commencement of the most recently completed financial year of the Corporation.

Nor is management aware of any other indebtedness (other than routine indebtedness) presently outstanding of any current or former director, executive officer or employee of the Corporation or any of its subsidiaries, to the Corporation or any of its subsidiaries, or of any guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Corporation or any of its subsidiaries to another entity in respect of any indebtedness of any such person.

Interests of Informed Persons in Material Transactions

Management of the Corporation is not aware of any material interest, direct or indirect, of any director or executive officer of the Corporation or any of its subsidiaries, any person or company who beneficially owns, directly or indirectly, or who exercises control or direction over more than 10% of the Shares, any director or executive officer of any such beneficial owner, any nominee for election as a director of the Corporation (being the same individuals as the current directors) or any associate or affiliate of any of the foregoing persons or companies, in any transaction since the commencement of the Corporation's last completed financial year or in any proposed transaction which has

materially affected or would materially affect the Corporation or any of its subsidiaries. Details of related party transactions are contained in the notes to the Corporation's audited financial statements for the year ended December 31, 2008.

Management Contracts

There are no management functions of the Corporation or any of its subsidiaries that are performed to a substantial degree by any person other than by the directors or executive officers of the Corporation or its subsidiaries.

Interests of Certain Persons and Companies in Matters to be Acted Upon

Management of the Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year, any nominee for election as a director of the Corporation at the Meeting or any known associate or affiliate of any of the foregoing persons, in any matter to be acted upon at the Meeting other than the election of directors.

Corporate Governance

General

The Board is responsible for the business affairs of the Corporation and the adoption of long-term goals and strategies. The Board discharges its responsibilities directly and through its committees. At each meeting, the Board receives Management and committee reports on the Corporation's operations and all other developments and issues of current relevance. All material transactions outside the Corporation's ordinary course of business are submitted to the Board for consideration and approval prior to implementation. In developing its approach to corporate governance, the Board and Management of the Corporation believe that sound corporate governance practices are essential to the efficient and effective performance of the Corporation.

Disclosure of Corporate Governance Practices

Details of the Corporation's corporate governance policies and practices and the responsibilities of the Board are addressed below.

The information provided in this Information Circular complies with the disclosure requirements of National Instrument 58-101, *Disclosure of Corporate Governance Practices*, of the Canadian Securities Administrators and includes an analysis of the Corporation's corporate governance practices against the corporate governance guidelines (the "Guidelines") included in National Policy 58-201, *Corporate Governance Guidelines*, of the Canadian Securities Administrators.

The Corporation's approach to corporate governance closely aligns with the Guidelines. The Corporation remains committed to attaining high standards of corporate governance

and reviews its practices and compliance against the Guidelines regularly to ensure that they are appropriate under current circumstances.

Board of Directors

Majority of Independent Directors

The Board currently consists of eight (8) members, six (6) of whom qualify as independent directors. Accordingly, the Board consists of a majority of independent directors. The Guidelines define an "independent director" as a director who has no direct or indirect material relationship with the Corporation, being a relationship that could, in the view of the Board of the Corporation, be reasonably expected to interfere with the exercise of his or her independent judgment.

Messrs. Geddes, O'Connor, Bates, Swanson, Annable and Lachambre are independent directors of the Corporation pursuant to this definition. Mr. Lingard, as President and CEO of the Corporation, and Mr. Freeman, who has within the past three years served as Chief Financial Officer and Corporate Secretary of the Corporation, are non-independent directors. The Board is of the view that this level of representation on the Board is appropriate for the Corporation's circumstances.

If the resolutions proposed in this Information Circular with respect to the election of directors are passed, then following the Meeting, the Board will consist of eight (8) members, six (6) of whom will qualify as independent directors.

The following directors of the Corporation are presently directors of other issuers that are reporting issuers (or the equivalent in a foreign jurisdiction):

Table 17

Name of Director	Names of Other Reporting Issuers
Douglas E. Swanson	Oil States International Inc.
Douglas E. Swanson	Boots & Coots International Well Control Inc.
Philip Lachambre	PowerComm Inc.

C. Douglas Annable, a member of the Board since February 21, 2007, was formerly a member of the board of directors of Birch Mountain Resources Ltd. ("Birch Mountain"), a company carrying on business in Alberta. On or about November 9, 2007, Mr. Annable tendered his resignation from the board of directors of Birch Mountain, which resignation took effect upon delivery of such notice. Birch Mountain issued a press release on or about November 14, 2007 in which it announced Mr. Annable's resignation from the board of directors. Press releases issued by or on behalf of Birch Mountain following Mr. Annable's resignation from the board of directors, indicate that on or about December 24, 2007, Birch Mountain issued a debenture as part of a refinancing of an existing credit facility. Birch Mountain's press releases further reveal that on November 6, 2008, that is, slightly less than one year after Mr. Annable resigned from the board of directors of Birch Mountain, PricewaterhouseCoopers Inc. was appointed the receiver manager of Birch Mountain under the Bankruptcy and Insolvency Act (Canada) following a demand for payment made on November 3, 2008 by the holder of the debenture.

Independent Chair

The Chairman of the Board, Mr. Geddes, is an independent director. As Chairman, Mr. Geddes chairs meetings of the directors and of the Shareholders, manages the affairs of and provides leadership to the Board, provides a link between Management and the Board and between the Board and the Shareholders, monitors that the committees of the Board are working effectively, ensures that the Board's agenda enables it to successfully carry out its duties and monitors whether the Board is receiving timely information of appropriate quality before, during and after Board meetings.

Meetings of Independent Directors

The independent directors do not hold regularly scheduled meetings at which non-independent directors and members of Management are not in attendance. However, the non-management directors (being the independent Directors and Mr. Freeman) hold meetings either or both before and after regular Board meetings in the absence of Mr. Lingard and other members of Management. All Board meetings, including meetings of the non-management Directors, are characterized by a candid and open atmosphere in which the independent directors are encouraged to make the fullest possible contribution to the Board's deliberations. In addition, the independent directors have the discretion to meet or to otherwise confer in the absence of the non-independent directors or members of the Corporation's Management, whenever they believe it is appropriate to do so.

Attendance at Meetings of the Board and Committees

The following table sets out the attendance at formal Board and Committee meetings in 2008:

Table 18

Flint Board of Directors 2009	Audit Committee Meeting	Board Meeting	Compensation Committee Meeting	Corporate Governance Meeting
Doug Swanson	-	6/6	7/7	-
John R. Bates	10/10	6/6	-	-
John Geddes	-	6/6	6/6	1
Stuart O'Connor	10/10	6/6	-	-
Terry Freeman	-	6/6	-	1
Douglas Annable ¹	6/6	6/6	2/2	1
Phil Lachambre ¹	6/6	4/4	-	-

Notes: 1. Mr. Annable served on the Audit Committee as an acting member. With the appointment of Mr. Lachambre to the Board and Audit Committee in May, 2008, Mr. Annable continued to serve on the Audit Committee through July, 2008 at which point he left the committee.

Board Mandate

While the Board has not adopted a written mandate, the Board recognizes and acknowledges that it is responsible for the stewardship of the Corporation and, as part of this overall stewardship responsibility, has ultimate responsibility for corporate governance, including:

- (a) to the extent feasible, satisfying itself as to the integrity of the CEO and other executive officers of the Corporation and that the CEO and other executive officers create a culture of integrity throughout the Corporation;
- (b) adopting a strategic planning process, including approval, on at least an annual basis, of a strategic plan, which takes into account, among other things, the opportunities and risks of the business;
- (c) identifying the principal risks of the Corporation's business and ensuring the implementation of appropriate systems to manage these risks;
- (d) planning the succession of management, including appointing, training and monitoring the performance of senior management;
- (e) adopting a communications policy for the Corporation;
- (f) maintaining the integrity of the Corporation's internal control and management information systems; and
- (g) developing the Corporation's approach to corporate governance, including developing a set of corporate governance principles and guidelines that are specifically applicable to the Corporation.

In addition, the Board also acts in accordance with:

- the *Business Corporations Act* (Alberta);
- the Corporation's articles and bylaws;
- the Corporation's Code of Business Conduct and Ethics;
- the Corporation's Disclosure Policy;
- the Corporation's Whistleblower Policy;
- charters or terms of reference of the committees of the Board;
- other applicable laws; and
- the other policies of the Corporation.

The Board held five formal meetings in 2008 to review business objectives and performance, to assist Management in meeting the Corporation's stated objectives, to review financial statements and to address other issues and opportunities throughout the year as they arose. In addition to the formal meetings of the full Board and committees of the Board, members of the Board were in frequent informal communication with each other on matters of interest or concern to the Corporation.

The Corporation's strategic planning process involves the setting of long-term growth targets and the adoption of strategies to achieve such targets. Senior management

incorporates these objectives into an operating budget and a capital budget for each fiscal year. This plan is submitted to the Board for approval. The Corporation's actual results are measured against the plan on a monthly basis through a regular reporting and review process by Management. A detailed information package is forwarded to the Board prior to meetings, which includes current financial and operating information. Significant modifications to the plan are approved by the Board as required.

The Board is also provided with reports by senior management in respect of the systems used to manage the Corporation's business risks. The Board reviews these reports to determine whether current systems are adequate and have been properly adhered to by Management. All material transactions outside the Corporation's ordinary course of business are submitted to the Board for consideration and approval prior to implementation.

The Board has ultimate responsibility for the succession planning, including appointment, training and monitoring of the Corporation's executive officers. The Corporation has adopted a formal Disclosure Policy, which explicitly deals with, among other things, who is authorized to speak on behalf of the Corporation, the disclosure of material information and developments, maintenance of confidential information, electronic communications and restrictions on director, officer and employee trading. The Corporation formally communicates with its Shareholders through its annual and quarterly reports, media releases and statutory filings. Senior management is available on an ongoing basis to discuss the Corporation's activities and results with its Shareholders and the financial community, and the Board is advised of concerns received from the Shareholders.

The Board has three standing committees being the Audit Committee, the Corporate Governance Committee, and the Compensation Committee and has delegated certain of its responsibilities to such committees.

Audit Committee

The Audit Committee has established direct communication channels with the internal and external auditors to discuss and review specific issues as appropriate and meets with the CFO, internal and external auditors to assess the integrity and effectiveness of internal control and management information systems. It has also established a whistle blowing procedure that allows employees to contact the Audit Committee directly and anonymously. For more information regarding the Audit Committee and its role and responsibilities, refer to "Audit Committee Information" in the Corporation's most recent Annual Information Form, as well as the Audit Committee Charter attached to the Annual Information Form.

Corporate Governance Committee

With respect to the Board's responsibility for developing the Corporation's approach to corporate governance as noted in clause (g) above, the Board has delegated that responsibility, among others, to the Corporate Governance Committee.

The Corporate Governance Committee reports to the Board. The members of the Corporate Governance Committee at the date of the Information Circular are Mr. Freeman (Chair), Mr. Geddes and Mr. Annable. Messrs. Geddes and Annable qualify as

independent directors. Accordingly, the committee consists of a majority of independent directors. Given that the Board has only six (6) independent directors, three (3) of whom must sit on the Audit Committee, and three of whom sit on the Compensation Committee, and the terms of reference of the Corporate Governance Committee require it to have a minimum of three (3) members, and given Mr. Freeman's training, the Board considers the present composition of the Corporate Governance Committee to be the most practicable and effective use of the resources of the Board under the circumstances.

The Corporate Governance Committee has, as its corporate governance mandate, responsibility for developing the approach of the Board in establishing corporate governance guidelines and practices for the Corporation and, from time to time, reviews and makes recommendations to the Board in relation to such matters. Specifically, the Corporate Governance Committee has the authority and responsibility for:

- (a) considering the size and membership needs of the Board and its committees and making recommendations in respect thereof (including recommending nominees) and reviewing from time to time the composition of the Board and its committees and, when considered appropriate, making recommendations to the Board with respect to the composition of the Board and its committees;
- (b) assessing annually the effectiveness of both the Board as a whole and of each of the committees of the Board, and the contribution and performance of individual directors, and reporting to the Board and making such recommendations in that regard as the Corporate Governance Committee may consider appropriate;
- (c) identifying, evaluating and, if appropriate, recommending to the Board:
 - i. appropriate committees of the Board to be established and the terms of reference and mandates for each such committee; and
 - ii. the Chair of each such committee of the Board;
- (d) annually reviewing the terms of reference and mandates of the Board committees and recommending to the Board such amendments to those terms of reference and mandates as the Corporate Governance Committee believes are necessary or desirable;
- (e) reviewing and recommending for approval by the Board the descriptions contained in any public disclosure documents concerning governance matters in respect of compliance with applicable legislation, regulatory and/or stock exchange requirements and guidelines;
- (f) developing and reviewing from time to time an orientation and education program for new members of the Board;
- (g) developing, in consultation with the CEO, a position description for the CEO and the corporate objectives which the CEO is responsible for meeting, and in consultation with the CEO, developing position descriptions for officers, other than that of the CEO, to define their respective goals and responsibilities;

- (h) when necessary, making recommendations to the Board in respect of the recruitment of a new CEO and, in consultation with the CEO, the recruitment of new officers of the Corporation; and
- (i) considering and, if thought appropriate, approving requests from directors or committees of the Board for the engagement of outside advisors from time to time.

Position Descriptions

The Board has ultimate responsibility for the appointment and monitoring of the Corporation's executive officers.

The Board, in conjunction with the CEO, has delineated responsibilities for the Board and developed a written position description for the CEO, which includes a delineation of Management's responsibilities. The Board has approved the corporate objectives, which have been developed through the Corporation's planning process. The objectives have been communicated to the CEO and, through the CEO, to the executive team. The CEO has been charged with the responsibility of leading the Corporation to achieve these objectives.

The Board has not developed written position descriptions for the Chairman of the Board or the Chairmen of the committees of the Board. However, the role and responsibilities of the Chairman of the Board are informed and guided by the factors identified under the heading "Board Mandate" above in this section, and the roles and responsibilities of the Chairmen of the committees of the Board are informed and guided by the charter or terms of reference, as the case may be, of the committee in question.

Orientation and Continuing Education

The Corporate Governance Committee is responsible for the orientation and continuing education of the Board, its committees and individual directors, on an ongoing basis.

Under the direction of the Corporate Governance Committee, all new directors receive a comprehensive orientation upon their election or appointment, which includes an overview of the Corporation's history, corporate structure and principal business activities and assets, the roles and responsibilities of the Board and the committees of the Board and the contributions expected of the directors, including time commitments. Each new director also receives a package containing copies of the Articles and Bylaws of the Corporation, the Disclosure Policy, the Code of Ethics of the Corporation, Whistleblower Policy, and statement of core values referred to in the section below and the charter or terms of reference, as the case may be, of the committees of the Board.

The Corporate Governance Committee provides and supports continuing education opportunities for all directors, both as a group and individually. For example, the Corporate Governance Committee arranges for periodic guest seminars by experts in fields such as legal, insurance, tax, regulatory and risk management to educate the directors on new developments in these areas. The Corporate Governance Committee also encourages directors to pursue individual continuing education through attendance at industry and professional conferences, seminars and courses.

Code of Business Conduct and Ethics

The Corporation has adopted a Code of Business Conduct and Ethics ("Code") applicable to all employees of the Corporation and its subsidiaries. Consistent with the Corporation's commitment to operate with the highest ethical standards, promote integrity and deter wrongdoing, the stated purpose of the Code is to ensure that all employees have a clear understanding of the Corporation's expectations regarding their conduct and decision making in the context of their role with the Corporation and to provide them with a clear understanding of what steps to take in the event that they witness unethical behaviour, or are faced with making a decision that may not be in alignment with the Corporation's core values.

The Code addresses such matters as confidentiality of corporate information, conflicts of interest, dealing with competitors, employees conducting business with the Corporation, use of corporate property, gifts and hospitality, discrimination and harassment and reporting of illegal or unethical behaviour or practices in the conduct of the Corporation's financial affairs and reporting of other concerns.

All new employees are advised of the Code at the time of hiring and all employees are advised of amendments to the Code as they occur. Certain employees are required to acknowledge in writing annually that they have received and read a copy of the Code.

Pursuant to the Code, the Corporation has a "whistleblower" policy and established procedures so that an employee can anonymously report concerns that he or she may have regarding any perceived illegal or unethical behaviour or practices in the conduct of the Corporation's financial affairs. To ensure the highest possible level of integrity and objectivity in investigating such concerns, the Corporation has instituted an independent review process for such reports. The Corporation has established an anonymous toll-free "whistleblower hotline" as well as the ability to send anonymous e-mails directly to the Audit Committee. The e-mail site is managed by an outside third party and can be accessed through a link on the Corporation's corporate intranet and the internet.

A copy of the Code has been filed on SEDAR at www.sedar.com.

In addition to the requirements of the Code, the Board insists that the provisions of the *Business Corporations Act* (Alberta) (the "ABCA") and the Corporation's bylaws be followed with respect to the disclosure of actual or potential material conflicts of interest that may exist in considering contracts and transactions. Except as provided in the ABCA, no director with any such interest may vote on any resolution to approve the contract or transaction in question.

Nomination of Directors

The Corporate Governance Committee is responsible for nominating individuals as directors. The Corporate Governance Committee has written terms of reference that provide, among other things, that the Corporate Governance Committee has the authority and responsibility for considering the size and membership needs of the Board and its committees and making recommendations to the Board in respect thereof, including recommending nominees.

The Corporate Governance Committee works with the Board to determine the competencies and skills the Board considers necessary for the Board as a whole to possess, as well as the range of skills that individual directors should possess. The Corporate Governance Committee then identifies potential Board members from diverse professional and personal backgrounds who combine a broad spectrum of experience and expertise with a reputation for integrity. This assessment includes a consideration of diversity, age, skills, competencies and experience in the context of the needs of the Board, as well as whether the candidate can devote sufficient time and resources to his or her duties as a director. The Corporate Governance Committee makes recommendations to the Board with respect to nominees for election at the next annual meeting of Shareholders or to be appointed by the Board to fill vacancies (whether such vacancies arise as a result of retirement or withdrawal of a Director from the Board, or whether as a result of a determination by the Board that it would be advantageous for the Corporation to increase the size of the Board) between annual meetings of the Shareholders, and approaches nominees to ascertain their willingness to serve as a member of the Board.

Although not all of the members of the Corporate Governance committee are independent directors, the Corporate Governance Committee is able to achieve an objective nomination process through adherence to its terms of reference and the nomination process referred to in the preceding paragraph and through a culture in which all directors, whether independent or non-independent, are encouraged to make the fullest possible contribution to the deliberations and functions of the Board and its committees, in the best interests of the Corporation.

Compensation Committee

Pursuant to its written terms of reference, the Compensation Committee has responsibility for developing the approach of the Board in establishing and implementing appropriate compensation and human resource strategies, policies and practices that will attract, motivate and retain the quality of personnel required to meet the business objectives of the Corporation. Specifically, this includes the authority and responsibility for reviewing and recommending to the Board remuneration strategies for the Corporation, with particular emphasis on the senior officers and members of the Board.

In carrying out these responsibilities, the Compensation Committee annually reviews the adequacy and form of the compensation of the Corporation's directors and officers, including stock option parameters and allocations and other benefits, to ensure that the compensation paid reflects the responsibilities and risk involved in being an effective director or officer. The Compensation Committee establishes and recommends the compensation levels of the directors and the CEO and that of the other senior officers. The recommendations of the Compensation Committee are submitted to the Board for ratification. The Compensation Committee has the authority to engage consultants or compensation specialists and to subscribe to publications in order to provide comparisons and analysis of compensation regimes in the marketplace and to ensure that the Corporation's overall compensation strategies and levels are competitive with those of its industry peer group.

The members of the Compensation Committee at the date of the Information Circular are Messrs. Swanson (Chair), Geddes, and Annable, all of whom are independent directors.

Board, Committee and Director Assessments

Pursuant to its written terms of reference, the Corporate Governance Committee has the authority and responsibility for assessing annually the effectiveness of the Board as a whole, its committees and individual directors, for reporting its findings to the Board and for making such recommendations to the Board in that regard as the Corporate Governance Committee considers appropriate. In this regard, the Chair of the Corporate Governance Committee meets individually with each director at least annually to review the director's performance, both as a member of the Board and as a member of a committee of the Board, as applicable. Each such assessment considers the competencies and skills each individual director is expected to bring to the Board and, in the context of the Board as a whole and the Board committee the director serves on, if applicable, its mandate, charter or terms of reference.

Other Board Committees

The Board has no standing committees other than the Audit Committee, the Corporate Governance Committee and the Compensation Committee. The Board believes that, having regard to its size and composition at this time, the appointment of any other committee would not lead to more effective or responsible decision making.

Additional Information

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Financial information concerning the Corporation is provided in the Corporation's audited financial statements and related Management's Discussion and Analysis ("MD&A") for its most recently completed financial year. These and other documents, as well as additional information relating to the Corporation, may be found on the Corporation's website at www.flintenergy.com

The Corporation will provide to any person or company, upon written request to the investor relations personnel of the Corporation, a copy of the latest Annual Information Form of the Corporation, together with a copy of any document or the pertinent pages of any document incorporated by reference therein, annual financial statements and related MD&A of the Corporation for its most recently completed financial year, interim financial statements and related MD&A of the Corporation for subsequent periods and this document.

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