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MANAGEMENT'S DISCUSSION AND ANALYSIS

AS AT SEPTEMBER 30, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE PERIOD ENDED SEPTEMBER 30, 2014

This management's discussion and analysis ("MD&A") covers the period from July 1, 2014 to September 30, 2014

This MD&A was approved by the Board of Directors on November 26, 2014.

This MD&A presents the view of management on current Company activities and is accompanied by the financial results as at September 30, 2014. It may also provide information on significant events that occurred after September 30, 2014, and provides an overview of the activities planned for the months ahead.

In this MD&A, the reporting currency is the Canadian dollar (C$) and all amounts presented in this MD&A are in Canadian dollars.

1. DATE

The effective date of this MD&A for the quarter ended September 30, 2014 is November 26, 2014.

2. HIGHLIGHTS

- Given the change in government and adoption of a new regulatory framework, work on the Anticosti project, originally scheduled for May 2014, began in July 2014. Since July 2014, 15 survey sites have been prepared on Anticosti Island and five stratigraphic surveys have been completed. Results obtained to date are positive. Following a decision of the Board of Directors of Anticosti Hydrocarbons L.P., in which Pétrolia has a 21.67% interest and of which Pétrolia Anticosti is the operator, work was suspended for the winter. Most of the equipment will remain on the island until the scheduled program and operations resume in spring 2015.

- Closing of a $2.5 million private placement (September 4, 2014 press release).

- The ministère du Développement durable, de l'Environnement et de la Lutte contre les changements climatiques ("MDDELCC") has adopted the *Regulation respecting water withdrawals and water protection* ("RRWWWP"), invalidating the regulation passed by the Town of Gaspé (July 23, 2014 press release).

- Following the adoption of a regulatory framework regarding stratigraphic surveys on Anticosti Island, the CQDE discontinued its claim. This enabled Pétrolia to start the work scheduled in the Pétrolia Anticosti program (July 23, 2014 press release).

On November 19, 2014, Pétrolia entered into a partnership agreement aimed at creating an LNG supply chain for the Côte-Nord region. Provided it obtains the requisite government approvals, TUGLIQ Énergie undertakes to distribute gas produced by Pétrolia using its Bourque licences in Gaspésie. The gaz will be delivered to the Côte-Nord via a seaway-based system. This 15-year agreement allows Pétrolia to develop the Bourque project in Gaspésie. The Gaspésie authorities are backing this project which is located midway between Murdochville and Grande-Vallée. The next stage in developing the resources in the Bourque property involves production tests and the drilling of a third well. TUQLIG will participate in the financing of future Bourque project operations.

- On November 24, 2014, Pétrolia started drilling at Haldimand No. 4, located in the Gaspé region.

3. COMPANY'S INCORPORATION AND MISSION

Incorporated under Part 1A of the Québec *Companies Act* and governed by the provisions of the Québec *Business Corporations Act*, Pétrolia is an oil and gas exploration company. It has been listed on the TSX Venture Exchange since February 16, 2005, under the symbol PEA.

The Company's oil and gas properties are in the exploration stage and the Company's long-term profitability depends in part on the costs and success of the exploration programs and subsequent development. The Company has yet to determine whether its properties contain economically feasible reserves.

The Company is primarily engaged in exploration and development under oil and gas exploration licences. In pursuing its objectives, the Company is required to enter into partnership agreements specific to the oil and gas industry.

4. FORWARD-LOOKING STATEMENTS

Some of the statements made in this MD&A may constitute forward-looking statements. Such statements relate to future events or future economic results anticipated by Pétrolia and are therefore subject to known and unknown risks, uncertainties and other factors which may cause actual results, performance and achievements to differ from those expressed or implied by such statements. The difference from actual events or results could be material. Accordingly, a decision to invest in Pétrolia's shares should at no time be based on these forward-looking statements. Pétrolia disclaims any intention or obligation to update these forward-looking statements.

5. STRATEGIC OBJECTIVES AND PLANS

The Company aims to discover marketable oil resources and put them into production as quickly as possible, with a view to ensuring profitability. The Company pursues this objective while ensuring its operations meet personal safety standards and factor in environmental and social impacts.

Pétrolia achieves this objective by securing promising licences and associating with partners with the necessary technical and financial expertise. The Company drills wells on the basis of scientific expertise and employs leading drilling techniques in accordance with industry best practices. Occupational and community health and safety are key concerns for the Company in the planning and performance of exploration work. Special attention is also paid to local community and business relationships, as well as environmental protection.

Pétrolia is a responsible Québec oil company that strives to produce enough oil to meet a significant portion of Québec demand.

6. TERRITORIES UNDER LICENCE AND PARTNERSHIPS

Pétrolia holds licences for and interests in an area of 16,475.85 square kilometres (“km^2”), amounting to nearly 23% of Québec’s territory under licence. Located in Eastern Québec, these areas are largely known for their oil potential. Pétrolia’s territories under licence also offer the potential of discovering natural gas possibly containing liquid natural gas.

As at September 30, 2014, there were three partnership agreements covering portions of the Company’s territories under licence:

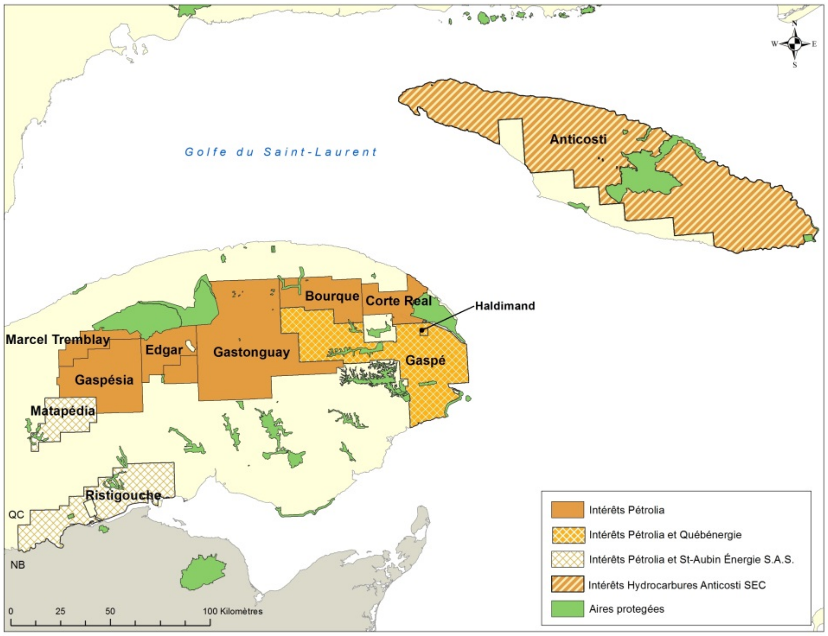
- A partnership agreement in respect of 38 exploration licences (6,195 km^2) on Anticosti Island was entered into on March 31, 2014 between Ressources Québec (35%), Pétrolia Inc. (21.7%), Saint-Aubin E&P (Québec) inc. (21.7%) and Corridor Resources Inc. (21.7%). This limited partnership is named Anticosti Hydrocarbons L.P.

- On the Gaspé licences, Pétrolia and Québénergie each hold a 50% interest in each of the 13 licences, covering a total area of approximately 2,500 km^2.

- On the Baie-des-Chaleurs–Matapédia and Ristigouche licences, Pétrolia and Saint-Aubin Énergie S.A.S. (a subsidiary of Maurel & Prom and Maurel & Prom International) each hold a 50% interest in 13 licences that cover an area of over 1,800 km^2.

- The remaining licence blocks are wholly owned by Pétrolia, except for the Bourque project, in which it holds a 99% interest.

➢ The following map plots the locations of the licences held by Pétrolia and its partners.



7. PROJECTS, WORK PROGRAMS AND OUTLOOK

7.1 Haldimand Project (Gaspé Block)

➢ Discovered in 2006, Haldimand is a conventional deposit located in the York River Formation, which consists of naturally fractured sandstone. An independent assessment by Sproule Associates Limited in 2010 placed the best estimate of the oil-initially-in-place (P50) at 69.7 million barrels and the recoverable (contingent) portion of that volume at 7.7 million barrels.

➢ The next stage is the resumption of drilling on Haldimand No. 4 following the adoption of a provincial regulation on the distances from drilling wells and the discontinuation of the appeal procedure initiated by the Town of Gaspé against the decision that rendered ultra vires the municipal bylaw on distances from drilling wells. This will be a directional well, whose horizontal portion is expected to reach 2,000 metres. The horizontal drilling will be done at an optimal angle so as to cut across as many natural rock fractures as possible. With this exploratory well, the Company will strive to determine how far the reservoir extends to the northwest and thus increase the resources contained in the deposit. A positive outcome for Haldimand No. 4 would allow the partners to begin the process of obtaining a lease to produce petroleum so that the deposit can be put into production.

Legislative developments

- After the Town of Gaspé adopted a municipal bylaw on December 22, 2012 imposing restrictions on drilling activities, drilling work was suspended by the Company. The rig has been idle onsite since work was suspended.

- In early 2014, the Superior Court of Québec heard the interlocutory motion filed by Pétrolia in May 2013 to invalidate the bylaw adopted by the Town of Gaspé. In a decision handed down on February 10, 2014, the Superior Court found in favour of Pétrolia and declared the municipal bylaw ultra vires. On March 6, 2014, the Town of Gaspé decided to appeal the Superior Court decision.

- In May 2014, the hydrogeological characterization on the Haldimand area conducted by the Institut national de la recherche scientifique – Centre Eau Terre Environnement (INRS-ETE) was released. This independent study assessed the environmental risk of groundwater quality degradation linked to oil and gas exploration and extraction. The study showed that Pétrolia's activities in Haldimand have had no impact on the quality of water samples in the area, and confirmed that the risk of drinking water contamination is low and can be mitigated by the use of standard measures (May 26, 2014 press release).

- On May 30, 2014, the government unveiled its action plan for Québec hydrocarbon development. The government announced the adoption of the RRWWWP on July 23, 2014. As the regulation requires a distance of 500 meters between a drilling site and a source of drinking water, the drilling of Haldimand No. 4 can go ahead.

- Subsequent to the adoption of the RRWWWP, the Company indicated it intended to resume drilling the Haldimand No. 4 well in November 2014. The RRWWWP effectively rendered the applicable municipal bylaws of the Town of Gaspé null and void.

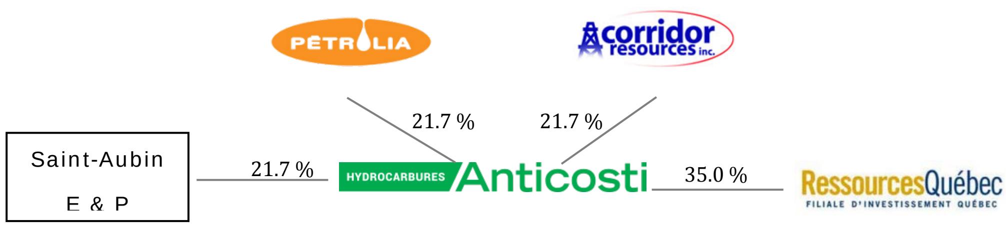
- Pétrolia also hired a Head of Community Relations in Gaspésie to build ties with the community and strengthen Pétrolia's partnerships with the economic and social stakeholders in the region (September 3, 2014 press release).

- Pétrolia opened an information office in Gaspé.

7.2 Anticosti Project

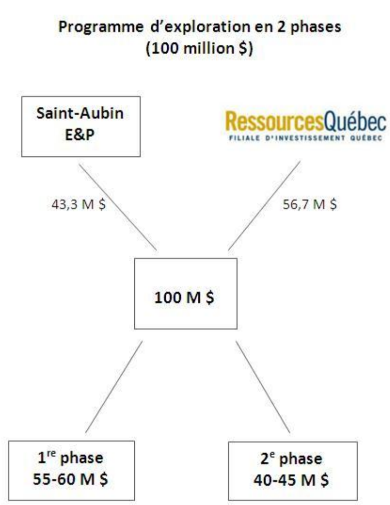
- The main goal of the Anticosti project is to develop the hydrocarbon source rock contained in the Macasty Formation and determine whether this type of deposit can be developed economically. According to Sproule Associates Limited, the best estimate (P50) of the undiscovered total petroleum-initially-in-place volume amounted to 33.9 billion barrels. That estimate was based on the information available on June 1, 2011 for the 38 licences held by Anticosti Hydrocarbons L.P.

- An agreement was entered into on March 31, 2014 between Pétrolia and its partners and covers 38 licences on Anticosti Island:



- Anticosti Hydrocarbons L.P. is managed by a five-member Board of Directors comprising one member representing each of the partners and an independent director.

- Saint-Aubin E&P and Ressources Québec will assume the cost of the first two exploration program phases up to a maximum of $100 million.



- Pétrolia Anticosti inc., a wholly owned subsidiary of Pétrolia, was appointed operator of limited partnership Anticosti Hydrocarbons L.P.

7.2.1 – Scheduled work

- First phase:

  - ✓ Stratigraphic testing at 15-18 locations will take place using four mining drills equipped with oil drilling security devices;
  - ✓ With these stratigraphic surveys, boring cores will be taken from the Macasty Formation and will be used, in particular, to identify the best locations for the oil wells to be drilled in 2015.

  Thereafter:

  - ✓ Drilling of three horizontal exploration wells with fracking;
  - ✓ Costs for this initial phase are expected to total between $55 million and $60 million, of which 56.7% will be borne by Ressources Québec and 43.3% by Saint-Aubin E&P.

In the event of a positive outcome and a green light from Anticosti Hydrocarbons L.P.'s Board of Directors, a second phase will follow in 2016.

- Second phase:
  - 2016+ :
    - ✓ Horizontal oil wells will be drilled with fracking;
    - ✓ Costs for this second phase are currently being estimated. Under the current agreements, the first $40 million–$45 million will be borne by Ressources Québec (56.7%) and Saint-Aubin E&P (43.3%). Thereafter, costs will be assumed according to each limited partner's proportionate interest.

7.2.2 – Assessment of the 2014 stratigraphic survey campaign

- At the time work was suspended, five stratigraphic surveys had been completed. Furthermore, 15 survey sites have been prepared, which will expedite the resumption of work in spring 2015 on the remaining surveys.

- The five completed surveys confirmed the existence of the Macasty Formation. The Chicotte site revealed a Macasty Formation with a thickness of 69 meters; at Lac-Martin the observed thickness is 38 meters; at Jupiter-South the thickness is 87 meters; at Cerf-Sau the thickness is 38 meters; and at the easternmost part of Anticosti Island, and therefore of the Macasty Formation, a thickness of 13 meters was measured at the Bell site. The presence of gas and oil fluorescence was also confirmed during these operations. The program's first phase has been highly successful, the results are encouraging and confirm the high potential of the Macasty Formation.

7.2.3 – Assessment of social acceptability

- Pétrolia Anticosti inc. aims to integrate community concerns throughout the survey period to improve the project's social acceptability, particularly by:

  - Setting up a community round table;
  - Serving as a resource member on the newly created citizen committee, the "Centre de vigilance et d'information sur les enjeux pétroliers à Anticosti";
  - Maximizing the local direct economic benefits.

Legislative developments

- On June 26, 2014, the Superior Court of Québec issued a judgment approving a settlement between the parties in connection with the motion brought by the Centre québécois du droit à l'environnement ("CQDE"). The judgment pertained to the issue of the stratigraphic surveys to be carried out on Anticosti Island this summer and allows Anticosti Hydrocarbons L.P. to continue drilling as planned. Since the July 4, 2014 ministerial order from the Ministère de l'Énergie et des Ressources naturelles, made public on July 11, 2014, provides an appropriate framework for stratigraphic surveys on Anticosti Island, the CQDE has discontinued its motion for an interlocutory injunction and confirmed that a settlement had been reached. The settlement with the CQDE only pertains to the stratigraphic surveys on Anticosti Island (June 30, 2014 press release).

7.3 Bourque Project

- The Bourque project is located in a non-urbanized area, about 30 km east of the town of Murdochville.
- When the Bourque 1 and Bourque 2 wells were drilled in 2012, samples of wet natural gas (containing up to 20% natural gas liquids and condensates) were taken from the Forillon Formation. The presence of gas liquids and condensates adds significant commercial value to the Bourque discovery. The discovery of this type of deposit adds value to Pétrolia's licences in the Gaspé peninsula where similar geological conditions exist and are conducive to new discoveries.
- The drilling of Bourque 1 and 2 wells and the 3D seismic interpretation revealed four geological prospects in the Forillon Formation for which Sproule Associates Limited provided an estimate of the resources initially in place. Based on information available on March 31, 2013, Sproule estimated the undiscovered gas volume initially in place at over 1 Tcf (one trillion or one thousand billion cubic feet).
- Pétrolia developed a work program to confirm a portion of the resources in place and determine the potentially recoverable volumes

- Pétrolia is currently studying the best way to finance this work program and is searching for a partner for that purpose. Pétrolia is currently in discussions with several partners, both potential clients and business partners, to develop this natural gas. The next steps for Bourque consist in carrying out production tests, drilling a third well and applying for a production lease. Also, Pétrolia has entered into a partnership with TUGLIQ to develop this property.

7.4 Other properties

Matapédia

- In July 2013, Pétrolia and Saint-Aubin Énergie S.A.S. acquired two blocks totalling 13 licences from Gastem in the Baie-des-Chaleurs and Matapédia areas. These licences cover an area of over 1,800 km^2. Each company holds a 50% interest in the licences.

- In fall 2013, the partners carried out a stratigraphic survey to evaluate the potential of a known anticlinal structure in the Casault Lake area of Matapédia Regional County Municipality. Drilling reached a depth of 1,416 metres and found indicators of natural gas in the Silurian sandstone. The results of analyses, coupled with the petrophysical assessment, indicate the presence of a low-porosity sandstone, probably airtight, containing natural gas. The two companies have pooled their expertise to put together an exploration program for these areas.

Other

- Pétrolia is reviewing all of its data on its other properties in the Gaspé peninsula to identify areas with similar characteristics to those found in the Bourque project. The Company is currently developing a work program for all of its properties.

8. COMPANY EXPERTISE

- Pétrolia has a dynamic, motivated team, with highly skilled technical personnel, making the Company an industry leader in hydrocarbon exploration in Québec.

- All Company worksites employ industry best practices. As a result, every effort is made to reduce environmental and social risk as much as possible. On that front, an emergency measures plan tailored to the reality of each region is prepared to prevent and react effectively to emergency situations.

MANAGEMENT’S ANALYSIS

OF FINANCIAL INFORMATION

OPERATING RESULTS AND CASH POSITION

Revenues for the three-month period ended September 30, 2014 consisted of $12,047 in interest income from short-term investments, compared with $14,788 for the quarter ended September 30, 2013, and $92,316 in project management revenues, compared with $3,247, year over year. The growth in project management revenues stemmed from the launch of operations on Anticosti Island.

As at September 30, 2014, the Company had $6,043,712 in cash and cash equivalents, including $2,702,243 held for exploration purposes, and $5,344,369 in positive working capital.

The Company recognized a loss of $298,900 for the third quarter of fiscal 2014, compared with a loss of $1,205,542 for the three-month period ended September 30, 2013

Management considers that those funds might prove insufficient to meet the Company’s obligations and anticipated expenses through to December 31, 2015. Any shortfall could be met in a number of ways in future, including but not limited to the issuance of new debt or equity instruments, additional cost-cutting measures or the introduction of new partners.

ANALYSIS OF OPERATING AND ADMINISTRATIVE EXPENSES

Operating and administrative expenses declined by $966,509, owing primarily to professional services, promotional expenses and expenses related to the president and chief executive officer succession plan.

The main differences in the operating and administrative expenses were as follows:

- Professional services: costs related to professional services for the third quarter totalled $68,823 ($180,120 in 2013).
- Salaries and employee benefits: an amount of $333,000 was recognized as an expense related to the president and chief executive officer succession plan.

SUMMARY OF QUARTERLY RESULTS

The information for the summary of quarterly results is based on International Financial Reporting Standards ("IFRS").

	2014			2013		
	September	**June**	**March**	**December**	**September**	**June**
	$	**$**	**$**	**$**	**$**	**$**
Revenues (including financial income)	107,406	50,346	192,453	32,516	21,029	34,682
Net income (loss)	(298,900)	(975,907)	19,197,441	(2,139,356)	(1,205,541)	(500,545)
Net earnings (loss) per share						
Basic	(0.004)	(0.013)	0.283	(0.031)	(0.014)	(0.007)
Diluted	(0.004)	(0.013)	0.281	(0.031)	(0.014)	(0.007)

Revenues consist primarily of interest income, rental income and project management revenues for each quarter. Operating and administrative expenses are relatively stable from quarter to quarter. The main changes in quarterly income (loss) resulted from the following:

2013 – May	Recognition of share-based payment of $94,500;
2013 – August	Recognition of share-based payment of $52,265;
2013 – September	Recognition of share-based payment of $280,000;
2013 – December	Recognition of share-based payment of $485,586;
2014 – May	Recognition of share-based payment of $148,843.

RELATED PARTY TRANSACTIONS

The Company's related parties include other related parties and key management personnel, as described below.

Unless otherwise indicated, none of the transactions involve special terms or conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

Transactions with key management personnel

	For the nine-month period ended	
	September 30, 2014	September 30, 2013
	$	$
Short-term employee benefits		
Salaries and employee benefits	809,734	784,776
Director fees	93,700	75,850
Total short-term employee benefits	903,434	860,626
Fees	249,750	56,250
Share-based compensation	192,715	-
Total compensation	1,345,899	916,876

During the 2014 reporting period, key management personnel exercised nil options (400,000 in 2013) granted under the stock option plan.

Related companies and other parties

Transactions were carried out:

	For the nine-month period ended	
	September 30, 2014	September 30, 2013
	$	$
With a company in which a director is a majority shareholder:		
Comprehensive income (loss)		
Other expenses	22,500	2,500

These transactions took place in the normal course of business and were measured at their exchange value, which is the consideration established and accepted by related parties.

FINANCIAL INSTRUMENT DISCLOSURE

Risk management policy

The Company's financial assets and liabilities expose it to various risks. The following analysis provides an assessment of those risks as at the statement of financial position date.

Credit risk

The financial instruments that give rise to potential credit risk exposure for the Company consist primarily of cash and cash equivalents, accounts receivable and investments. The Company's cash and cash equivalents are held with or are issued by high-credit quality financial institutions. Accounts receivable consist primarily of amounts due from governments and partners. Therefore, management considers the risk of non-performance of these instruments to be remote.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due or can do so only at excessive cost. The Company finances its growth by issuing shares, selling interests in some of its oil assets and by obtaining short-term loans. One of management's primary financial goals is to maintain an optimal level of liquidity through the active management of its exploration activities. All of the Company's financial liabilities have a current maturity.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market conditions. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Company is exposed to one of those risks, namely interest rate risk.

Interest rate risk

The Company is exposed to interest rate risk on its fixed- and variable-rate financial instruments. Fixed-rate financial instruments expose the Company to fair value risk, whereas variable-rate instruments expose it to cash flow risk.

A 1% change in the base rate would have little impact on the fair value of the Company's investments due to their nature and would result in a $21,922 increase or decrease in net financial debt costs.

Fair value

The fair value of investments is measured as follows:

Guaranteed investment certificates: cost represents fair value due to their recent issuance.

Money market funds: cost represents fair value due to their short-term maturities.

As regards the loan, the carrying amount approximates fair value due to the variable interest rate on the debt.

Fair value hierarchy

Financial instruments measured at fair value in the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value hierarchy has the following levels:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities: cash is categorized within this level.

Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices): cash equivalents, investments, and loans and borrowings are categorized within this level.

Level 3 – Valuation techniques for which any significant input for the asset or liability is not based on observable market data (unobservable inputs).

Determination of fair value and the resulting hierarchy requires the use of observable market data whenever available. The classification of a financial instrument in the hierarchy is based upon the lowest level of input that is significant to the measurement of fair value.

There were no transfers between Level 1 and Lever 2 fair value measurements during the period.

Judgments, estimates and assumptions

For a complete description of the judgments, estimates and assumptions made by management in the preparation of its annual financial statements, see Note 4 to the annual financial statements.

Future changes in accounting policies

On January 1, 2014, the Company retrospectively adopted IFRIC 21, *Levies*, which clarifies the timing of accounting for a liability for outflow of resources that is imposed by governments in accordance with legislation, based on the activity that triggers the payment. The adoption of this interpretation did not have a material impact on the consolidated financial statements.

For a complete description of future changes in accounting policies, see Note 2 to the annual financial statements as at December 31, 2013.

Capital management

For a complete description of the Company's capital management policy, see Note 18 to the annual financial statements as at December 31, 2013.

Other information

(a) Supplemental documents

Certain supplemental documents, including prior MD&As and press releases, are available online at **www.sedar.com** or on Pétrolia's website at **www.petrolia-inc.com**.

(b) Regulation 51-102 Section 5.2

Exploration expenses for the nine-month period ended September 30, 2014 are detailed as follows:

	Geology	Geophysics	Completion and drilling	Analysis	Fracking	General expenses	Options	Provision	Site maintenance	Total
	$	$	$	$	$	$	$	$	$	$
Anticosti	73,720	7,500	9,133	26,341	-	(9,366,511)	-	-	-	(9,249,813)
Gastonguay	365	-	-	-	-	278	-	-	-	643
Gaspésia Marcel-Tremblay Edgar	1,225	-	-	-	-	941	-	-	-	2,166
Gaspé	25,029	8,250	260	150	-	73,669	-	-	600	107,958
Bourque	6,628	9,150	23,686	1,200	-	78,144	-	-	-	118,808
Haldimand	8,635	-	160,121	2,440	-	326,398	-	-	37,069	534,663
Tar Point	290	-	-	-	-	18,144	-	-	-	18,434
Dalhousie	-	-	-	-	-	-	-	-	-	-
Matapédia	715	1,200	28,388	-	-	10,817	-	-	-	41,120
	116,607	**26,100**	**221,588**	**30,135**	**-**	**(8,858,120)**	**-**	**-**	**37,669**	**(8,426,021)**

Exploration expenses for the nine-month period ended September 30, 2013 are detailed as follows:

	Geology	Geophysics	Completion and drilling	Analysis	Fracturing	General expenses	Options	Provision	Site maintenance	Total
	$	$	$	$	$	$	$	$	$	$
Anticosti	114,977	42,080	381,465	85,065		83,599	(8,825)		220	698,581
Gastonguay	206						(10)			196
Gaspésia Marcel-Tremblay Edgar	4,571	5,840		1,400		3,807	(1,693)			13,925
Gaspé	26,540	9,280	752	13,231		56,683	(1,582)			101,904
Bourque	50,218	13,256	1,948,883	8,460	400	23,423	(756)	291,612		1,335,496
Haldimand	95,908	520	1,939,891	950	(1,587)	8,968	(15,448)		62,257	2,091,459
Tar Point						3,724	(2,184)			1,540
Dalhousie	300						(271)			29
Matapédia			369,315							369,315
	292,720	**70,976**	**4,640,306**	**109,106**	**(1,187)**	**177,204**	**(30,769)**	**291,612**	**62,477**	**5,612,445**

(c) <u>Regulation 51-102 Section 5.3</u>

Information regarding shares issued, stock options and warrants as at November 26, 2014:

Common shares: 77,616,695 shares are issued and outstanding.

Stock options outstanding: The stock options granted to directors, members of senior management, employees and service providers are as follows:

- 90,000 options exercisable at a price of $0.89 per share until February 25, 2015;
- 647,500 options exercisable at a price of $0.50 per share until December 8, 2015;
- 75,000 options exercisable at a price of $1.31 per share until February 25, 2016;
- 500,000 options exercisable at a price of $1.69 per share until May 18, 2016;
- 1,080,000 options exercisable at a price of $1.52 per share until December 4, 2016;
- 75,000 options exercisable at a price of $1.51 per share until February 22, 2017;
- 2,170,000 options exercisable at a price of $1.02 per share until December 10, 2017;
- 150,000 options exercisable at a price of $1.14 per share until February 28, 2018;
- 250,000 options exercisable at a price of $0.89 per share until August 21, 2018;
- 400,000 options exercisable at a price of $0.98 per share until September 14, 2018;
- 650,000 options exercisable at a price of $0.67 per share until December 5, 2018;
- 405,000 options exercisable at a price of $0.67 per share until May 28, 2019;

Warrants outstanding: Each warrant entitles the holder to purchase one common share of the Company at the stipulated exercise price until the expiry date:

- 5,545,776 warrants exercisable at a price of $1.78 per share until May 15, 2015;
- 100,000 warrants exercisable at a price of $0.70 per share until July 11, 2015;
- 714,286 warrants exercisable at a price of $1.00 per share until July 11, 2016;

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

Management is responsible for Pétrolia's financial statements, which have been approved by the Board of Directors on recommendation of the Audit Committee. The financial statements have been prepared by management in accordance with International Financial Reporting Standards. These condensed interim consolidated financial statements have not been audited by the Company's auditors. The financial statements include certain amounts that are based on the use of estimates and judgments. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

Québec City, November 26, 2014

On behalf of the Board

(signed) Alexandre Gagnon

President and Chief Executive Officer

(signed) Karl McLellan

Chief Financial Officer and Corporate Secretary