

This document is important and requires your immediate attention. If you are in doubt as to how to respond to the offer, you should consult with your investment advisor, bank manager, lawyer or other professional advisor.



**DIRECTORS' CIRCULAR
RECOMMENDING ACCEPTANCE**

of the Offer by

BRS GAS CORP.

a wholly-owned subsidiary of

SHELL CANADA LIMITED

to purchase all of the common shares of

DUVERNAY OIL CORP.

on the basis of

\$83.00 IN CASH PER COMMON SHARE

THE BOARD OF DIRECTORS OF DUVERNAY (i) HAS UNANIMOUSLY DETERMINED THAT THE CONSIDERATION TO BE RECEIVED BY SHAREHOLDERS UNDER THE OFFER IS FAIR, FROM A FINANCIAL POINT OF VIEW, TO THE SHAREHOLDERS, (ii) HAS UNANIMOUSLY DETERMINED THAT THE OFFER IS IN THE BEST INTERESTS OF DUVERNAY AND THE SHAREHOLDERS, AND (iii) UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS ACCEPT THE OFFER AND TENDER THEIR COMMON SHARES TO THE OFFER.

NOTICE TO U.S. SHAREHOLDERS

The Offer referred to herein is made for the securities of a Canadian company. The Offer is subject to Canadian disclosure requirements which are different from those of the United States. It may be difficult for you to enforce your rights and any claim you may have arising under the United States federal or state securities laws, since the Offeror and Duvernay are located in, and incorporated under the laws of Alberta, Canada, and a majority of their respective officers and directors are residents of a foreign country. You may not be able to sue a foreign company or its officers or directors in a foreign court for violations of U.S. federal or state securities laws. It may be difficult to compel a foreign company and its affiliates to subject themselves to a U.S. court's judgment. This transaction has not been approved or disapproved by any United States or other securities regulatory authority, nor has any such authority passed upon the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence.

July 17, 2008

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DUVERNAY OIL CORP. DIRECTORS' CIRCULAR

Capitalized terms used in this Directors' Circular that are not otherwise defined have the respective meanings ascribed to them in the offer (the "Offer") and take-over bid circular (the "Circular") of the Offeror dated July 17, 2008 (the Offer and Circular are together, the "Offering Circular") accompanying this Directors' Circular.

This Directors' Circular is issued by the Board of Directors of Duvernay Oil Corp. ("**Duvernay**") in connection with the Offer by the Offeror to purchase all of the issued and outstanding Shares, including those Shares issued after the date of the Offer on the exercise of outstanding Options. The Offer is being made subject to the terms and conditions set out in the Offeror's Offer and Circular. The consideration under the Offer consists of \$83.00 in cash per Share. The Offer expires at the Expiry Time unless withdrawn or extended. The Offer was made pursuant to the terms of the Pre-Acquisition Agreement. See "The Pre-Acquisition Agreement and Lock-up Agreements". **Reference should be made to the Offering Circular for complete details of the terms and conditions of the Offer.**

Words importing the singular include the plural and vice versa and words importing any gender include all genders.

Unless otherwise indicated herein, all dollar amounts set forth in this Directors' Circular are in Canadian dollars.

RECOMMENDATION OF THE BOARD OF DIRECTORS

Having considered the terms of the Offer and the Pre-Acquisition Agreement, the advice of its outside legal and financial advisors, the Fairness Opinion provided to the Board of Directors by Peters & Co. Limited ("**Peters & Co.**") and additional matters, the Board of Directors (i) has unanimously determined that the consideration to be received by Shareholders under the Offer is fair, from a financial point of view, to the Shareholders, (ii) has unanimously determined that the Offer is in the best interests of Duvernay and the Shareholders, and (iii) unanimously recommends that Shareholders accept the Offer.

**THE BOARD OF DIRECTORS OF DUVERNAY UNANIMOUSLY RECOMMENDS THAT
SHAREHOLDERS ACCEPT THE OFFER AND TENDER THEIR SHARES TO THE OFFER.**

Each of the directors and officers of Duvernay has entered into Lock-Up Agreements pursuant to which they have agreed, among other things, to deposit their Shares under the Offer. See “The Pre-Acquisition Agreement and Lock-Up Agreements”.

Shareholders should consider the Offer carefully and reach their own decision as to whether to accept or reject the Offer. Shareholders who are in doubt as to how to respond to the Offer should consult with their investment dealer, stockbroker, lawyer or other professional advisor. Shareholders are advised that acceptance of the Offer may have tax consequences and should consult their professional advisors.

Shareholders wishing to accept the Offer should complete the required documents carefully and should refer to the Offering Circular, the Letter of Transmittal and, if applicable, procedures for guaranteed delivery described in the Notice of Guaranteed Delivery.

REASONS FOR MAKING THE RECOMMENDATION

The Board of Directors has carefully considered the Offer. The Board of Directors believes that the consideration to be received by Shareholders under the Offer is fair, from a financial point of view, to the Shareholders and that the Offer is in the best interests of Duvernay and the Shareholders. In arriving at its decision, the Board of Directors received advice from Peters & Co., including the Fairness Opinion, and received advice from its outside legal advisors. In making its recommendation that the Offer be accepted by Shareholders and in reaching the decision to enter into the Pre-Acquisition Agreement, the Board of Directors considered a number of factors, including the following:

- (a) **Substantial Premium Over Market Price.** The Offer Price represents a premium of 42% over the closing price of the Shares of \$58.44 on the TSX on July 11, 2008, the last trading day before Duvernay and Shell Canada announced the Offer, and a premium of 36% over the volume weighted average trading price of the Shares on the TSX for the 30 trading days immediately preceding the announcement of the Offer. On July 16, 2008, the closing price of the Shares on the TSX was \$81.58 per Share.
- (b) **Attractive Valuation Metrics.** The Offer represents good value, both in terms of value per flowing barrel of oil equivalent per day and per barrel of proved and probable reserves and also in terms of land value and future prospects, when compared to industry peers.
- (c) **Opinion of Financial Advisor.** The Board of Directors has received advice from its financial advisor, Peters & Co., in respect of the financial terms of the Offer including Peters & Co.’s opinion that the consideration to be received under the Offer is fair, from a financial point of view, to the Shareholders. A copy of the written Fairness Opinion is attached as Schedule “A” hereto. Shareholders should read the Fairness Opinion in its entirety.
- (d) **Liquidity and Strong Likelihood of Completion.** The financial and other terms of the Offer, including that the Offer provides Shareholders with cash consideration of \$83.00 per Share thereby providing Shareholders with certainty of value as well as the fact that Shell Canada has the financial resources available to complete the acquisition of the Shares pursuant to the Offer.
- (e) **Industry Conditions.** The knowledge of the Board of Directors of the assets, financial condition, results of operations and business of Duvernay both on a historical and prospective basis, and current industry, economic and market conditions.
- (f) **Superior Acquisition Proposal Permitted.** The terms of the Pre-Acquisition Agreement permit the Board of Directors to respond, in accordance with its fiduciary duties, to unsolicited superior *bona fide* proposals made prior to the successful completion of the Offer. In such circumstances, the Non-Completion Fee may be payable by Duvernay to Shell Canada. The ability of the Board of Directors to respond to any such superior proposal is subject to the conditions contained in the Pre-Acquisition Agreement. See “The Pre-Acquisition Agreement and Lock-up Agreements”.
- (g) **Reasonable Non-Completion Fee.** The Non-Completion Fee (representing approximately 2.1% of the diluted equity value and approximately 2.0% of the enterprise value of Duvernay at the Offer Price) that may become payable by Duvernay to Shell Canada in certain circumstances described in the Pre-Acquisition Agreement is

reasonable in relation to the size of the proposed transaction and similar fees paid in comparable transactions. See “The Pre-Acquisition Agreement and Lock-up Agreements”.

- (h) **Acceptance of Offer by Duvernay’s Directors and Officers.** Pursuant to the Lock-up Agreements, the directors and officers of Duvernay have agreed to tender their Shares in acceptance of the Offer including any Shares acquired pursuant to the exercise of any of their Options.
- (i) **Legal Advice.** The Board of Directors received outside legal advice that entering into the Pre-Acquisition Agreement was consistent with its fiduciary obligations and does not preclude the Board of Directors from continuing to act in accordance with its fiduciary obligations.

The foregoing discussion of the factors considered by the Board of Directors is not intended to be exhaustive, but addresses the material information and factors considered by the Board of Directors in its review and consideration of the Offer. Shareholders should consider the Offer carefully and make their own decision as to acceptance or rejection of the Offer.

FAIRNESS OPINION

The Board of Directors retained Peters & Co. as its exclusive independent financial advisor to provide advice and assistance to the Board of Directors in evaluating the Offer and to prepare and deliver to the Board of Directors the Fairness Opinion in respect of the Offer. Prior to retaining Peters & Co., the Board of Directors considered Peters & Co.’s qualifications and was satisfied that Peters & Co. was qualified to provide the services requested. In consideration of the services provided by Peters & Co., Duvernay has agreed to pay Peters & Co. a transaction fee upon successful completion of the Offer. Duvernay has also agreed to indemnify Peters & Co. against certain liabilities.

Peters & Co. has provided the Board of Directors with a written Fairness Opinion dated July 14, 2008 stating that as at the date thereof the consideration to be received by the Shareholders pursuant to the Offer is fair, from a financial point of view, to the Shareholders. Peters & Co. was not engaged to prepare a formal valuation of any of the assets of Duvernay or the Shares or to express an opinion with respect to the structure of the Offer itself, and the Fairness Opinion should not be construed as such. However, Peters & Co. has performed the financial analysis that it considered to be appropriate and necessary in the circumstances to support the conclusions reached in its Fairness Opinion. **A copy of the Fairness Opinion is attached hereto as Schedule “A” and forms a part of this Directors’ Circular. Shareholders should carefully review and consider the Fairness Opinion in its entirety.**

BACKGROUND TO THE OFFER

The Board of Directors continually examines opportunities to advance the interests of Duvernay and its Shareholders and to maximize Shareholder value and as part of this ongoing process periodically reviews strategic objectives and considers possible business combination opportunities. The Board of Directors believes that potential transactions that add to net asset value or that provide to Shareholders the future value of the executed business plan merit consideration.

On July 7, 2008, Mr. Bryan Gould, Vice President, New Business Development of Shell Canada, telephoned Mr. Rose, Chairman, President and Chief Executive Officer of Duvernay, requesting a meeting later that morning. At that meeting, Mr. Gould and Mr. Guy Outen, Executive Vice-President, EP Strategy and New Business Development of Shell International Exploration and Production B.V., presented Mr. Rose with a confidential non-binding proposal from Shell Canada to acquire Duvernay at a price of \$83.00 per Share in cash. Shell Canada’s proposal was subject to completion of satisfactory due diligence and negotiation of definitive transaction documentation including Lock-up Agreements from members of the Board of Directors and senior management. Shell Canada also requested a brief exclusivity period during which the definitive transaction documentation could be negotiated. Mr. Rose advised Messrs. Gould and Outen that while Duvernay was not seeking a buyer, it would consider any serious proposal that was in the best interests of its Shareholders and that he would take the Shell Canada proposal to the Board of Directors for consideration.

Later on July 7, 2008, the Board of Directors met to discuss the proposal. At that meeting, Mr. Rose reported to the Board of Directors as to the nature and details of Shell Canada’s proposal and the Board of Directors began to develop a strategy for responding to the Shell Canada proposal. The Board of Directors determined that, while it had not been seeking a buyer for Duvernay, the approach by Shell Canada could result in an attractive opportunity for Shareholders and that it would be inappropriate for the Board of Directors to preclude Shareholders from considering the opportunity, if it became available. The Board of Directors also discussed the retention of legal and financial advisors. The Board of Directors determined that Burnet, Duckworth & Palmer LLP should be retained to provide legal advice and that Peters & Co. should be retained as

financial advisor. The Board of Directors then authorized senior management, together with its financial and legal advisors, to enter into further discussions and negotiations with Shell Canada within the general parameters outlined by the proposal. The Board of Directors also advised Mr. Rose to attempt to negotiate a higher offer price from Shell Canada, if possible.

Mr. Rose contacted Mr. Gould of Shell Canada on the morning of July 8, 2008 and had discussions with Mr. Gould seeking an increase in the proposed offer price.

Later on July 8, 2008, Mr. Gould contacted Mr. Rose and informed Mr. Rose that Shell Canada was not prepared to increase its offer. In response, Mr. Rose proposed a reasonable non-completion fee and deal protection provisions to allow the Board of Directors to discharge its fiduciary duties to Shareholders in respect of any Superior Proposals. Mr. Gould confirmed that such provisions would be incorporated into any Pre-Acquisition Agreement.

Over July 8 and 9, 2008, Duvernay and Shell Canada negotiated, and, on July 9, 2008, entered into a confidentiality and standstill agreement and an exclusivity agreement (with a scheduled expiry of 7:00 am (Calgary time) on July 14, 2008).

Between July 10, 2008 and July 13, 2008, representatives of Shell Canada conducted due diligence in which they reviewed certain confidential information respecting Duvernay and received operational presentations by management of Duvernay.

Later on July 10, 2008, counsel for Shell Canada provided a draft form of Pre-Acquisition Agreement and negotiations between Duvernay and Shell Canada and their respective counsel regarding the Pre-Acquisition Agreement commenced. Between July 10, 2008 and July 14, 2008 the terms and conditions of the Pre-Acquisition Agreement were negotiated. Throughout this period, Duvernay's management continued to communicate informally with members of the Board of Directors regarding the proposed transaction.

On the afternoon of Sunday, July 13, 2008, the Board of Directors met to consider the Offer made by Shell Canada, the terms of the Pre-Acquisition Agreement and receive advice of its outside legal counsel and financial advisors. As part of its deliberations, the Board of Directors reviewed and considered, among other things, the prospects of Duvernay, the advice of its financial advisors and advice from its outside legal counsel in respect to its fiduciary duties. The Board of Directors also reviewed with management and its financial advisors Duvernay's business plan, the potential to achieve equivalent or greater value through the execution of such business plan and the risks involved in executing the business plan and management's view of the Offer and the available alternatives. The Board of Directors reviewed the terms of the Pre-Acquisition Agreement and Lock-up Agreement, discussed with its outside counsel a number of issues arising in respect of the Pre-Acquisition Agreement and fully considered its duties and responsibilities to Shareholders. The Board of Directors also reviewed its ability to consider Superior Proposals, the magnitude of the Non-Completion Fee and the verbal opinion of its financial advisors, Peters & Co., that the consideration of \$83.00 per Share to be offered by Shell Canada was fair, from a financial point of view, to holders of Shares. Having regard to all the foregoing, the Board of Directors unanimously approved entering into the Pre-Acquisition Agreement and determined that it would recommend the Offer to holders of Shares.

The Pre-Acquisition Agreement and the Lock-up Agreements were executed and delivered early in the morning on July 14, 2008, and the transaction was publicly announced shortly thereafter prior to market open in Canada.

On July 16, 2008, the Board of Directors received the written Fairness Opinion of Peters & Co. dated July 14, 2008 to the effect that, as at that date and subject to the assumptions, limitations and qualifications set forth therein, the consideration under the Offer is fair, from a financial point of view, to Shareholders.

On July 16, 2008, the Board of Directors approved this Directors' Circular and confirmed the recommendation herein.

Based upon the factors set forth herein, the Board of Directors UNANIMOUSLY RECOMMENDS that holders of Shares ACCEPT the Offer and TENDER their Shares to the Offer.

THE PRE-ACQUISITION AGREEMENT AND LOCK-UP AGREEMENTS

A summary of the material terms of the Pre-Acquisition Agreement and the Lock-up Agreements is contained in the Offering Circular. The summary contained therein is qualified in its entirety by the specific terms of the Pre-Acquisition Agreement and the Lock-up Agreements. A copy of the Pre-Acquisition Agreement and form of Lock-up Agreement may be obtained from Duvernay at 1500, 202 – 6th Avenue S.W., Calgary, Alberta, T2P 2R9, telephone: (403) 571-3600 and will also be available for review on SEDAR at www.sedar.com.

ACCEPTANCE OF THE OFFER

Each of the directors and officers of Duvernay (collectively, the “**Supporting Shareholders**”) has entered into a Lock-up Agreement with Shell Canada pursuant to which he has agreed to accept (and to cause any affiliate of such Supporting Shareholder to accept) the Offer by depositing or causing to be deposited the Shares presently owned or subsequently acquired (including any Shares subsequently acquired pursuant to the exercise of any Options) by such Supporting Shareholder or affiliate thereof prior to the Expiry Time in accordance with the Offer. See “The Pre-Acquisition Agreement and Lock-up Agreements”, representing an aggregate of 12,180,057 Shares or approximately 18.1% of the outstanding Shares calculated on a fully-diluted basis. See “Ownership of Securities of Duvernay” for details regarding the number of Shares and Options owned, or over which control or direction is exercised, by the Supporting Shareholders and their associates.

OWNERSHIP OF SECURITIES OF DUVERNAY

The names of each of the directors and officers of Duvernay and the respective numbers of securities of Duvernay owned or over which control or direction is exercised, as at the date hereof, by each director and officer of Duvernay and, to their knowledge, after reasonable inquiry, by their respective associates or affiliates, insiders of Duvernay or any person or company acting jointly or in concert with Duvernay, are as follows:

<u>Name and Position</u>	<u>Shares</u>		<u>Options</u>	
	<u>Number</u>	<u>Percentage</u>	<u>Number</u>	<u>Percentage</u>
Michael L. Rose Chairman, President and Chief Executive Officer	2,845,607	4.53	215,000	4.80
Kevin Keenan Lead Director	133,500	0.21	75,000	1.68
William P. Kirker Director	911,900	1.45	50,000	1.12
Robert W. Blakely Director	117,700	0.19	80,000	1.79
Alan T. Pettie Director	308,000	0.49	75,000	1.68
Phillip A. Lamoreaux Director	318,100	0.51	75,000	1.68
Clayton H. Riddell Director	3,750,443	5.97	50,000	1.12
Robert N. Yurkovich Director and Vice President, Exploration	2,016,157	3.21	175,000	3.91
Stan M. Nowek Vice President, Operations and Chief Operating Officer	33,000	0.05	160,000	3.58
Brian G. Robinson Vice President, Finance and Chief Financial Officer	259,000	0.41	110,000	2.46
Richard G. Krol Vice President, Marketing	46,100	0.07	120,000	2.68
Drew E. Tumbach Vice President, Land and Contracts	43,700	0.07	100,000	2.23
William S. Kirker Manager, Corporate Affairs and Corporate Secretary	41,850	0.07	70,000	1.56
	10,825,057	17.23	1,355,000	30.28

TRADING BY DIRECTORS AND OFFICERS AND OTHER INSIDERS OF DUVERNAY

Trading in Securities by Directors and Officers and Other Insiders

None of Duvernay, the directors, officers or other insiders of Duvernay or, to the knowledge of the directors and officers of Duvernay, after reasonable enquiry, any of their respective associates or affiliates, any person or company holding more than 10% of the outstanding Shares or any person or company acting jointly or in concert with Duvernay, has traded in any securities of Duvernay during the six month period preceding the date of this Directors' Circular, except as follows:

<u>Name and Position</u>	<u>Nature of Trade</u>	<u>Date of Trade</u>	<u>Number of Shares</u>	<u>Price Per Share (\$)</u>
Michael L. Rose	Acquisition	January 21, 2008	4,000	26.75
Chairman, President and Chief Executive Officer	Disposition	May 16, 2008	100,000	57.09
	Disposition	May 20, 2008	12,500	57.18
	Disposition	June 9, 2008	15,000	64.91
	Disposition by Gift	June 18, 2008	8,000	N/A
	Disposition by Gift	June 18, 2008	2,000	N/A
	Disposition by Gift	June 23, 2008	5,000	N/A
	Disposition by Gift	June 24, 2008	2,000	N/A
	Disposition (private)	June 26, 2008	37,000	N/A
Kevin Keenan	Disposition	March 26, 2008	10,000	43.02
Lead Director	Disposition	March 27, 2008	5,000	42.00
	Disposition	July 3, 2008	5,000	60.70
William P. Kirker	Disposition	June 3, 2008	10,000	59.00
Director				
Robert W. Blakely	Disposition	June 18, 2008	20,000	65.99
Director				
Alan T. Pettie	Disposition	May 8, 2008	6,900	52.25
Director	Disposition	May 8, 2008	1,100	52.55
	Disposition	May 8, 2008	5,000	52.40
	Disposition	May 9, 2008	3,500	56.12
	Disposition	May 9, 2008	100	57.04
	Disposition	May 9, 2008	4,000	57.50
	Disposition	May 9, 2008	3,500	57.00
	Disposition	May 9, 2008	1,100	57.45
	Disposition	May 9, 2008	2,000	57.62
	Disposition	May 9, 2008	2,400	57.03
	Disposition	May 12, 2008	2,000	58.13
	Disposition	May 12, 2008	1,200	58.16
	Disposition	May 12, 2008	2,300	58.15
	Disposition	May 13, 2008	4,500	57.13
	Disposition	May 13, 2008	3,800	57.35
	Disposition	May 13, 2008	3,800	57.19
	Disposition	May 13, 2008	3,800	57.39
	Disposition	May 14, 2008	2,400	57.28
	Disposition	May 14, 2008	1,900	57.67
	Disposition	May 14, 2008	500	57.46
	Disposition	May 16, 2008	3,000	57.25
	Disposition	May 20, 2008	5,000	57.32
	Disposition	May 21, 2008	4,100	57.72
	Disposition	May 21, 2008	5,100	58.00
	Disposition	May 22, 2008	400	57.45
	Disposition	June 2, 2008	2,100	57.70
	Disposition	June 2, 2008	1,700	57.75

<u>Name and Position</u>	<u>Nature of Trade</u>	<u>Date of Trade</u>	<u>Number of Shares</u>	<u>Price Per Share (\$)</u>
	Disposition	June 2, 2008	17,300	57.90
	Disposition	June 2, 2008	4,500	58.25
	Disposition	June 2, 2008	5,000	58.60
	Disposition	June 2, 2008	400	57.79
	Disposition	June 2, 2008	600	57.80
	Disposition	June 2, 2008	700	57.92
	Disposition	June 2, 2008	4,400	58.15
	Disposition	June 2, 2008	4,900	58.65
	Disposition	June 2, 2008	300	57.78
	Disposition	June 2, 2008	3,000	57.81
	Disposition	June 2, 2008	5,000	58.00
	Disposition	June 2, 2008	600	58.17
	Disposition	June 3, 2008	5,000	59.05
Phillip A. Lamoreaux	Disposition	February 22, 2008	50,000	36.09
Director	Disposition	February 28, 2008	50,000	37.92
Clayton H. Riddell	Disposition	January 29, 2008	1,800	29.99
Director	Disposition	January 29, 2008	500	30.02
	Disposition	January 29, 2008	200	30.03
	Disposition	January 29, 2008	3,500	30.20
	Disposition	January 29, 2008	900	30.23
	Disposition	January 29, 2008	100	30.24
	Disposition	January 29, 2008	500	30.26
	Disposition	January 30, 2008	1,700	30.80
	Disposition	January 30, 2008	800	30.96
	Disposition	February 7, 2008	5,000	31.90
	Disposition	February 21, 2008	7,200	35.90
	Disposition	February 21, 2008	300	35.94
	Disposition	February 22, 2008	2,500	35.91
	Disposition	March 25, 2008	8,900	43.50
	Disposition	March 25, 2008	1,100	43.52
	Disposition	March 28, 2008	200	43.60
	Disposition	March 31, 2008	2,800	43.95
	Disposition	April 1, 2008	2,500	44.57
	Disposition	April 1, 2008	200	44.58
	Disposition	May 15, 2008	4,300	57.70
	Disposition	June 20, 2008	20,000	65.29
	Acquisition	June 20, 2008	20,000	65.29
	Disposition	June 23, 2008	3,300	67.32
	Disposition	June 23, 2008	6,000	67.22
	Disposition	June 23, 2008	4,000	67.18
	Disposition	June 23, 2008	4,700	67.12
	Disposition	June 23, 2008	2,000	67.24
	Acquisition	July 2, 2008	2,800	59.03
	Acquisition	July 2, 2008	3,000	59.99
Robert N. Yurkovich	Disposition	June 3, 2008	30,000	57.06
Director and Vice President, Exploration				
Stan M. Nowek	Disposition	February 29, 2008	20,000	38.01
Vice President, Operations and Chief Operating Officer	Disposition	May 20, 2008	30,000	57.15

<u>Name and Position</u>	<u>Nature of Trade</u>	<u>Date of Trade</u>	<u>Number of Shares</u>	<u>Price Per Share (\$)</u>
Brian G. Robinson	Disposition	March 24, 2008	15,000	42.95
Vice President, Finance and Chief Financial Officer	Disposition	May 13, 2008	15,000	56.88
	Disposition	June 12, 2008	20,000	62.98
Richard G. Krol	Disposition	March 24, 2008	31,900	42.49
Vice President, Marketing	Disposition	March 25, 2008	4,000	43.30
	Disposition	March 28, 2008	3,000	43.40
	Disposition	May 12, 2008	1,000	58.00
	Disposition	May 14, 2008	1,000	57.49
	Disposition	May 20, 2008	1,000	57.19
	Disposition	May 20, 2008	3,500	57.27
	Disposition	May 21, 2008	3,000	57.90
	Disposition	May 22, 2008	1,500	57.40
	Disposition	May 22, 2008	12,500	57.55
	Disposition	May 28, 2008	100	57.75
	Disposition	June 6, 2008	1,000	62.00
	Disposition	June 10, 2008	1,000	58.25
	Disposition	June 10, 2008	1,400	59.00
	Disposition	June 11, 2008	700	62.55
	Disposition	June 19, 2008	1,300	64.05
Drew E. Tumbach	Disposition	March 20, 2008	10,400	39.18
Vice President, Land and Contracts	Acquisition	March 24, 2008	10,400	42.05
	Disposition	March 24, 2008	10,400	41.81
	Disposition	March 24, 2008	10,000	42.69
William S. Kirker	Disposition	January 29, 2008	10,000	30.02
Manager, Corporate Affairs and Corporate Secretary	Disposition	March 25, 2008	10,000	43.56
	Disposition	May 13, 2008	20,000	56.98
	Disposition	May 27, 2008	8,600	56.63
	Disposition	May 28, 2008	1,400	57.08
Caisse de dépôt at placement . . . du Québec	Acquisition	January 31, 2008	4,900	31.11
	Acquisition	March 5, 2008	33,900	39.13
	Acquisition	April 2, 2008	24,700	45.18
	Disposition	April 23, 2008	100,000	48.06
	Acquisition	April 30, 2008	26,900	48.18
	Acquisition	April 30, 2008	7,500	48.18
	Acquisition	May 5, 2008	170,000	45.50
	Disposition	May 15, 2008	88,700	56.31
	Disposition	May 21, 2008	100,000	57.28
Disposition	May 23, 2008	80,000	57.60	

Issuances of Securities of Duvernay to Directors and Officers and Other Insiders

No Shares, or securities convertible into Shares, have been issued by Duvernay to the directors, officers and other insiders of Duvernay during the two-year period preceding the date of this Directors' Circular, except for the following:

<u>Name and Position</u>	<u>Date of Issue</u>	<u>Number of Shares Issued</u>	<u>Number of Options Granted</u>	<u>Description of Type of Trade</u>	<u>Price or Exercise Price per Share (\$)</u>
Michael L. Rose	October 12, 2006	5,000	—	Acquisition of Flow-Through Shares	43.75
Chairman, President and Chief Executive Officer	November 17, 2006	—	80,000	Grant of Options	33.42
	February 6, 2007	100,000	—	Exercise of Options	6.25
	February 27, 2007	5,000	—	Acquisition of Flow-Through Shares	41.50
	February 27, 2007	2,000	—	Acquisition of Flow-Through Shares	41.50

<u>Name and Position</u>	<u>Date of Issue</u>	<u>Number of Shares Issued</u>	<u>Number of Options Granted</u>	<u>Description of Type of Trade</u>	<u>Price or Exercise Price per Share (\$)</u>
	June 5, 2007	5,000	—	Acquisition	40.35
	June 29, 2007	—	75,000	Grant of Options	37.53
	October 4, 2007	10,000	—	Acquisition of Flow-Through Shares	43.10
	February 4, 2008	60,000	—	Exercise of Options	13.70
	March 4, 2008	5,000	—	Acquisition of Flow-Through Shares	42.25
Kevin Keenan	September 13, 2006	75,000	—	Exercise of Options	3.50
Lead Director	July 4, 2007	—	25,000	Grant of Options	37.53
William P. Kirker	October 12, 2006	1,000	—	Acquisition of Flow-Through Shares	43.75
Director	October 12, 2006	1,000	—	Acquisition of Flow-Through Shares	43.75
	January 10, 2007	75,000	—	Exercise of Options	3.50
	February 27, 2007	1,200	—	Acquisition of Flow-Through Shares	41.50
	February 27, 2007	1,200	—	Acquisition of Flow-Through Shares	41.50
	June 29, 2007	—	25,000	Grant of Options	37.53
	May 28, 2008	25,000	—	Exercise of Options	6.25
Robert W. Blakely	November 17, 2006	—	25,000	Grant of Options	33.42
Director	February 23, 2007	10,000	—	Acquisition of Flow-Through Shares	41.50
	June 29, 2007	—	25,000	Grant of Options	37.53
	June 28, 2008	20,000	—	Exercise of Options	29.00
Alan T. Pettie	January 9, 2007	75,000	—	Exercise of Options	3.50
Director	June 29, 2007	—	25,000	Grant of Options	37.53
Phillip A. Lamoreaux	August 9, 2006	—	25,000	Grant of Options	39.00
Director	November 17, 2006	—	25,000	Grant of Options	33.42
	June 29, 2007	—	25,000	Grant of Options	37.53
Clayton H. Riddell	October 12, 2006	37,000	—	Acquisition of Flow-Through Shares	43.75
Director	June 29, 2007	—	25,000	Grant of Options	37.53
	October 23, 2007	25,000	—	Exercise of Options	6.25
Robert N. Yurkovich	October 12, 2006	5,000	—	Acquisition of Flow-Through Shares	43.75
Director and Vice	November 17, 2006	—	40,000	Grant of Options	33.42
President, Exploration	December 12, 2006	90,000	—	Exercise of Options	3.50
	January 16, 2007	85,000	—	Exercise of Options	3.50
	June 29, 2007	—	50,000	Grant of Options	37.53
	October 4, 2007	20,000	—	Acquisition of Flow-Through Shares	43.10
	March 4, 2008	5,000	—	Acquisition of Flow-Through Shares	42.25
	June 2, 2008	75,000	—	Exercise of Options	6.25
Stan M. Nowek	November 17, 2006	—	40,000	Grant of Options	33.42
Vice President,	February 27, 2007	2,000	—	Acquisition of Flow-Through Shares	41.50
Operations and Chief	June 29, 2007	—	50,000	Grant of Options	37.53
Operating Officer	August 13, 2007	30,000	—	Exercise of Options	3.50
	February 28, 2008	20,000	—	Exercise of Options	6.25
	March 4, 2008	2,000	—	Acquisition of Flow-Through Shares	42.25
	May 15, 2008	30,000	—	Exercise of Options	6.25

<u>Name and Position</u>	<u>Date of Issue</u>	<u>Number of Shares Issued</u>	<u>Number of Options Granted</u>	<u>Description of Type of Trade</u>	<u>Price or Exercise Price per Share (\$)</u>
Brian G. Robinson	November 17, 2006	—	40,000	Grant of Options	33.42
Vice President,	January 1, 2007	50,000	—	Exercise of Options	3.50
Finance and	February 27, 2007	2,500	—	Acquisition of Flow-Through Shares	41.50
Chief Financial Officer	March 28, 2007	25,000	—	Exercise of Options	6.25
	June 29, 2007	—	50,000	Grant of Options	37.53
	August 13, 2007	25,000	—	Exercise of Options	6.25
	October 4, 2007	2,000	—	Acquisition of Flow-Through Shares	43.10
	March 4, 2008	500	—	Acquisition of Flow-Through Shares	42.25
	March 4, 2008	1,500	—	Acquisition of Flow-Through Shares	42.25
	March 24, 2008	15,000	—	Exercise of Options	13.70
	May 13, 2008	15,000	—	Exercise of Options	13.70
	June 11, 2008	20,000	—	Exercise of Options	38.38
Richard G. Krol	November 17, 2006	—	40,000	Grant of Options	33.42
Vice President,	January 9, 2007	45,000	—	Exercise of Options	3.50
Marketing	June 12, 2007	25,000	—	Exercise of Options	6.25
	June 29, 2007	—	50,000	Grant of Options	37.53
	March 4, 2008	2,500	—	Acquisition of Flow-Through Shares	42.25
	March 24, 2008	30,000	—	Exercise of Options	13.70
Drew E. Tumbach	July 27, 2006	193,000	—	Exercise of Options	4.50
Vice President,	November 17, 2006	—	20,000	Grant of Options	33.42
Land and Contracts	November 29, 2006	17,000	—	Exercise of Options	6.25
	November 29, 2006	20,000	—	Exercise of Options	13.70
	June 29, 2007	—	50,000	Grant of Options	37.53
William S. Kirker	November 17, 2006	—	20,000	Grant of Options	33.42
Manager, Corporate	February 23, 2007	1,100	—	Acquisition of Flow-Through Shares	41.50
Affairs and	June 29, 2007	—	30,000	Grant of Options	37.53
Corporate Secretary	October 2, 2007	2,000	—	Acquisition of Flow-Through Shares	43.10
	February 29, 2008	1,000	—	Acquisition of Flow-Through Shares	42.25
	January 29, 2008	10,000	—	Exercise of Options	6.25
	March 25, 2008	10,000	—	Exercise of Options	6.25
	May 13, 2008	20,000	—	Exercise of Options	6.25
	May 23, 2008	25,000	—	Exercise of Options	6.25

OWNERSHIP OF SECURITIES OF THE OFFEROR

None of Duvernay or any of its directors, officers or insiders, to the knowledge of the directors and officers of Duvernay, after reasonable inquiry, any of their respective associates or affiliates, or any person or company acting jointly or in concert with Duvernay, owns, or exercises control or direction over, any securities of any class of either Shell Canada or the Offeror.

RELATIONSHIPS BETWEEN THE OFFEROR AND THE DIRECTORS AND OFFICERS OF DUVERNAY

Other than arrangements contained in the Pre-Acquisition Agreement and in the Lock-up Agreements or described elsewhere herein, there are no agreements, commitments or understandings that have been made or are proposed to be made between the Offeror and any of the directors or officers of Duvernay and no payment or other benefit is proposed to be made or given by the Offeror to any directors or officers of Duvernay by way of compensation for loss of office or as to their remaining in or retiring from office if the Offer is successful. See “The Pre-Acquisition Agreement and Lock-up Agreements” and “Arrangements Between Duvernay and Officers and Directors of Duvernay”.

None of the directors or officers of Duvernay is also a director or officer of Shell Canada, the Offeror or any subsidiary of such entities.

ARRANGEMENTS BETWEEN DUVERNAY AND OFFICERS AND DIRECTORS OF DUVERNAY

There are no agreements, commitments or understandings made or proposed to be made between Duvernay and any of the directors or officers of Duvernay pursuant to which a payment or other benefit is proposed to be made or given by way of compensation for loss of office or as to their remaining in or retiring from office if the Offer is successful, except as described below and in the Offering Circular. See “Pre-Acquisition Agreement — Reconstitution of the Board of Directors — Directors’ and Officers’ Insurance — Indemnities” in the Offering Circular.

Options

The Offer will result in the vesting of the outstanding Options such that all outstanding Options shall be exercisable and fully vested prior to the Expiry Time of the Offer. Holders of Options will have the choice of either (i) exercising their Options and tendering the Shares issued in connection therewith to the Offer, or (ii) surrendering their Options to Duvernay pursuant to the Duvernay Stock Option Plan for the aggregate of the in-the-money amount of such surrendered Options (less applicable withholdings), in each case conditional upon the Offeror taking up Shares under the Offer.

If all directors and officers exercise their Options and tender the Shares acquired upon such exercise to the Offer for cash, or surrender their Options to Duvernay pursuant to the Duvernay Stock Option Plan for the aggregate of the in-the-money amount of such surrendered Options, then the aggregate amount received by such directors and officers will be approximately \$66 million.

Duvernay has also agreed to use its reasonable commercial efforts and has represented that its directors have determined to use their reasonable commercial efforts to ensure all persons holding Options either exercise or surrender or terminate the rights to exercise any of their Options.

INTERESTS OF DIRECTORS AND OFFICERS OF DUVERNAY IN MATERIAL TRANSACTIONS WITH THE OFFEROR

Other than the Pre-Acquisition Agreement described under “The Pre-Acquisition Agreement and Lock-up Agreements” or as referred to above under “Arrangements Between Duvernay and Officers and Directors of Duvernay” or as disclosed elsewhere herein, none of the directors or officers of Duvernay or any of their respective associates or, to the knowledge of the directors and officers of Duvernay, after reasonable inquiry, any person who owns more than 10% of the outstanding Shares, has any interest in any material transaction to which either Shell Canada or the Offeror is a party.

RESPONSE OF DUVERNAY

Except as otherwise described or referred to herein, Duvernay has not entered into any transaction, directors’ resolution, agreement in principle, or signed any contract in response to the Offer nor are there any negotiations underway in response to the Offer which relate to or would result in: (i) an extraordinary transaction such as a merger or reorganization involving Duvernay or a subsidiary of Duvernay; (ii) the purchase, sale or transfer of a material amount of assets by Duvernay or a subsidiary of Duvernay; (iii) a competing Acquisition Proposal; (iv) a bid by Duvernay for its own securities or for those of another issuer; or (v) any material change in the present capitalization or dividend policy of Duvernay.

MATERIAL CHANGES IN THE AFFAIRS OF DUVERNAY

Except as disclosed in this Directors’ Circular or the Offering Circular, the directors and officers of Duvernay are not aware of any information that indicates any material change in the affairs of Duvernay since May 6, 2008, the date of Duvernay’s last published interim financial statements.

OTHER MATERIAL INFORMATION

There is no information not disclosed in this Directors’ Circular, but known to the Board of Directors, that would reasonably be expected to affect the decision of Duvernay’s securityholders to accept or reject the Offer.

STATUTORY RIGHTS OF ACTION

Securities legislation in the provinces and territories of Canada provides security holders of Duvernay with, in addition to any other rights they may have at law, one or more rights of rescission, price revision or to damages, if there is a

misrepresentation in a circular or notice that is required to be delivered to those security holders. However, such rights must be exercised within prescribed time limits. Security holders should refer to the applicable provisions of the securities legislation of their province or territory for particulars of those rights or consult a lawyer.

APPROVAL OF DIRECTORS' CIRCULAR

This Directors' Circular has been approved and its sending has been authorized by the Board of Directors.

CONSENT OF PETERS & CO. LIMITED

To: The Board of Directors of Duvernay Oil Corp.

We refer to the offer of BRS Gas Corp., a wholly-owned subsidiary of Shell Canada Limited, to acquire all of the common shares of Duvernay Oil Corp. (“**Duvernay**”) dated July 17, 2008 (the “**Offer**”).

We hereby consent to the inclusion of our opinion letter dated July 14, 2008 in the Directors’ Circular of Duvernay dated July 17, 2008 in response to the Offer and to the references to such opinion in such Directors’ Circular.

(Signed) “*Peters & Co. Limited*”

Calgary, Alberta
July 17, 2008

CERTIFICATE

Dated: July 17, 2008

The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

On Behalf of the Board of Directors

(Signed) "*Michael L. Rose*"
Michael L. Rose
Chairman, President and Chief Executive Officer

(Signed) "*Kevin Keenan*"
Kevin Keenan
Lead Director

SCHEDULE "A"

FAIRNESS OPINION OF PETERS & CO. LIMITED



3900 Bankers Hall West
888 Third Street SW
Calgary, AB T2P 5C5
Tel: (403) 261-4850
www.petersco.com

July 14, 2008

Duvernay Oil Corp.
1500, 202 – 6th Avenue SW
Calgary, Alberta T2P 2R9

Attention: Board of Directors of Duvernay Oil Corp.

Dear Sirs:

Peters & Co. Limited (“**Peters & Co.**”) understands that Duvernay Oil Corp. (“**Duvernay**”) and Shell Canada Limited (“**SCL**”) have entered into a pre-acquisition agreement dated July 14, 2008 (the “**Acquisition Agreement**”) which contemplates a take-over bid pursuant to which SCL, or a subsidiary thereof, will make an offer to acquire all of the issued and outstanding shares of Duvernay (the “**Duvernay Shares**”), including any Duvernay Shares that are issued on the exercise of Duvernay options (the “**Offer**”). Pursuant to the Offer, holders of Duvernay Shares shall receive a cash payment in the amount of \$83.00 for each Duvernay Share.

The Offer is subject to a number of terms and conditions, which must be either satisfied or waived including, among other things, there being validly deposited under the Offer and not withdrawn at least 66 $\frac{2}{3}$ % of the Duvernay Shares calculated on a fully-diluted basis. The terms and conditions of the Offer are more fully described in the Acquisition Agreement. We understand that all directors and officers of Duvernay (the “**Supporting Shareholders**”), who own approximately 18.1% of the outstanding Duvernay Shares on a fully-diluted basis, have agreed pursuant to lock-up agreements (the “**Lock-up Agreements**”) to tender their Duvernay Shares to the Offer. Subject to certain circumstances set forth in the Lock-up Agreements, the Supporting Shareholders may withdraw such Duvernay Shares in certain circumstances.

Engagement of Peters & Co.

Peters & Co. was engaged by the board of directors of Duvernay (the “**Board**”) pursuant to an engagement agreement dated July 7, 2008 (the “**Engagement Agreement**”), to provide financial advisory services, including the preparation and provision of its opinion as to the fairness (the “**Fairness Opinion**”), from a financial point of view, of the Consideration to be received by the holders of Duvernay Shares pursuant to the Offer.

Pursuant to the terms of the Engagement Agreement, Peters & Co. has not been engaged to prepare a formal valuation of any of the assets, shares or options involved in the Offer and this Fairness Opinion should not be construed as such. However, Peters & Co. has performed financial analyses which it considered to be appropriate and necessary in the circumstances and such analyses support the conclusions reached in the Fairness Opinion. Duvernay has agreed to indemnify Peters & Co. in respect of certain liabilities which may be incurred by it in connection with the use by Duvernay and the Board of this Fairness Opinion.

The terms of the Engagement Agreement provide that Peters & Co. is to be paid fees for its services as financial advisor, including fees that are contingent on the completion of the Offer.

Qualifications of Peters & Co.

Peters & Co. is an independent, fully-integrated investment dealer headquartered in Calgary, Alberta, Canada. The firm specializes in investments in the Canadian energy industry. Peters & Co. was founded in 1971 and is a member of the Toronto Stock Exchange, the TSX Venture Exchange, the Investment Industry Regulatory Organization of Canada, the Investment Industry Association of Canada and the Canadian Investor Protection Fund. Peters & Co. Equities Inc., a

Fairness Opinion

wholly-owned subsidiary of Peters & Co., is a member of the Financial Industry Regulatory Authority, the Securities Investor Protection Corporation and the Securities Industry Association in the United States.

Peters & Co. provides investment services to institutional investors and individual private clients; employs its own sales and trading group; conducts specialized and comprehensive investment research on the oil and natural gas, infrastructure and oilfield services industries; and is an active underwriter for, and financial advisor to, companies, trusts and limited partnerships active in the Canadian energy industry. Peters & Co. and its principals have participated in a significant number of transactions involving oil and natural gas, infrastructure and oilfield services companies and trusts in Canada and internationally and have acted as financial advisors in a significant number of transactions involving evaluations of, and opinions for, private and publicly-traded companies, trusts and limited partnerships.

The opinion expressed herein is the opinion of Peters & Co. as a firm. The form and content of the Fairness Opinion have been reviewed and approved for release by certain senior corporate finance partners of Peters & Co., all of whom are experienced in merger, acquisition, divestiture, valuation and fairness opinion matters.

Relationship of Peters & Co. with Interested Parties

Neither Peters & Co. nor any of its affiliates or associates is an insider, associate or affiliate (as those terms are defined in the *Securities Act* (Alberta)) of Duvernay or SCL. Neither Peters & Co. nor any of its affiliates is acting as an advisor to Duvernay or SCL in connection with any matter, other than acting as a financial advisor to Duvernay as described above. Peters & Co., however, acted as the lead underwriter to Duvernay in connection with an offering, by way of a short form prospectus, of Duvernay common shares in May 2008 and has acted as a lead underwriter or a lead agent in other issues of securities of Duvernay including, but not limited to, its issuance of flow-through common shares in March 2008, its issuance of flow-through common shares in October 2007, its issuance of common shares in June 2007, its issuance of flow-through common shares in February 2007, and its issuance of flow-through common shares in October 2006.

Peters & Co. acts as a trader and dealer, both as principal and as agent, in all major Canadian financial markets and as such has had, or may have, positions in the securities of Duvernay from time to time and has executed, or may execute, transactions in the securities of Duvernay for which it receives compensation. In addition, as an investment dealer, Peters & Co. conducts research on securities and may, in the ordinary course of its business, be expected to provide investment advice to its clients on investment matters, including the Duvernay Shares and the Offer. There are no understandings or agreements between Peters & Co. and Duvernay with respect to any future business dealings other than described in the preceding paragraph.

Scope of Review

In connection with rendering our Fairness Opinion, Peters & Co. has reviewed and relied upon, among other things, the following:

- (i) the Acquisition Agreement between Duvernay and SCL dated July 14, 2008;
- (ii) the form of Lock-up Agreement entered into by the Supporting Shareholders;
- (iii) the Duvernay audited financial statements and management's discussion and analysis for the 12-month period ended December 31, 2007;
- (iv) the interim report and unaudited financial statements of Duvernay for the three month period ended March 31, 2008;
- (v) the consolidated GLJ Petroleum Consultants Ltd. reserves report dated March 20, 2008, for Duvernay, effective December 31, 2007 (approximately 30% of the properties, by proved plus probable future net revenue, in the reserves report were evaluated by AJM Petroleum Consultants);
- (vi) the Annual Information Form for Duvernay dated March 28, 2008 for the year ended December 31, 2007;

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- (vii) the Information Circular — Proxy Statement for Duvernay dated April 25, 2008 for the annual and special meeting of Duvernay shareholders held on June 5, 2008;
- (viii) certain budget / forecast information including the detailed 2008E budget and updated forecast and the illustrative 5-year development plan for Duvernay;
- (ix) schedule of current developed and undeveloped land holdings of Duvernay, including information provided on various farm-in agreements entered into by Duvernay;
- (x) discussions with the senior management and certain other employees of Duvernay; and
- (xi) certain other confidential financial, operational, legal, corporate and other information prepared by or provided by the senior management of Duvernay.

In addition to the information detailed above, Peters & Co. has:

- (i) reviewed certain publicly available information pertaining to current and expected future oil and natural gas prices, oilfield activity levels and other economic factors;
- (ii) reviewed and considered capital market conditions, both current and expected, for the oil and natural gas industry in general, for exploration and production companies and trusts, and for Duvernay specifically;
- (iii) reviewed publicly available information concerning the trading of, and the trading market for, the Duvernay Shares, as well as the common shares of certain other select Canadian and US public E&P companies;
- (iv) received representations contained in certificates addressed to us from certain senior officers of Duvernay as to the completeness and accuracy of the information upon which the Fairness Opinion is based; and
- (v) reviewed other financial, securities market and industry information and carried out such other analyses and investigations as Peters & Co. considered necessary and appropriate in the circumstances.

Peters & Co. was granted full and unrestricted access by Duvernay to their respective senior management groups, board of directors and legal advisors and was, to the best of our knowledge, provided with all material information.

Assumptions and Limitations

The Fairness Opinion is rendered on the basis of securities market, economic and general business and financial conditions prevailing as at the date hereof and the condition and prospects, financial and otherwise, of Duvernay as reflected in the information and documents reviewed by us and as represented to us in our discussions with the senior management of Duvernay. In our analyses, numerous assumptions were made with respect to industry performance, general business and economic conditions and other matters, many of which are beyond the control of any party involved.

Peters & Co. has assumed and relied upon the accuracy, completeness and fair presentation of all of the financial and other information, data, advice, other materials, representations and opinions (the “**Information**”) obtained by it from public sources or received from Duvernay and its consultants or advisors or otherwise pursuant to our engagement, and the Fairness Opinion is conditional upon such completeness, accuracy and fairness. Subject to the exercise of our professional judgment, and except as expressly described herein, Peters & Co. has not attempted to verify independently the accuracy or completeness of any such Information.

The Offer is subject to a number of conditions outside the control of Duvernay and SCL and we have assumed that all conditions precedent to the completion of the Offer can be satisfied in due course and in a reasonable amount of time and all consents, permissions, exemptions or orders of regulatory authorities will be obtained, without adverse conditions or qualifications. In tendering the Fairness Opinion, we express no views as to the likelihood that the conditions with respect to the Offer will be satisfied or waived or that the Offer will be implemented within the timeframe indicated in the Acquisition Agreement. The Fairness Opinion does not constitute a recommendation as to whether any holders of Duvernay Shares should tender their shares to the Offer.

Fairness Opinion

Certain senior officers of Duvernay have represented to us in a certificate that, among other things, the Information provided to us on behalf of Duvernay is complete and correct at the date the Information was provided, and that since the date of the provision of the Information, there has been no material change, financial or otherwise, in the position of Duvernay or its respective assets, liabilities (contingent or otherwise), business or operations and there has been no change of any material facts which is of a nature so as to render the Information, taken as a whole, untrue or misleading in any material respect. With respect to any financial forecasts and projections provided to Peters & Co. and used in our analyses, we have assumed that they have been reasonably prepared and reflect the best currently available estimates and judgments of the senior management of Duvernay as to the matters covered thereby, and in rendering our Fairness Opinion, we express no view as to the reasonableness of such forecasts or projections or the assumptions on which they are based.

Fairness Opinion and Reliance

Based upon our analyses and subject to all of the foregoing, Peters & Co. is of the opinion that, as of the date hereof, the Consideration to be received by holders of Duvernay Shares pursuant to the Offer is fair, from a financial point of view, to the holders of Duvernay Shares.

This Fairness Opinion may be relied upon by the Board for the purposes of considering the Offer and its recommendation to the holders of Duvernay Shares with respect to the Offer and may not be published, reproduced, disseminated, quoted from, or referred to, in whole or in part, or be used or relied upon by any person, or for any other purpose, without our express prior written consent.

Yours truly,

signed "*Peters & Co. Limited*"
PETERS & CO. LIMITED