

## WHISTLEBLOWER POLICY

### *Procedures for the Submission of Complaints or Concerns Regarding Financial Statement Disclosures, Accounting, Internal Accounting Controls, or Auditing Matters*

CSA Multilateral Instrument 52-110, the applicable rules of the Alberta Securities Commission, and the listing standards of the Toronto Stock Exchange require the Audit Committee (the “Committee”) of Kroes Energy Inc. (the “Company”) to establish formal procedures for: (a) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and (b) the confidential, anonymous submission by employees of the Company, of concerns regarding questionable accounting or auditing matters.

The Company is committed to achieving compliance with all applicable securities laws and regulations, accounting standards, accounting controls and audit practices. Accordingly, in order to facilitate the reporting of concerns and complaints, the Company’s Audit Committee has established the following procedures for (1) the receipt, retention and treatment of complaints regarding accounting, internal accounting controls, or auditing matters, including concerns regarding questionable accounting or auditing matters (collectively, “Accounting Matters”), and (2) the confidential, anonymous submission by employees, consultants or other stakeholders of the Company of concerns regarding Accounting Matters.

#### **Submission of Complaints**

Any person, including employees, and consultants, with a concern or complaint regarding Accounting Matters may submit their concern or complaint in writing to the Chair of the Audit Committee of the Company at its corporate headquarters by regular mail or facsimile as follows:

Chair, Audit Committee  
Kroes Energy Inc.  
#1840, 444 – 5<sup>th</sup> Avenue S.W.  
Calgary, Alberta T2P 2T8  
Phone: (403) 265-7711 Fax: (403) 265-7733

The person submitting a complaint should include a telephone number in the submission at which he or she may be contacted if the person requests contact or if the Audit Committee determines that contact is appropriate.

Any employee, consultant or stakeholder may submit a concern or complaint regarding Accounting Matters to the management of the Company without fear of dismissal or retaliation of any kind. The Company will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any employee, consultant or stakeholder based upon any lawful actions of a complainant with respect to good faith reporting of concerns or complaints regarding Accounting Matters or otherwise as specified in Section 806 of the Sarbanes-Oxley Act of 2002.

### **Scope of Matters Covered by These Procedures**

These procedures relate to concerns or complaints relating to any questionable Accounting Matters including, without limitation, the following:

- Fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of the Company;
- Fraud or deliberate error in the recording and maintaining of financial records of the Company;
- Deficiencies in or non-compliance with the Company's internal accounting controls;
- Misrepresentation or false statement to or by an officer or accountant regarding a matter contained in the financial records, financial reports or audit reports of the Company; or
- Deviation from full and fair reporting of the Company's financial condition.

### **Treatment of Complaints**

- Upon receipt of a concern or complaint, the Audit Committee will (i) determine whether the concern or complaint actually pertains to Accounting Matters and (ii) when possible, acknowledge receipt of the concern or complaint to the submitter within 30 days.
- Concerns or complaints relating to Accounting Matters will be reviewed under Audit Committee direction and oversight by such persons as the Audit Committee determines to be appropriate. Confidentiality will be maintained to the fullest extent possible, consistent with the need to conduct an adequate review.
- Prompt and appropriate corrective action will be taken when and as warranted in the judgement of the Audit Committee.
- When possible and when determined appropriate by the Audit Committee, notice of any corrective action taken will be given to the person who submitted the concern or complaint.

### **Reporting and Retention of Complaints and Investigations**

The Corporate Secretary will maintain a log of all concerns or complaints, tracking their receipt, investigation and resolution and shall prepare a periodic summary report thereof for the Audit Committee. Copies of complaints and the log will be maintained in accordance with the Company's document retention policy.

Adopted by the Audit Committee on May 30, 2005.