

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Persta Resources Inc., you should at once hand this circular with the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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PERSTA RESOURCES INC.

*(a corporation incorporated under the Business Corporations Act of
the Province of Alberta, Canada with limited liability)*

(HK stock code: 3395)

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MANAGEMENT INFORMATION CIRCULAR

ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

Meeting Date: June 9, 2017 at 9:00 a.m. (Hong Kong Time)

Meeting Venue: 24/F, Admiralty Centre 1, 18 Harcourt Road, Hong Kong

April 27, 2017

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NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD AT 9:00 A.M. ON JUNE 9, 2017 (HONG KONG TIME)

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of common shares (the “**Shares**”) in the capital of Persta Resources Inc. (“**Persta**” or the “**Corporation**”) will be held at 24/F, Admiralty Centre 1, 18 Harcourt Road, Hong Kong on June 9, 2017 at 9:00 a.m. (Hong Kong time), for the following purposes:

1. to receive and consider the audited financial statements of the Corporation as at and for the financial year ended December 31, 2016, the report of the board of directors of the Corporation (the “**Board**”) and the report of the auditor thereon;
2. to fix the number of directors of the Corporation to be elected for the ensuing year at five;
3. to elect or re-elect, as the case may be, each as a separate resolution, the following directors of the Corporation for the ensuing year:
 - (a) Mr. Le Bo as an executive director of the Corporation;
 - (b) Mr. Yuan Jing as a non-executive director of the Corporation;
 - (c) Mr. Richard Dale Orman as an independent non-executive director of the Corporation;
 - (d) Mr. Bryan Daniel Pinney as an independent non-executive director of the Corporation;
and
 - (e) Mr. Peter David Robertson as an independent non-executive director of the Corporation;
4. to re-appoint KPMG LLP, Chartered Professional Accountants, as auditors for the ensuing year and to authorize the directors of the Corporation to fix their remuneration;

5. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution granting the Board a general and unconditional mandate to allot, issue and otherwise deal with the Shares allotted or agreed to be allotted not exceeding twenty percent (20%) of the aggregate issued and outstanding share capital of the Corporation as at the date of passing of this resolution, the Issuing Mandate, as more particularly described in the accompanying Circular;
6. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution granting the Board a general and unconditional mandate to exercise all the power of the Corporation to repurchase the Shares not exceeding ten percent (10%) of the aggregate issued and outstanding share capital of the Corporation as at the date of passing of this resolution, the Share Repurchase Mandate, as more particularly described in the accompanying Circular;
7. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution granting the Board a general and unconditional mandate to extend the Issuing Mandate by the aggregate number of the Shares repurchased by the Corporation pursuant to the exercise of the Share Repurchase Mandate, provided that such extended amount shall not exceed 10% of the aggregate issued and outstanding share capital of the Corporation as at the date of passing of this resolution, as more particularly described in the accompanying Circular; and
8. to transact such other business as may properly come before the Meeting or any adjournment or adjournments thereof.

Time and Venue of the Meeting

The Meeting will be held at 24/F, Admiralty Centre 1, 18 Harcourt Road, Hong Kong on June 9, 2017 (Hong Kong time) at 9:00 a.m., Hong Kong.

Registered Shareholders

If you hold Shares in your own name, you are a registered shareholder of the Corporation (“**Registered Shareholder**”). As a Registered Shareholder, if you are unable to attend the Meeting in person and wish to ensure that your Shares are voted at the Meeting, you must complete, date and sign the enclosed form of proxy and deliver it in accordance with the instructions set out in the form of proxy and in the Circular. Such form of proxy is also published on the HKExnews’ website of the Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the website of the Corporation at www.persta.ca.

Beneficial Shareholders

If your Shares are held in an account with a brokerage firm or an intermediary (i.e. a broker, investment firm, clearing house or a similar entity), you are a beneficial shareholder of the Corporation (“**Beneficial Shareholder**”). Beneficial Shareholders should follow the instructions set out in the voting instructions form or other form of proxy provided by your intermediaries to ensure that your Shares will be voted at the Meeting.

Record Date

All Registered Shareholders as at 4:30 p.m. on April 24, 2017 (Hong Kong time) and 2:30 a.m. on April 24, 2017 (Calgary time), as the case may be (the “**Record Date**”), may vote in person at the Meeting or any adjournments thereof, or they (including a Beneficial Shareholder) may appoint another person (who need not be a Shareholder) as their proxy to attend and vote in their place.

Delivery of Proxy

Shareholders who receive this Circular and other accompanying Meeting materials from the Corporation’s branch share registrar in Hong Kong, being Computershare Hong Kong Investor Services Limited, and who are unable to be present at the Meeting are requested to date and sign the enclosed form of proxy and return it to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, in the enclosed envelope provided for that purpose, so that it is received during regular business hours (Hong Kong time) no later than 48 hours, excluding Saturdays, Sundays and public holidays in Hong Kong, prior to the time for the holding of the Meeting, or any adjournment thereof. If a Shareholder acquired its Shares on or after March 10, 2017 and is registered as a member of the Corporation on the register of members in Hong Kong on the Record Date, such Shareholder’s records are currently maintained on the Hong Kong register and such Shareholder’s proxy should be deposited in accordance with the instructions set out in this paragraph.

Shareholders who receive this Circular and other accompanying Meeting materials from the Corporation’s principal share registrar in Canada, being Computershare Trust Company of Canada, and who are unable to be present at the Meeting, are requested to date and sign the enclosed form of proxy and return it to Computershare Trust Company of Canada, Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, Canada, in the enclosed envelope provided for that purpose, so that it is received no later than 48 hours (Toronto time) (excluding Saturdays, Sundays and holidays) prior to the time for the holding of the Meeting or any adjournment thereof. Registered shareholders may also use the website at www.investorvote.com to transmit their voting instructions or vote by phone at 1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America). Shareholders are cautioned that the use of mail to transmit proxies is at each shareholder’s risk. If a Shareholder acquired its Shares prior to March 10, 2017 and is registered as Shareholder on the register of Shareholders in Canada on the Record Date, such Shareholder’s records are currently maintained on the Canadian register and such Shareholder’s proxy should be deposited in accordance with the instructions set out in this paragraph.

In order to be valid, all proxies must be received during regular business hours by Computershare Hong Kong Investor Services Limited or Computershare Trust Company of Canada as applicable, by at least 48 hours, excluding Saturdays, Sundays and public holidays in Calgary and Hong Kong, before the Meeting (i.e. 7:00 p.m. on June 6, 2017 (Calgary time) and 9:00 a.m. on June 7, 2017 (Hong Kong time), as the case may be), or any adjournment thereof, or deposited with the Chairman of the Meeting on the day of the Meeting prior to the commencement of the Meeting.

Results of the Meeting

The votes to be taken at the Meeting will be taken by poll, the result of which will be published on the websites of the Corporation and the Stock Exchange after the Meeting.

**BY ORDER OF THE BOARD
PERSTA RESOURCES INC.**

(signed) “Le Bo”

Le Bo
Chairman

Calgary, Alberta, April 27, 2017.

As at the date of this notice, the Board consists of Mr. Le Bo as executive director; Mr. Yuan Jing as non-executive director; and Mr. Richard Dale Orman, Mr. Bryan Daniel Pinney, and Mr. Peter David Robertson as independent non-executive directors.

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MANAGEMENT INFORMATION CIRCULAR

April 27, 2017

GENERAL PROXY INFORMATION

Solicitation of Proxies

This management information circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by or on behalf of the management of Persta Resources Inc. (the “**Corporation**” or “**Persta**”) for use at the annual general and special meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of common shares (the “**Shares**”) in the capital of Persta or any adjournments thereof, to be held at 24/F, Admiralty Centre 1, 18 Harcourt Road, Hong Kong on June 9, 2017 at 9:00 a.m. (Hong Kong time) and any adjournments thereof for the purposes set forth in the notice accompanying this Circular.

The cost of this solicitation of proxies is borne by the Corporation. It is expected that the solicitation will be primarily by mail, but proxies or votes or voting instructions may also be solicited personally or by telephone, facsimile, e-mail, or other means of communication by directors, officers and regular employees of the Corporation.

The information contained herein is given as of April 21, 2017 (the “**Latest Practicable Date**”), except where otherwise indicated.

Record Date

The board of directors of the Corporation have fixed the record date for the Meeting at 4:30 p.m. on April 24, 2017 (Hong Kong time) and 2:30 a.m. on April 24, 2017 (Calgary time), as the case may be (the “**Record Date**”). Only Shareholders as at the Record Date are entitled to receive notice of the Meeting. Shareholders on record will be entitled to vote their Shares held by them as at the Record Date, unless any such Shareholder properly transfers the Shares after the Record Date and the transferee of those Shares, having produced properly endorsed certificates evidencing such Shares or having otherwise established ownership of such Shares, demands, at least ten (10) days before the Meeting, that the transferee’s name be included in the list of Shareholders entitled to vote at the Meeting, in which case such transferee shall be entitled to vote such Shares at the Meeting. To ensure that there is no risk that any of the Shares will be voted twice, the transferee must provide written evidence to the Corporation including, without limitation, providing properly endorsed certificates evidencing the transfer of such Shares or having otherwise established ownership of such Shares, written evidence of the identification of the relevant transferor and written evidence that the relevant transferor has not and will not exercise their right to vote either by proxy or in person at the Meeting. The Corporation may refuse the demand by a transferee to be included in the list of Shareholders entitled to vote at the Meeting if the transferee cannot demonstrate to the Corporation with sufficient certainty that the relevant Shares have not already been voted by proxy or will be voted by the relevant transferor at the Meeting.

Voting at the Meeting

Registered Shareholders are invited to attend the Meeting and vote their Shares at the Meeting or appoint another person (who need not be a Shareholder) to act as their proxy and vote in their place, as described below under the heading “*Proxy Information for Registered Shareholders*”. Beneficial Shareholders are invited to attend the Meeting, but in order to vote their Shares they must follow the procedures described below under the heading “*Proxy Information for Beneficial Shareholders*”.

PROXY INFORMATION FOR REGISTERED SHAREHOLDERS

Appointment of Proxy Holder

A proxy is a document that authorizes someone else to attend the Meeting and cast the votes for a Registered Shareholder. **The persons named in the accompanying form of proxy (the “Proxy”) are officers and/or directors of the Corporation. If you are a Registered Shareholder, you have the right to appoint a person or company other than the persons designated in the Proxy, who need not be a Shareholder to attend and act on your behalf at the Meeting. You may do so either by inserting the name of that other person or company in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

A proxy must be in writing and must be executed by you as Registered Shareholder, or by your attorney authorized in writing, or if the Registered Shareholder is a corporation or other legal entity, under its corporate seal or by an officer or attorney thereof duly authorized.

The persons named in the Proxy will vote or withhold from voting the Shares represented thereby in accordance with your instructions on any vote that may be called. If you specify a choice with respect to any matter to be acted upon, your Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified;
- (b) any amendment to or variation of any matter identified therein; and
- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the Proxy, other than the appointment of an auditor and the election of the directors, the persons named in the Proxy will vote the Shares represented by the Proxy FOR the approval of such matter.

Voting by Proxy Holder

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person.

Registered Shareholders who received this Circular and other accompanying Meeting materials from the Corporation's branch registrar in Hong Kong, and who elect to submit a proxy may do so by completing, dating and signing the accompanying Proxy and returning it to the Corporation's branch share registrar in Hong Kong, being Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, ensuring that the Proxy is received during regular business hours at least 48 hours, excluding Saturdays, Sundays and public holidays in Hong Kong, before the Meeting (i.e. 9:00 a.m. on June 7, 2017 (Hong Kong time)), or any adjournment thereof, at which the Proxy is to be used. If a Shareholder acquired its Shares on or after March 10, 2017 and is registered as a member of the Corporation on the register of members in Hong Kong on the Record Date, such Shareholder's records are currently maintained on the Hong Kong register and such Shareholder's proxy should be deposited in accordance with the instructions set out in this paragraph.

Registered Shareholders who received this Circular and other accompanying Meeting materials from the Corporation's principal share registrar in Canada, and who elect to submit a proxy may do so by completing, dating and signing the accompanying Proxy and returning it to the Corporation's principal share registrar in Canada, being Computershare Trust Company of Canada at Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, Canada, in the enclosed envelope provided for that purpose, so that it is received during regular business hour no later than 48 hours (Toronto time) (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting or any adjournment thereof, at which the Proxy is to be used. Registered shareholders may also use the internet site at www.investorvote.com to transmit their voting instructions or vote by phone at 1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America), ensuring that the Proxy is received during regular business hours at least 48 hours, excluding Saturdays, Sundays and public holidays in Calgary, before the Meeting (i.e. 7:00 p.m. on June 6, 2017 (Calgary time)), or any adjournment thereof, at which the Proxy is to be used. If a Shareholder acquired its Shares prior to March 10, 2017 and is registered as Shareholder on the register of Shareholders in Canada on the Record Date, such Shareholder's records are currently maintained on the Canadian register and such Shareholder's proxy should be deposited in accordance with the instructions set out in this paragraph.

PROXY INFORMATION FOR 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. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders.

Only Registered Shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. Many Shareholders of the Corporation are Beneficial Shareholders because the Shares they own are not registered in their own names, but are instead registered in the name of the brokerage firm, bank, trust company or clearing house through which they purchased the Shares. Shares beneficially owned by a Beneficial Shareholder are registered either: (i) in the name of an intermediary (an “**Intermediary**”) that the Beneficial Shareholder deals with in respect of the shares of the Corporation (Intermediaries include, among others, banks, trust companies, securities dealers, securities brokers and trustees or administrators of self-administered RRSPs, RRIAs, RESPs, TFSAAs and similar plans); or (ii) in the name of a clearing agency (such as The Canadian Depository for Securities Limited or HKSCC Nominees Limited) of which the Intermediary is a participant. In accordance with applicable securities law requirements, the Corporation will have distributed copies of the notice, the Circular, and form of proxy (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries for distribution to Beneficial Shareholders.

You should carefully follow the instructions of your broker or intermediary in order to ensure that your Shares are voted at the Meeting. The form of proxy supplied to you by your broker will be similar to the Proxy provided by the Corporation to its Registered Shareholders. However, its purpose is limited to instructing the intermediary on how to vote on your behalf.

In Canada, most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. (“**Broadridge**”). Broadridge mails a voting instruction form in lieu of a Proxy provided by the Corporation. The voting instruction form will name the same persons as the Corporation’s Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Corporation), other than the persons designated in the voting instruction form, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the voting instruction form. The completed voting instruction form must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge’s instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting. If you receive a voting instruction form from Broadridge, you cannot use it to vote Shares directly at the Meeting. The voting instruction form must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have the Shares voted.

Although as a Beneficial Shareholder you may not be recognized directly at the Meeting for the purposes of voting Shares registered in the name of your broker, you, or a person designated by you, may attend at the Meeting as proxy holder for your broker and vote your Shares in that capacity. If you wish to attend at the Meeting and indirectly vote your Shares as proxy holder for your broker, or have a person designated by you do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the voting instruction form provided to you and return the same to your broker in accordance with the instructions provided by such broker, well in advance of the Meeting. Alternatively, you can request in writing that your broker send you a legal proxy which would enable you, or a person designated by you, to attend at the meeting and vote your Shares.

REVOCATION OF PROXY

A Shareholder who has submitted a Proxy may revoke it at any time prior to the exercise thereof. In addition to revocation in any other manner permitted by law, a Shareholder who has given a Proxy may revoke it by:

- (a) executing a Proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Shareholder or such person's authorized attorney in writing or, if such person is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to the Corporation's principal share registrar in Canada, being Computershare Trust Company of Canada at Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, Canada, in the enclosed envelope provided for that purpose, so that it is received no later than 48 hours (Toronto time) (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting or any adjournment thereof. Registered shareholders may also use the internet site at www.investorvote.com to transmit their voting instructions or vote by phone at 1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America), or the Corporation's branch share registrar in Hong Kong, being Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as applicable, at least 48 hours, excluding Saturdays, Sundays and public holidays in Calgary and Hong Kong, before the Meeting (i.e. 7:00 p.m. on June 6, 2017 (Calgary time) or 9:00 a.m. on June 7, 2017 (Hong Kong time), as the case may be), or any adjournment thereof, at which the proxy is to be used, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law; or
- (b) personally attending the Meeting and voting such person's Shares at the Meeting.

A revocation of a Proxy will not affect a matter on which a vote is taken before the revocation.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Corporation will announce the results of the poll in the manner prescribed in Rule 13.39(5) of the Listing Rules.

COUNTING THE VOTES

The Corporation’s principal share registrar, Computershare Trust Company of Canada, and the Corporation’s branch share registrar, Computershare Hong Kong Investor Services Limited, will count and tabulate the proxies for Shares. This is done independently of the Corporation to preserve confidentiality in the voting process. Proxies are referred to the Corporation only in cases where a Shareholder clearly intends to communicate with management or when it is necessary to do so to meet the requirements of applicable law.

INTERESTS OF CERTAIN PERSONS AND COMPANIES IN MATTERS TO BE ACTED UPON

Other than as disclosed in this Circular, management of the Corporation is not aware of any material interest of any director or nominee for director, or executive officer or anyone who has held office as such since the beginning of the Corporation’s last financial year or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF AND VOTES NECESSARY TO PASS RESOLUTIONS

The Corporation is authorized to issue an unlimited number of Shares and an unlimited number of preferred shares in the capital stock of the Corporation (“**Preferred Shares**”). As at the Latest Practicable Date there were 278,286,520 Shares of the Corporation issued and outstanding and no Preferred Shares issued and outstanding. Each Share carries the right to one vote at any meeting of the Shareholders of the Corporation.

By-Law Number Two of the Corporation provides that if at least two (2) persons present as registered Shareholders or as proxyholders for registered Shareholders, together of which is entitled to vote at such meeting, holding or representing in the aggregate not less than five per cent (5%) of the total number of shares carrying the right to vote at such meeting, a quorum for the purposes of conducting a shareholders’ meeting is constituted.

To the best of the knowledge of the directors and officers of the Corporation and as at the Latest Practicable Date, no person or company beneficially owns, directly or indirectly, or exercises control or direction over voting securities of the Corporation carrying 10% or more of the voting rights attached to the total issued and outstanding Shares, except that pursuant to the Unanimous Shareholders Agreement dated December 18, 2015 and the First Supplemental Unanimous Shareholders Agreement dated April 29, 2016, Aspen Investment Holdings Ltd., Mr. Yuan Jing, Ji Lin Hong Yuan Trade Group Limited, Mr. Le Bo, 1648557 Alberta Ltd., Changchun Liyuan

Investment Co. Ltd. and Ms. Jing Hou (being spouse of Mr. Le Bo) become a group of the Controlling Shareholders (as defined in the Listing Rules) acting in concert and are interested in under Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”), which in aggregate approximately 67.30% of the total number of issued and outstanding Shares, and HKSCC Nominees Limited, which holds 69,553,000 Shares, representing approximately 24.99% of the issued and outstanding Shares. HKSCC Nominees Limited is a subsidiary of the Hong Kong Exchanges and Clearing Limited (“HKEx”) and its principal business is to act as nominee on behalf of other corporate or individual shareholders. All shares of Hong Kong listed companies, which are deposited into HKEx’s Central Clearing and Settlement System (CCASS), are registered in the name of HKSCC Nominees Limited.

References to “issued and outstanding” securities and similar expressions in this Circular are to the outstanding securities (including Shares) of the Corporation, being those securities issued by the Corporation and held by its investors (and excluding any securities issued and then repurchased, but not canceled, by the Corporation). As at the Latest Practicable Date, there are no securities of the Corporation issued but not outstanding.

DIRECTORS

As at the date of this Circular, the Board consists of Mr. Le Bo as executive director; Mr. Yuan Jing as non-executive director; and Mr. Richard Dale Orman, Mr. Bryan Daniel Pinney, and Mr. Peter David Robertson as independent non-executive directors.

PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING

1. Financial Statements

The audited financial statements of the Corporation as at and for the financial year ended December 31, 2016, the report of the Board and the report of the auditors thereon will be placed before the Shareholders at the Meeting.

2. Fixing the Number of Directors of the Corporation

The Articles of Incorporation of the Corporation provide for a minimum of one (1) director and a maximum of seven (7) directors. According to the requirements of the Listing Rules, the Corporation must appoint independent non-executive directors representing at least one-third of the board. It is proposed that the number of directors to be elected at the Meeting to hold office until the next annual general meeting or until their successors are elected or appointed, subject to the Articles of Incorporation and By-Law Number Two of the Corporation, be set at five (5). There are presently five directors of the Corporation, of which three of them are the independent non-executive directors, whose term of office shall expire at the Meeting.

Unless otherwise instructed, it is the intention of the persons named in the accompanying Proxy to vote in FAVOUR OF setting the number of directors to be elected at the Meeting at five (5).

3. Election of Directors

The Shareholders will be asked to pass an ordinary resolution at the Meeting to elect, as directors of the Corporation, the nominees whose names are set forth in the table below. Each nominee elected will hold office until the next annual general meeting of the Shareholders or until his successor is duly elected or appointed, unless his office is vacated earlier, then in accordance with the Articles of Incorporation and By-Law Number Two of the Corporation. Voting for the election of the directors will be conducted on an individual, and not on a slate, basis.

Effective January 17, 2017, the Board passed a policy which provides that, in the event that a director candidate is elected but receives more votes withheld than cast in favour of the director at the meeting appointing directors, he or she is expected to forthwith submit a letter of resignation. The Board will refer the resignation to its Nomination Committee for consideration. The Nomination Committee will consider all factors deemed relevant by the members of the Nomination Committee, including, without limitation, the stated reason or reasons why Shareholders who cast “withhold” votes for the director did so, the qualifications of the director, including the impact the director’s resignation would have on the Corporation, and whether the director’s resignation from the Board would be in the best interests of the Corporation and the Shareholders. The Nomination Committee will then make a recommendation to the Board and the Board will make a final determination as to whether or not to accept the director’s resignation. Within 90 days of receiving the final voting results, the Board will issue an announcement in relation to the resignation of the director or explain the reasons for its decision not to accept the resignation, as the case may be.

Unless instructed otherwise, the persons named in the accompanying Proxy intend to vote the Shares represented thereby in FAVOUR OF the election to the Board of each of those persons designated in the table below.

The Board does not contemplate that any of such nominees will be unable to serve as a director of the Corporation. However, if for any reason any of the proposed nominees do not stand for election or are unable to serve as a director, proxies in favour of management designees will be voted for another nominee in their discretion unless the Shareholder has specified in their proxy that their Shares are to be withheld from voting on the election of directors.

The information in the table below relating to the directors is based partly on the records of the Corporation and partly on information received by the Corporation from the directors, and sets forth the name, municipality of residence of the persons proposed to be nominated for election as directors, all other positions and offices within the Corporation now held by them, their principal occupations or employments during the past five years, the periods during which they have served as directors of the Corporation and the interest in Shares within meaning of Part XV of the SFO of each of them as at the Latest Practicable Date.

Name, Municipality of Residence & Current Position(s) with the Corporation	Principal Occupation and Qualifications	Director Since	Interest in Shares within meaning of Part XV of the SFO as at the Latest Practicable Date ⁽⁴⁾
<p>Le Bo⁽¹⁾⁽²⁾</p> <p>Calgary, Alberta, Canada</p> <p><i>President, Chairman of the Board, Chief Executive Officer and Executive Director</i></p> <p>Age: 36</p>	<p>Mr. Bo is the executive director, President and Chief Executive Officer of Persta, the Chairman of the Board, the Chairman of the Nomination Committee and a member of the Remuneration Committee of the Board, and is one of the Corporation's Controlling Shareholders. Mr. Bo has over 11 years of experience in the natural gas and oil industry. Mr. Bo worked at Fairmont Hotels & Resorts and Suncor Energy Inc. as an independent contractor. Mr. Bo cofounded the Corporation in 2005 and held the positions of the President and Chief Executive Officer since March 11, 2005. Since the founding of the Corporation, Mr. Bo has worked together with management to formulate and implement all Persta's natural gas and oil exploration projects and the development plan of the Corporation at the strategic level. Mr. Bo is primarily responsible for Persta's overall development and growth strategies, and supervision of key management issues.</p> <p>Mr. Bo obtained his Bachelor of Applied Information Systems Technology from the Southern Alberta Institute of Technology in September 2003 and his Master of Business Administration degree from the China University of Petroleum in June 2015.</p>	<p>March 11, 2005</p>	<p>67.30%⁽⁵⁾</p>
<p>Yuan Jing</p> <p>Chang Chun, Ji Lin, China</p> <p><i>Non-Executive Director</i></p> <p>Age: 57</p>	<p>Mr. Jing is a non-executive director and is one of the Corporation's Controlling Shareholders. Mr. Jing is primarily responsible for advising on business development matters. Mr. Jing was appointed to the Board in 2005.</p> <p>Mr. Jing has more than 20 years of experience in business. Mr. Jing is currently the chairman of the board of directors of Ji Lin Hong Yuan Trade Group Limited, a private company located in Jilin Province of China since his appointment in 1996. Further, Mr. Jing has been appointed the President and CEO of Jie Fang Road School since 1994. Since completing secondary education, Mr. Jing spent 12 years working as a bank clerk in the local branches of Industrial and Commercial Bank of China in Jilin Province, China, during 1981 to 1985 and 1985 to 1993, respectively.</p>	<p>March 11, 2005</p>	<p>67.30%⁽⁶⁾</p>

Name, Municipality of Residence & Current Position(s) with the Corporation	Principal Occupation and Qualifications	Director Since	Interest in Shares within meaning of Part XV of the SFO as at the Latest Practicable Date ⁽⁴⁾
<p>Richard Dale Orman ⁽²⁾⁽³⁾</p> <p>Calgary, Alberta Canada</p> <p><i>Independent Non-Executive Director</i></p> <p>Age: 67</p>	<p>Mr. Orman is an independent non-executive director, the Chairman of the Remuneration Committee and a member of the Audit and Risk Committee of the Board. Mr. Orman is currently a senior counsel of the Canadian Strategy Group which provides government relations consultation in Canada.</p> <p>Mr. Orman has over 40 years of experience in the oil and natural gas and energy industry. Mr. Orman was an Executive Assistant to Minister of Mines and Minerals of the Government of Alberta from 1972 to 1975 and a Special Assistant to Minister of Energy and Natural Resources of the Government of Alberta in 1976. From 1989 to 1992, Mr. Orman was the Minister of Energy of the Government of Alberta, responsible for overseeing, among others, Alberta Department of Energy and Alberta Petroleum Marketing Commission. As the Minister of Energy, Mr. Orman served as a delegate to the Organization of the Petroleum Exporting Countries, the United States Interstate Oil and Gas Compact Commission, and the South West Energy Council. Mr. Orman served as the Chairman and CEO of Kappa Energy Inc., an international energy exploration company, a company listed on the TSX Venture Exchange, from 1994 to 1998, and as a director of Vanguard Oil Corp. from 1998 to 2001. From 2003 to 2005, Mr. Orman was the executive vice chairman of Exceed Energy Inc., which was listed on the Toronto Stock Exchange. From 2007 to 2011, Mr. Orman was a lead director and a director of Daylight Energy Ltd., which was listed on the Toronto Stock Exchange. Further, Mr. Orman is a director of WesCan Energy Corporation, a company listed on the TSX Venture Exchange (CVE: WCE) and principally engaged in oil and gas production and exploration in Canada and the US with its major assets of light to medium oil-based products located in central Alberta and Saskatchewan, Canada. Mr. Orman also served as chief executive officer and director of NOR Energy AS, an oil and gas exploration company with its major assets located in the North Sea, Tanzania, Australia and Czech Republic, until 2011. Mr. Orman is also a shareholder of PLM Consultants Ltd., a Calgary based advisory services company established in 1981.</p> <p>Mr. Orman obtained his Bachelor of Arts from the Eastern Washington University in December 1971.</p>	February 26, 2016	Nil

Name, Municipality of Residence & Current Position(s) with the Corporation	Principal Occupation and Qualifications	Director Since	Interest in Shares within meaning of Part XV of the SFO as at the Latest Practicable Date ⁽⁴⁾
<p>Bryan Daniel Pinney⁽¹⁾⁽²⁾⁽³⁾</p> <p>Calgary, Alberta Canada</p> <p><i>Independent Non-Executive Director</i></p> <p>Age: 64</p>	<p>Mr. Bryan Daniel Pinney, aged 64, is an independent non-executive director, the Chairman of the Audit and Risk Committee and a member of each of the Remuneration and Nomination Committees of the Board. Mr. Pinney was appointed to the Board of Governors of Mount Royal University in May 2009 and designated Chair in September 2014 and also a director of North American Energy Partners Inc., a company listed on the Toronto Stock Exchange and New York Stock Exchange (TSE & NYSE: NOA) since May 13, 2015.</p> <p>Mr. Pinney has more than 30 years of experience in financial auditing, valuation and advising companies in energy and natural resources. Mr. Pinney was Deloitte's Calgary Managing Partner from 2002 through 2007 and served as the National Managing Partner of Audit & Assurance from 2007 to 2011, and retired after being Vice Chairman at Deloitte from 2011 to 2015. Prior to joining Deloitte, Mr. Pinney was a partner of Andersen LLP from 1986 and the Calgary Managing Partner from 1991 through May 2002 and a member of the Board of Partners. Mr. Pinney was also a member of the Alberta Security Commission's ("ASC") Financial Advisory Committee, which advises the ASC's chief accountant on financial accounting and disclosure matters.</p> <p>Mr. Pinney obtained a Bachelor of Arts in Business Administration from The University of Western Ontario in June 1975 and also completed the Directors Education Program offered by the Institute of Corporate Directors in Canada in April 2012. Mr. Pinney has been a Chartered Accountant since December 1978, a Fellow of the Chartered Accountants of Alberta since January 2009 and a Chartered Business Valuator of Canada since December 1990.</p>	February 26, 2016	Nil

Name, Municipality of Residence & Current Position(s) with the Corporation	Principal Occupation and Qualifications	Director Since	Interest in Shares within meaning of Part XV of the SFO as at the Latest Practicable Date ⁽⁴⁾
<p>Peter David Robertson⁽¹⁾⁽³⁾</p> <p>Calgary, Alberta Canada</p> <p><i>Independent Non-Executive Director</i></p> <p>Age: 65</p>	<p>Mr. Robertson is an independent non-executive director and a member of each of the Audit and Risk and Nomination Committees of the Corporation.</p> <p>Prior to his appointment to the Board, Mr. Robertson worked at Pembina Pipeline Corporation (NYSE: PBA, TSX: PPL), a company listed on the New York Stock Exchange and the Toronto Stock Exchange, and its predecessors from 1985 to 2014. From 1985 to 1991, Mr. Robertson was the Accounting Manager before he was promoted to Controller in 1991 until 2000. From 2000 to 2013, Mr. Robertson was the Vice President, Finance and Chief Financial Officer. Mr. Robertson served as the Senior Vice President and Chief Financial Officer from 2013 to 2014.</p> <p>Mr. Robertson graduated from Hermitage Academy, Helensburgh, Scotland in 1970, after which he entered into a 5 year Chartered Accountant program at the Institute of Chartered Accountants of Scotland. Mr. Robertson has been a Chartered Accountant of Scotland since November 1975 and a Chartered Accountant of Alberta since April 1980. He has been a holder of the Institute of Corporate Directors, Director designation in Canada since 2015.</p>	February 26, 2016	Nil

Notes:

- (1) Member of the Nomination Committee and Mr. Le Bo as the chairman.
- (2) Member of the Remuneration Committee and Mr. Richard Dale Orman as the chairman.
- (3) Member of the Audit and Risk Committee and Bryan Daniel Pinney as the chairman.
- (4) Includes only Shares.
- (5) Mr. Bo holds 440,000 Shares, equivalent to approximately 0.16% of the total issued Shares. Pursuant to the Unanimous Shareholders Agreement dated December 18, 2015 and the First Supplemental Unanimous Shareholders Agreement dated April 29, 2016, Mr. Bo is deemed to be interested in all the Shares in which Aspen Investment Holdings Ltd., Mr. Yuan Jing, Ji Lin Hong Yuan Trade Group Limited, 1648557 Alberta Ltd. and Changchun Liyuan Investment Co. Ltd are interested in under Part XV of the SFO, which in aggregate represent approximately 67.30% of the total number of the issued and outstanding Shares.
- (6) Mr. Jing holds 427,332 Shares, equivalent to approximately 0.15% of the total issued Shares. Mr. Jing is also interested in 60% of the equity interest in Ji Lin Hong Yuan Trade Group Limited. Pursuant to the Unanimous Shareholders Agreement dated December 18, 2015 and the First Supplemental Unanimous Shareholders Agreement dated April 29, 2016 Mr. Jing is deemed to be interested in all the Shares in which Aspen Investment Holdings Ltd., Mr. Le Bo, Ji Lin Hong Yuan Trade Group Limited, 1648557 Alberta Ltd. and Changchun Liyuan Investment Co. Ltd are interested in under Part XV of the SFO, which in aggregate represent approximately 67.30% of the total number of the issued and outstanding Shares.

Except as disclosed herein, no proposed director of the Corporation was a director of any listed companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years preceding the Latest Practicable Date.

Except as disclosed herein, no proposed director of the Corporation has any interests in the Shares within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571) as at the Latest Practicable Date.

Except as disclosed herein, no proposed director of the Corporation at the Latest Practicable Date has any relationships with any other directors, senior management or substantial or controlling shareholders of the Corporation.

To the knowledge of the management of the Corporation, no proposed director of the Corporation, as at the date of this Circular:

- (a) is subject to any investigation, hearing or proceeding brought or instituted by any judicial, regulatory, governmental authority or securities regulatory authority (including the Hong Kong Takeovers Panel) or any other securities regulatory commission or panel, or any judicial proceeding in which violation of any securities law, rule or regulation is or was alleged;
- (b) has at any time been refused admission to membership of any professional body or been censured or disciplined by any such body to which he belongs or belonged or been disqualified from membership in any such body or has at any time held a practising certificate or any other form of professional certificate or licence subject to special conditions;
- (c) is now or has at any time been a member of a triad or other illegal society;
- (d) has, within the 10 years before the date of this Circular, been or become bankrupt or insolvent, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director;
- (e) is now or has been subject to any penalties or sanctions imposed by the court or a competent authority relating to a securities or financial markets legislation, rule or regulation or by a securities regulatory authority or has entered in a settlement agreement with a securities regulatory authority; or
- (f) is now or has been subject to any other penalties or sanctions imposed by the court, statutory or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Except as disclosed herein, to the knowledge of the management of the Corporation, no proposed director of the Corporation, is at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer (“CEO”) or chief financial officer (“CFO”) of any company (including the Corporation) that:

- (a) while that person was acting in that capacity, was subject to a cease trade or similar order to a cease trade order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days (collectively, an “order”); or
- (b) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or
- (c) while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangements or compromises with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

The executive director and each of the non-executive directors (including the independent non-executive directors) of the Corporation has respectively entered into a service contract and a letter of appointment with the Corporation with a term of three (3) years commencing from February 26, 2016.

Under the service contract and the letter of appointment, Mr. Le Bo, Mr. Richard Dale Orman, Mr. Bryan Daniel Pinney and Mr. Peter David Robertson shall be entitled to a fee of C\$430,000 per annum, C\$100,000 per annum, C\$100,000 per annum and C\$100,000 per annum respectively, which shall be reviewed and recommended by the Remuneration Committee to the Board taking into account the director’s performance in the position and the scope of responsibilities attaching to the position from time to time. Mr. Yuan Jing shall not receive any director’s fee for his office as a director.

Save as otherwise disclosed above, there is no other information required to be disclosed under Rule 13.51(2) of the Listing Rules.

4. Appointment of Auditors

At the Meeting, Shareholders will be asked to pass an ordinary resolution to re-appoint KPMG LLP, Chartered Professional Accountants as auditors of the Corporation, to hold office until the next annual general meeting of the Shareholders, at a remuneration to be determined by the Board. KPMG LLP, Chartered Professional Accountants, have acted as the auditors of the Corporation since January 2013.

Unless instructed otherwise, the persons named in the accompanying Proxy intend to vote in FAVOUR OF the appointment of KPMG LLP, Chartered Professional Accountants as auditors of the Corporation.

5. General Mandate to Issue Shares

At the Meeting, the Shareholders will be asked to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution granting the Board a general and unconditional mandate to allot, issue or otherwise deal with the Shares allotted or agreed to be allotted up to a maximum of twenty percent (20%) of the aggregate issued and outstanding share capital of the Corporation as at the date of this resolution until the next annual general meeting of the Shareholders (the “**Issuing Mandate**”). The purpose of the proposed Issuing Mandate is to increase the flexibility of the Corporation to raise new capital as and when the Board determines appropriate. As at the Latest Practicable Date, the Corporation had in issue 278,286,520 Shares. Subject to the passing of the proposed resolution for the approval of the Issuing Mandate and in accordance with its terms, the Corporation will be allowed to allot, issue and deal with up to a maximum of 55,657,304 Shares on the basis that no further Shares will be issued by the Corporation prior to the Meeting.

At the Meeting, the Shareholders will be asked to pass the following ordinary resolution:

“BE IT RESOLVED THAT:

1. Subject to paragraph (3) of this resolution, the exercise by the board of directors (the “**Board**”) of Persta Resources Inc. (the “**Corporation**”) during the Relevant Period (as hereinafter defined) to allot, issue and otherwise deal with additional shares in the share capital of the Corporation or securities convertible into such shares or options, warrants, or similar rights to subscribe for any such shares or such convertible securities and to make or grant offers, agreements and options which would or might require the exercise of such powers, subject to and in accordance with all applicable laws be and is hereby generally and unconditionally approved.
2. The approval of paragraph (1) of this resolution shall authorize the Board during the Relevant Period to cause the Corporation to make or grant offers, agreements and options which would or might require the exercise of such powers at any time during or after the end of the Relevant Period.
3. The aggregate share capital of the Corporation which may be allotted or agreed to be allotted, conditionally or unconditionally, (whether pursuant to an option or otherwise), issued or otherwise dealt with by the Board pursuant to the approval in paragraph (1) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined) or (ii) the exercise of the subscription or conversion rights attaching to any warrants which may be issued by the Corporation which are convertible into common shares of the Corporation from time to time or (iii) the exercise of options granted under the stock option plan of the Corporation or similar arrangements, including without limitation any director share compensation arrangement, from the time being adopted for the grant or issue to directors, officers and/or employees of the Corporation and/or any of its subsidiaries of common shares or rights to acquire common shares of the Corporation, or (iv) any scrip dividend or any similar arrangement for issues of shares in lieu of the whole or part of a dividend on shares in

accordance with the Articles of Incorporation of the Corporation in force from time to time, shall not exceed twenty percent (20%) of the aggregate issued and outstanding share capital of the Corporation as at the date of passing of this resolution.

4. For the purpose of this resolution:

“**Relevant Period**” means the period from the time of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Corporation;
- (ii) the expiration of the period within which the next annual general meeting of the Corporation is required to be held under any applicable laws or under the By-Law Number Two of the Corporation; and
- (iii) the time of the passing of an ordinary resolution of the Corporation in a general meeting revoking or varying the authority set out in this resolution.

“**Rights Issue**” means an offer of shares open for a period fixed by the Board to holders of shares whose names appear on the register of members of the Corporation on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Board may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Corporation).

5. The directors and officers of the Corporation are hereby authorized to do all things necessary in order to give effect to the foregoing resolution.”

Unless instructed otherwise, the persons named in the accompanying Proxy intend to vote in FAVOUR OF the ordinary resolution approving the Issuing Mandate given to the Board until the next annual general meeting of the Shareholders.

6. Repurchase of Shares

At the Meeting, the Shareholders will be asked to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution granting the Board a general and unconditional mandate to exercise all the power of the Corporation to repurchase Shares up to a maximum of ten percent (10%) of the aggregate issued and outstanding share capital of the Corporation as at the date of passing of this resolution until the next annual general meeting of the Shareholders (the “**Share Repurchase Mandate**”).

An explanatory statement as required by the Listing Rules, providing the requisite information regarding the grant of the Share Repurchase Mandate reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the resolution relating to the Share Repurchase Mandate at the Meeting is set out in Schedule A to this Circular.

At the Meeting, the Shareholders will be asked to pass the following ordinary resolution:

“BE IT RESOLVED THAT:

1. Subject to paragraph (3) of this resolution, the exercise by the board of directors (the **“Board”**) of Persta Resources Inc. (the **“Corporation”**) during the Relevant Period (as defined below) of all the powers of the Corporation to repurchase securities of the Corporation on The Stock Exchange of Hong Kong Limited (the **“SEHK”**) or on any other stock exchange on which the securities of the Corporation may be listed which is recognized by the Securities and Futures Commission of Hong Kong and the SEHK for this purpose (the **“Recognized Stock Exchange”**), subject to and in accordance with the Listing Rules and all other applicable laws and the requirements of the SEHK or any other Recognized Stock Exchange as amended from time to time, be and is hereby generally and unconditionally approved.
2. The aggregate number of the shares of the Corporation authorized to be repurchased by the Corporation pursuant to the approval in paragraph (1) of this resolution during the Relevant Period shall not exceed 10% of the aggregate issued and outstanding share capital of the Corporation as at the date of the passing of this resolution and the said approval shall be limited accordingly.
3. For the purpose of this resolution:

“Relevant Period” means the period from the time of the passing of this resolution until whichever is the earliest of:

 - (i) the conclusion of the next annual general meeting of the Corporation;
 - (ii) the expiration of the period within which the next annual general meeting of the Corporation is required to be held under any applicable laws or under the By-Law Number Two of the Corporation; and
 - (iii) the time of the passing of an ordinary resolution of the Corporation in a general meeting revoking or varying the authority set out in this resolution; and
4. The directors and officers of the Corporation are hereby authorized to do all things necessary in order to give effect to the foregoing resolution.”

Unless instructed otherwise, the persons named in the accompanying Proxy intend to vote in FAVOUR OF the ordinary resolution approving the Share Repurchase Mandate to the Board until the next annual general meeting of the Shareholders.

7. Extension of the Issuing Mandate

At the Meeting, the Shareholders will be asked to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution granting the Board a general and unconditional mandate to extend the Issuing Mandate by the aggregate number of Shares repurchased by the Corporation

pursuant to the exercise of the Share Repurchase Mandate (up to a maximum number equivalent to 10% of the aggregate issued and outstanding share capital of the Corporation as at the date of the resolution granting the Share Repurchase Mandate).

At the Meeting, the Shareholders will be asked to pass the following ordinary resolution:

“BE IT RESOLVED THAT:

1. Conditional upon the passing of the resolutions numbered 5 and 6 above in granting the Issuing Mandate and the Share Repurchase Mandate, the Issuing Mandate be and is hereby extended by the aggregate number of Shares repurchased by the Corporation pursuant to the exercise of the Share Repurchase Mandate in the resolution numbered 6 above provided that such extended amount shall not exceed 10% of the aggregate issued and outstanding share capital of the Corporation as at the date of passing of this resolution; and
2. The directors and officers of the Corporation are hereby authorized to do all things necessary in order to give effect to the foregoing resolution.”

Unless instructed otherwise, the persons named in the accompanying Proxy intend to vote in FAVOUR OF the ordinary resolution approving the extension of the Issuing Mandate to the Board until the next annual general meeting of the Shareholders.

8. Other Matters

Management of the Corporation is not aware of any other matters to come before the Meeting other than as referred to in the notice of the Meeting. Should any other matters properly come before the Meeting, the Shares represented by Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the person voting such Proxy.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed in this Circular, to the best of the knowledge of the Corporation’s management, none of the Corporation’s directors or executive officers, nor any person who beneficially owns directly or indirectly or exercises control or direction over securities carrying more than 10% of the voting rights attaching to the shares in the capital of the Corporation, nor any known associate or affiliate of these persons had any material interest, direct or indirect in any transaction since the commencement of the Corporation’s most recently completed financial year which has materially affected the Corporation, or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

RECOMMENDATION

The directors consider that the election of directors for the ensuing year, the appointment of auditors, the Issuing Mandate, the Share Repurchase Mandate and the Extension of Issuing Mandate are all in the best interests of the Corporation and its Shareholders as a whole. Accordingly, the directors recommend all Shareholders to vote in favour of all the resolutions to be proposed at the Meeting.

ADDITIONAL INFORMATION

Additional financial information is provided for in our financial statements and management's discussion and analysis for the year ended December 31, 2016. A copy of these documents may be obtained by contacting the Corporation's Chief Executive Officer at 2717, 308-4th Avenue SW, Calgary, Alberta, Canada, T2P 0H7.

Documents affecting the rights of security holders, along with other information relating to the Corporation, may be found on the Corporation's website at www.persta.ca.

RESPONSIBILITY STATEMENT

This Circular, for which the directors of the Corporation collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Corporation. The directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this Circular is accurate and complete in all material respects and is not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this document misleading.

DIRECTORS' APPROVAL

The contents and the dispatch of this Circular have been approved by the Board.

PERSTA RESOURCES INC.

(signed) "Le Bo"

Le Bo

Chairman

DATED at Calgary, Alberta, this 27th day of April, 2017.

SCHEDULE A

EXPLANATORY STATEMENT RELATING TO SHARE REPURCHASE

This Schedule serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to the shareholders for their consideration of the Share Repurchase Mandate.

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LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The Listing Rules permit companies whose primary listing is on the SEHK to repurchase their shares on the SEHK or other stock exchanges subject to certain restrictions. The Corporation is empowered to repurchase its own shares, subject to the requirements of the ABCA.

SHARE CAPITAL

As at the Latest Practicable Date, the issued and outstanding Shares of the Corporation comprised 278,286,520 fully-paid-up Shares. Subject to the passing of the Share Repurchase Mandate resolution and on the basis that no further shares are issued or repurchased prior to the Meeting, the Corporation would be allowed to repurchase up to a maximum of 27,828,652 Shares under the Share Repurchase Mandate during the Relevant Period, representing 10% of the issued and outstanding share capital of the Corporation as at the Latest Practicable Date.

REASONS FOR THE REPURCHASES

The Board believes that the flexibility afforded to them by the Share Repurchase Mandate would be in the best interests of the Corporation and the Shareholders. Repurchases pursuant to such mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the value of the Corporation's Shares or the net assets and/or the earnings per share and will only be made when the Board believes that such actions will benefit the Corporation and the Shareholders as a whole.

FUNDING OF REPURCHASES

In repurchasing Shares, the Corporation may only apply funds legally available for such purpose in accordance with its Articles of Incorporation and subject to the requirements of the ABCA. It is expected that the Corporation will fund any repurchase of shares from its available internal resources.

IMPACT ON THE WORKING CAPITAL OR GEARING POSITION

If the Share Repurchase Mandate is exercised in full at any time during the Relevant Period, there may be a material adverse effect on the working capital levels of the Corporation or its gearing levels, as compared with the position disclosed in the Corporation's audited financial statements for the year ended December 31, 2016 (the most recent published audited financial statements). However, the Board does not propose to exercise such mandate to such extent as would, in the

circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Corporation at the time of the relevant repurchases unless the Board determines that such repurchases are, taking into account of all relevant factors, in the best interests of the Corporation.

SHARE PRICES

The highest and lowest prices at which the Corporation's Shares have been traded on the SEHK from March 10, 2017 (being the listing date of the Shares on the SEHK (the “**Listing Date**”)) up to the Latest Practicable Date were as follows:

SEHK Trading Prices

	<u>Per Share Highest</u>	<u>Lowest</u>
	<i>HK\$</i>	<i>HK\$</i>
2017		
From March 10, 2017	3.74	2.65
April (up to the Latest Practicable Date)	2.70	2.40

EFFECT OF THE CODE OF TAKEOVERS AND MERGERS AND SHARE REPURCHASES OF HONG KONG (THE “TAKEOVERS CODE”)

A Shareholder's proportionate interest in the voting rights of the Corporation will increase upon the Corporation's exercise of its powers to repurchase Shares pursuant to the Share Repurchase Mandate, and such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert, depending on the level of increase in his/her or their shareholding interest, could obtain or consolidate control of the Corporation and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

Pursuant to the Unanimous Shareholders Agreement dated December 18, 2015 and the First Supplemental Unanimous Shareholders Agreement dated April 29, 2016, as at the Latest Practicable Date, Aspen Investment Holdings Ltd., Mr. Yuan Jing, Ji Lin Hong Yuan Trade Group Limited, Mr. Le Bo, 1648557 Alberta Ltd., Changchun Liyuan Investment Co. Ltd. and Ms. Jing Hou (being spouse of Mr. Le Bo) become a group of the controlling shareholders (as defined in the Listing Rules) acting in concert and are interested in under Part XV of the SFO, in aggregate approximately 67.30% of the total number of issued Shares of the Corporation. In the event that the Directors exercise in full the power to repurchase Shares under the Share Repurchase Mandate and if there is no other change in the issued share capital of the Corporation, their collective shareholdings in the Corporation will be increased to approximately 74.78% of the issued share capital of the Corporation. The exercise of the Share Repurchase Mandate in full will not result in Aspen Investment Holdings Ltd., Mr. Yuan Jing, Ji Lin Hong Yuan Trade Group Limited, Mr. Le Bo, 1648557 Alberta Ltd., Changchun Liyuan Investment Co. Ltd. and Ms. Jing Hou being obliged to make a mandatory offer under Rule 26 of the Takeovers Code.

The directors of the Corporation have no intention to exercise the Share Repurchase Mandate to such an extent which would result in the aggregate number of Shares held by the public Shareholders falling below the prescribed minimum percentage required by the SEHK, which is currently 25% of the entire issued share capital of the Corporation.

DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the directors of the Corporation nor, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates (as defined in the Listing Rules), has any present intention to sell Shares to the Corporation in the event that the Share Repurchase Mandate is approved by the Shareholders.

The Corporation has not been notified by any “core connected person” (as defined in the Listing Rules) that he has a present intention to sell Shares to the Corporation or has undertaken not to sell Shares held by him to the Corporation in the event that the Share Repurchase Mandate is approved by the Shareholders.

UNDERTAKING OF DIRECTORS

The directors of the Corporation have undertaken to the SEHK that they will exercise the power of the Corporation to make repurchases pursuant to the Share Repurchase Mandate in accordance with the Listing Rules, Canadian laws and the constitutional documents of the Corporation.

SHARE PURCHASE MADE BY THE CORPORATION

The Corporation did not purchase any of the Corporation’s Shares from the Listing Date to the Latest Practicable Date.