

**MOUNTAINVIEW ENERGY LTD.**

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**INFORMATION CIRCULAR**

Dated May 24, 2008 (unless otherwise noted)

**SOLICITATION OF PROXIES**

This Information Circular is furnished in connection with the solicitation of proxies by the management of **MOUNTAINVIEW ENERGY LTD.** (the "Company") for use at the 2008 Annual and Special Meeting (the "Meeting") of the Shareholders of the Company to be held at The Terminal City Club, 837 Hastings Street, Vancouver, British Columbia on Tuesday, June 17, 2008 at 10:30 a.m. for the purposes set forth in the accompanying Notice of Annual and Special Meeting of Shareholders, and at any adjournment thereof. The solicitation will be made primarily by mail and may in addition be made by personal and telephone contact with shareholders by directors, officers and regular employees of the Company. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company. The Company does not reimburse shareholders, nominees or agents for the cost incurred in obtaining from their principals authorization to execute instruments of proxy.

**PROXIES AND VOTING RIGHTS**

**Management Solicitation**

The solicitation of proxies by the Company will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation by the directors, regular officers and employees of the Company. The Company does not reimburse shareholders, nominees or agents for the cost incurred in obtaining from their principals authorization to execute forms of proxy, except that the Company has requested brokers and nominees who hold stock in their respective names to furnish this proxy material to their customers, and the Company will reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

No person has been authorized to give any information or to make any representation other than as contained in this Information Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Information Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Information Circular. This Information Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

**Appointment of Proxy**

Registered Shareholders are entitled to vote at the Meeting. A Shareholder is entitled to one vote for each Common Share that such Shareholder holds on May 13, 2008 (the "Record Date") on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting.

The persons named as proxyholders (the “Designated Persons”) in the enclosed form of proxy are directors and/or officers of the Company.

**A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR CORPORATION (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING, OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM OF PROXY.**

**TO EXERCISE THE RIGHT, THE SHAREHOLDER MAY DO SO BY STRIKING OUT THE PRINTED NAMES AND INSERTING THE NAME OF SUCH OTHER PERSON AND, IF DESIRED, AN ALTERNATE TO SUCH PERSON, IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY.**

In order to be voted, the completed form of proxy must be received by the Company’s registrar and transfer agent, Pacific Corporate Trust Company (the “Transfer Agent”), at their offices located on the 2nd Floor, 510 Burrard Street, Vancouver, British Columbia V6C 3B9, or by the Company at the address set forth above, by mail or fax, at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) prior to the scheduled time of the Meeting, or any adjournment or postponement thereof. Alternatively, the completed form of proxy may be deposited with the Chairman of the Meeting on the day of the Meeting, or any adjournment or postponement thereof.

A proxy may not be valid unless it is dated and signed by the Shareholder who is giving it or by that Shareholder’s attorney-in-fact duly authorized by that Shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer, or attorney-in-fact, for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual Shareholder or joint Shareholders, or by an officer or attorney-in-fact for a corporate Shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarially certified copy thereof, should accompany the form of proxy.

#### **Revocation of Proxies**

A Shareholder who has given a proxy may revoke it at anytime, before it is exercised, by an instrument in writing: (a) executed by that Shareholder or by that Shareholder’s attorney-in-fact authorized in writing or, where the Shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to the Company at the address set forth above, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (i) attendance at the Meeting and participation in a poll (ballot) by a Shareholder, or (ii) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

#### **Voting of Common Shares and Proxies and Exercise of Discretion by Designated Persons**

A Shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space. If the instructions as to voting indicated in the proxy are certain, the Common Shares represented by the proxy will be voted or withheld from voting in accordance with the instructions given in the proxy. If the Shareholder specifies a choice in the proxy with

respect to a matter to be acted upon, then the Common Shares represented will be voted or withheld from the vote on that matter accordingly. The Common Shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly.

**IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE COMMON SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY AND FOR THE NOMINEES OF THE COMPANY'S BOARD OF DIRECTORS FOR DIRECTORS AND AUDITOR.**

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice, and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company is not aware of any such amendments, variations, or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the Common Shares on any matter, the Common Shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

#### **ADVICE TO BENEFICIAL SHAREHOLDERS**

The information set forth in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold Common Shares in their own names. Shareholders who do not hold their Common Shares in their own names (referred to in this Information Circular and Information Circular as "Beneficial Shareholders") should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of the Common Shares ("Registered Shareholders") can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those Common Shares will not be registered in the Shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of the Shareholder's broker or an agent of that broker. In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co., as nominee for The Depository Trust Company, which acts as depository for many United States brokerage firms and custodian banks, and in Canada, under the name of CDS & Co., the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms. Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person.

Applicable regulatory policy requires intermediaries and brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary and broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the Form of Proxy provided to registered Shareholders by the Company. However, its purpose is limited to instructing the registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("Broadridge") in the United States and Independent

Investor Communications Company (“IICC”) in Canada. Broadridge and IICC typically apply a special sticker to proxy forms, mail those forms to the Beneficial Shareholders. Beneficial Shareholders should return the proxy forms to Broadridge or IICC, which will then tabulate the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting.

**A BENEFICIAL SHAREHOLDER RECEIVING A BROADRIDGE PROXY OR AN IICC PROXY CANNOT USE THAT PROXY TO VOTE COMMON SHARES DIRECTLY AT THE MEETING. THE PROXY MUST BE RETURNED TO BROADRIDGE OR IICC, AS THE CASE MAY BE, WELL IN ADVANCE OF THE MEETING IN ORDER TO HAVE THEIR COMMON SHARES VOTED AT THE MEETING.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered Shareholder and vote the Common Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their Common Shares as proxyholder for the registered Shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the same to their broker (or the broker’s agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

Alternatively, a Beneficial Shareholder may request in writing that his or her broker send to the Beneficial Shareholder a legal proxy that would enable the Beneficial Shareholder to attend at the Meeting and vote his/her/its Common Shares.

**VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The Company has two classes of shares. The Company is authorized to issue 2000,000,000 shares, divided into (i) 100,000,000 common shares without par value (the “common shares”) and (ii) 100,000,000 preference shares without par value, having attached thereto special rights and restrictions, of which 9,766,850 common shares are issued and outstanding and no preference shares are issued and outstanding. Shareholders who are registered common share holders at the close of business on May 13, 2008 will be entitled to receive notice of and vote at the Meeting and will be entitled to one vote for each common share held.

To the knowledge of the Company’s directors and executive officers, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Common Shares carrying more than 10% of the voting rights attached to the outstanding Common Shares of the Company, other than as set forth below:

Name of Shareholder	Number of Common Shares Owned	Percentage of Outstanding Common Shares <sup>(1)</sup>
Joseph V. Montalban	6,387,350	65%

<sup>(1)</sup> Based on 9,766,850 Common Shares issued and outstanding as of May 13, 2008. The Company believes that all persons hold legal title, and it has no knowledge of actual Common Share ownership.

### **APPOINTMENT OF AUDITOR**

Unless directed otherwise by a proxyholder, or such authority is withheld, Management's Designated Person, if named as proxy, intends to vote the Common Shares represented by any such proxy in favour of a resolution appointing PriceWaterhouseCoopers, Chartered Accountants, as auditor of the Company for the next ensuing year, to hold office until the close of the next annual general meeting of shareholders or until the firm of PriceWaterhouseCoopers, is removed from office or resigns as provided by the Company's by-laws, and the resolution authorizing the Board of Directors to fix the compensation of the auditor.

### **NUMBER OF DIRECTORS**

The Articles of the Company provide for a board of directors of no fewer than three persons.

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Company for the ensuing year at five. The number of directors will be approved if the affirmative vote of the majority of Common Shares present or represented by proxy at the Meeting and entitled to vote are voted in favour to set the number of directors at five.

### **ELECTION OF DIRECTORS**

The directors of the Company are elected annually and hold office until the next Annual General Meeting of Shareholders or until their successors in office are duly elected or appointed. In the absence of instructions to the contrary, the shares represented by a proxy will be voted for the nominees herein listed.

Pursuant to the provisions of the Company's Articles, the Board of Directors has determined that the number of Directors to be elected at the annual meeting shall be five, subject to such increase as may be permitted by the Articles of the Company. The Management of the Company proposes to nominate the persons listed below for election as Directors of the Company. All of the nominees are ordinarily resident in Canada.

MANAGEMENT DOES NOT CONTEMPLATE THAT ANY OF THE NOMINEES WILL BE UNABLE TO SERVE AS A DIRECTOR. THE COMPANY HAS NOT RECEIVED NOTICE OF, AND MANAGEMENT IS NOT AWARE OF ANY PROPOSED NOMINEE IN ADDITION TO, THE NAMED NOMINEES.

The following persons are Management's nominees for election as Directors at the Annual General Meeting.

Name, Province/State and Country of Ordinary Residence <sup>(1)</sup>	Present principal occupation, business or employment and, if not elected as a director by a vote of security holders, principal occupation, business or employment during the past five years	Periods during which Nominee served as a Director	Approximate Number of Voting Securities Beneficially Owned Directly or Indirectly or Over Which Direction Or Control is Exercised <sup>(2)</sup>
<b>Joseph V. Montalban</b> <sup>(3)</sup> Cut Bank, Montana, USA <i>Chairman of the Board,</i>	Chairman of the Board	Director since November 13, 2001	6,387,350
<b>Patrick M. Montalban</b> Cut Bank, Montana USA <i>President and CEO</i>	President & Chief Executive Officer	President & CEO since November 8, 2006	300,000
<b>Bo Mikkelsen</b> <sup>(3)</sup> Calgary, Alberta <i>Director</i>	Consulting Oil & Gas Engineer for past 28 years covering North and South America and North Africa	Director since June 17, 2003	25,000
<b>Carla Barringer</b> <sup>(3)</sup> Conrad, Montana, USA <i>Director</i>	Working Director, Secretary/Treasurer	Director since June 17, 2004	100,000
<b>Bruce P. Young</b> <sup>(3)</sup> Port Moody, BC <i>Director</i>	Real Estate Sales Representative, Past President of MBI Mining Brokers, Inc.	Director since October 23, 2002	108,000

<sup>(1)</sup> The information as to country of residence and principal occupation, not being within the knowledge of the Company, has been furnished by the respective directors individually.

<sup>(2)</sup> The information as to shares beneficially owned directly or indirectly or over which a director exercises control or direction, not being within the knowledge of the Company, has been furnished by the respective directors individually.

<sup>(3)</sup> Member of Audit Committee.

### **Corporate Cease Trade Orders and Bankruptcies**

None of the directors or any proposed Management nominee for election as a director of the Company is, or during the ten years preceding the date of this Information Circular has been, a director or officer of any company that, while the person was acting in that capacity, other than as set forth below:

- (a) was the subject of a cease trade order or similar order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- (b) was subject to an event that resulted, after the director or proposed Management nominee ceased to be a director or officer of the relevant company in the relevant company being the subject of a cease trade order or similar order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- (c) within a year of the director or proposed Management nominee ceasing to be a director or officer of the relevant company, became bankrupt, 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 its assets.

On May 7, 2007 the Alberta Securities Commission (“ASC”) issued a Cease Trade Order against the Company for failure to file its audited financial statements and MD&A for the year ended December 31, 2006. The Company filed its audited financial statements and MD&A on June 4, 2007 and made an application to the ASC for revocation of the Cease Trade Order. The TSX Venture Exchange also suspended the trading of the Company’s shares in connection with the Cease Trade Order. The Cease Trade Order was revoked by the Alberta Securities Commission (“ASC”) on August 23, 2007 and the TSX Venture Exchange reinstated trading in the securities of the Company on September 21, 2007.

### STATEMENT OF EXECUTIVE COMPENSATION

Particulars of compensation paid to:

- (a) the Company’s chief executive officer (“CEO”) and chief financial officer (“CFO”), or persons who acted in a similar capacities;
- (b) each of the Company’s three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers as at the end of the most recently completed financial year, and whose salary and bonus exceeds \$150,000 per year; and
- (c) any additional individuals for whom disclosure would have been provided under (b) except that the individual was not serving as an officer of the Company at the end of the most recently completed financial year;

(each a “Named Executive Officer”) is set out in the summary compensation table below:

Name and Principal Position	Year Ended	Annual Compensation			Long Term Compensation			
		Salary (\$)	Bonus (\$)	Other Annual Compensation (\$)	Awards	Shares or Units Subject to Resale Restrictions (#)	Payouts	All Other Compensation (\$)
					Securities Under Options <sup>(1)</sup> / SARs <sup>(2)</sup> Granted (#)			
Joseph V. Montalban Chairman of the Board	2007	Nil	Nil	1,750	Nil	Nil	Nil	Nil
	2006	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2005	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Patrick M. Montalban President & CEO	2007	\$80,400	\$3,100	Nil	Nil	Nil	Nil	Nil
	2006	\$13,400	\$2,000	Nil	Nil	Nil	Nil	Nil
	2005	N/A	N/A	N/A	N/A	N/A	N/A	N/A

(1) “Options” includes all options, share purchase warrants and rights granted by the Company as compensation for employment services or office.

(2) “SAR” or “stock appreciation right” means a right granted by the Company, as compensation for employment services or office to receive cash or an issue or transfer of securities based wholly or in part on changes in the trading price of the Company’s publicly traded securities.

(3) “LTIP” or “long term incentive plan” means a plan that provides compensation intended to motivate performance over a period greater than one financial year, but does not include Option or SAR plans or plans for compensation through shares or units that are subject to restrictions on resale.

### **Long-Term Incentive Plans - Awards**

The Company currently has no long-term incentive plans intended to serve as incentive for performance to occur over a period longer than one year.

### **Options and SARs**

The Company did not grant stock options under a Stock Option Plan or otherwise during the most recently completed financial year to the Named Executive Officers.

### **Aggregated Option/SAR Exercises and Financial Year-End Option/SAR Values**

No Options/SARS were exercised by Named Executive Officers during the Company's most recently completed financial year.

### **Termination of Employment, Change in Responsibilities and Employment Contracts**

The Company has no plan or arrangement whereby any Named Executive Officer may be compensated in an amount exceeding \$100,000 in the event of that Named Executive Officer's resignation, retirement or other termination of employment, or in the event of a change of control of the Company or a change in Named Executive Officer's responsibilities following such a change of control.

### **Compensation of Directors**

During the Company's most recently completed financial year, there were no standard compensation arrangements, or other arrangements in addition to or in lieu of standard arrangements, under which the directors of the Company were compensated for services in their capacity as directors (including any additional amounts payable for committee participation or special assignments), or for services as consultants or experts.

No Options/SARS were granted to the Company directors during the Company's most recently completed financial year.

### **Exercise of Options**

No options were exercised during the Company's most recently completed financial year by directors and other insiders of the Company.

### **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The Company has an incentive stock option plan under which stock options are granted. Stock options have been determined by the Company's directors and are only granted in compliance with applicable laws and regulatory policy. The policies of the TSX Venture Exchange ("TSX-V") limit the granting of stock options to directors, officers and employees of the Company and provide limits on the length, number and exercise price of such options. The TSX-V also requires annual approval of option plans by shareholders. The Company will propose that the option plan be ratified and approved by shareholders at the meeting.



### Equity Compensation Plan Information

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b>
Equity compensation plans approved by securityholders	Nil	Nil	976,685
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	Nil	Nil	976,685

A copy of the Stock Option Plan will be available for shareholders to review at the Meeting, if requested.

### **INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS**

None of the directors, executive officers and senior officers of the Company or any of its subsidiaries, proposed nominees for election or associates of such persons is or has been indebted to the Company (other than routine indebtedness) at any time for any reason whatsoever, including the purchase of securities of the Company or its subsidiary.

### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

For the purposes of this Information Circular, “informed person” means: (a) a director or executive officer of the Company; (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company, or a combination of both, carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company, other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company if it has purchased, redeemed or otherwise acquired any of its own securities, for so long as it holds any of its securities. No informed person, no proposed director of the Company and no associate or affiliate of any such informed person or proposed director, has any material interest, direct or indirect, in any material transaction since the commencement of the Company's last completed financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or its subsidiary.

### **CORPORATE GOVERNANCE**

#### **General**

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. National Policy 58-201 - *Corporate Governance Guidelines* provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, National Instrument 58-101 - *Disclosure of Corporate Governance Practices* (“NI 58-101”) prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

## Board of Directors

The Board facilitates its exercise of independent supervision over the Company's management through frequent communication with the Board.

The Board is comprised of five (5) directors, of whom each of Bo Mikkelsen, Carla Barringer and Bruce P. Young are considered independent for the purposes of NI 58-10.

## Directorships

Certain of the directors, or nominee for director, are also directors or officers of other reporting issuers, as follows:

### Director Other Reporting Issuers

Director	Other Reporting Issuer
Joseph V. Montalban	None
Patrick M. Montalban	Majestic Oil & Gas, Inc – OTC BB
Bo Mikkelsen	None
Carla Barringer	None
Bruce P. Young	None

## Orientation and Continuing Education

New Board members receive an orientation package commensurate with their previous experience. Board meetings are sometimes held at the Company's offices and, from time to time, are combined with presentations by the Company's management to give the directors additional insight into the Company's business. In addition, management of the Company makes itself available for discussion with all Board members.

## Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company. Further, the Company's auditor has full and unrestricted access to the audit committee at all times to discuss the audit of the Company's financial statements and any related findings as to the integrity of the financial reporting process.

## Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of view and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

### **Compensation**

The Board is responsible for determining compensation for the directors and the President of the Company to ensure it reflects the responsibilities and risks of being a director of a public company.

### **Other Board Committees**

The Board has no other committees, other than the Audit Committee.

### **Assessments**

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and process of the Board and its committees.

## **AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR**

Multilateral Instrument 52-110 of the Canadian Securities Administrators (“MI 52-110”) requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth in the following.

The Company’s audit committee is governed by an audit committee charter, the text of which is attached as Schedule “A” to this Information Circular. The Company’s audit committee is comprised of three directors, Joseph V. Montalban, Bo Mikkelsen and Bruce P. Young. Joseph V. Montalban is not “independent” but Bo Mikkelsen and Bruce P. Young are “independent”. Also as defined in MI 52-110, all of the audit committee members are “financially literate”. Since the commencement of the Company’s most recently completed financial year, the Company’s Board of Directors has not failed to adopt a recommendation of the audit committee to nominate or compensate an external auditor. Since the effective date of MI 52-110, the Company has not relied on the exemptions contained in sections 2.4 or 8 of MI 52-110. Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of MI 52-110, in whole or in part. The audit committee has not adopted specific policies and procedures for the engagement of non-audit services. Subject to the requirements of MI 52-110, the engagement of non-audit services is considered by the Company’s Board of Directors, and where applicable the audit committee, on a case-by case basis.

In the following table, “audit fees” are fees billed by the Company’s external auditor for services provided in auditing the Company’s annual financial statements for the subject year. “Audit-related fees” are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Company’s financial statements. “Tax fees” are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. “All other fees” are fees billed by the auditor for products and services not included in the foregoing categories.

The fees paid by the Company to its auditor in each of the last two fiscal years, by category, are as follows:

<b>Financial Year Ended December 31</b>	<b>Audit Fees</b>	<b>Audit Related Fees</b>	<b>Tax Fees <sup>(1)</sup></b>	<b>All Other Fees</b>
2007	\$30,000	\$Nil	\$Nil	\$Nil
2006	\$24,000	\$Nil	\$Nil	\$12,625

(1) "Tax Fees" include fees paid to the Company's external auditors for tax compliance and tax planning advice.

The Company is relying on the exemption provided by section 6.1 of MI 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of MI 52-110.

### **REMUNERATION AND APPOINTMENT OF AUDITORS**

The management of the Company will recommend at the Meeting the appointment of PriceWaterhouseCoopers, Chartered Accountants of Vancouver, British Columbia, as auditor of the Company to hold office until the close of the next Annual General Meeting of shareholders. It is proposed that the remuneration to be paid to the auditor be fixed by the directors.

### **MANAGEMENT CONTRACTS**

The management functions of the Company are not to any substantial degree performed by any person other than the senior officers and directors of the Company.

### **VENTURE ISSUER EXEMPTION**

Under Form 51-102F6, a Venture Issuer is entitled to omit disclosure otherwise required to be provided under those portions of Form 51-102F6 entitled "Option and SAR Repricings", "Defined Benefit or Actuarial Plan Disclosure", "Composition of the Compensation Committee", "Report on Executive Compensation" and "Performance Graph". The Company is a Venture Issuer and has omitted such disclosure.

### **PARTICULARS OF MATTERS TO BE ACTED UPON**

#### **Re-Ratification of Incentive Stock Option Plan**

In August of 2002, the TSX Venture Exchange adopted a new stock option policy whereby all Tier 2 companies must implement and approve a stock option plan. In accordance with this policy, the Company adopted a Stock Option Plan on May 12, 2003, which was originally approved by the Shareholders at the annual general meeting on June 17, 2003 and thereafter ratified and approved at the 2007 meeting held on July 18, 2007. The Stock Option Plan authorizes the Board to issue options to directors, officers, key employees and others who are in a position to contribute to the future success and growth of the Company.

Under the Stock Option Plan, the aggregate number of common shares issuable upon exercise of options granted thereunder may not exceed 10% of the total number of outstanding common shares of the Company at the time the options are granted. Further, the aggregate number of common shares issuable upon the exercise of the options granted thereunder to any one individual may not exceed 5% of the total number of outstanding common shares of the Company. Options issued pursuant to the Stock Option Plan must have an exercise price not less than that from time to time permitted by the stock exchange on which the common shares are then listed. The period during which an option may be exercised shall be determined by the Board at the time the option is granted, subject to any vesting limitations which may be imposed by the Board at the time such option is granted, provided no option shall be exercisable for a period exceeding five (5) years from the date the option is granted.

The options granted under the Stock Option Plan expire on the earlier of the date of the expiration of the option period noted above and must expire 90 days after the date a holder ceases to hold the position or positions of director, officer, employee or consultant of the Company and within 30 days for any optionee engaged in investor relations activities. In the event of the death or permanent disability of a holder, any option previously granted to him shall be exercisable until the end of the option period noted above or until the expiration of 12 months after the date of death or permanent disability of such option holder, whichever is earlier.

In the event of a sale by the Company of all or substantially all of its assets or in the event of a change in control of the Company, each holder shall be entitled to exercise, in whole or in part, the options granted to such holder, either during the term of the option or within 90 days after the date of the sale or change of control, whichever first occurs. There are currently no options outstanding under the Stock Option Plan. In addition to the terms of the Stock Option Plan mentioned above, the policies of the TSX Venture Exchange require approval be approved by the affirmative vote of a majority of the votes cast at the Meeting, other than the votes attaching to the common shares beneficially owned by the insiders of the Company to whom the options may be granted pursuant to the Stock Option Plan, or their associates to the Company:

- (a) decreasing the exercise price of stock options previously granted to insiders;
- (b) issuing to insiders, upon the exercise of stock options, within a one year period, shares exceeding 10% of the outstanding listed shares; and
- (c) issuing to any one insider and such insider's associates, upon the exercise of stock options, within a one year period, shares exceeding 5% of the outstanding listed shares.

A copy of the Stock Option Plan will be available for shareholders to review at the Meeting, if requested.

#### **Disinterested Shareholder Approval**

The Stock Option Plan must be approved by a majority of the votes cast at the meeting other than votes attaching to securities beneficially owned by:

- (a) Insiders to whom shares may be issued pursuant to the stock option plan; and
- (b) associates of persons referred to in (a).

Non-voting and subordinate voting shares are to be given full voting rights in these circumstances.

The term "Insider" is defined in the *Securities Act* (British Columbia) and generally includes (i) directors and senior officers of the Company, (ii) directors or senior officers of a company that is an Insider or subsidiary of the Company, and (iii) holders of greater than 10% of the voting securities of the Company. All of the Company's directors and senior officers are Insiders, and as such that they and their associates may not vote on the resolution.

### **Shareholder Approval**

Accordingly, the shareholders of the Company will be asked at the Meeting to pass an ordinary resolution, the text of which will be in substantially the form as follows:

**"Resolved, as an ordinary resolution, that:**

1. the Company's Stock Option Plan, dated May 12, 2003 be and is hereby ratified, approved and confirmed including the reserving for issuance under the Stock Option Plan at any time of a maximum of 10% of the issued and outstanding shares of the Company, subject to any amendments that may be required by the TSX Venture Exchange;
2. the Company be authorized to abandon or terminate all or any part of the Stock Option Plan if the Board of the Company deems it appropriate and in the best interests of the Company to do so;
3. the Company be and is hereby authorized to grant options pursuant and subject to the terms and conditions of the Stock Option Plan;
4. the Company be and is hereby, at the discretion of the board of directors, to amend the exercise price of previously granted option agreements, without further approval by the shareholders, all in accordance with the policies of the TSX Venture Exchange; and
5. any one or more of the directors and officers of the Company be authorized and directed to perform all such acts, deeds and things and execute, under the seal of the Company or otherwise, all such documents and other writings, including treasury orders, stock exchange and securities commissions forms, as may be required to give effect to the true intent of this resolution."

It is the intention of the persons named in the enclosed instrument of proxy, if not expressly directed otherwise in such instrument of proxy, to vote such proxies FOR the ordinary resolution to approve the Stock Option Plan.

### **Recommendation of the Company's Directors**

The directors have reviewed and considered all facts respecting the foregoing matters that they have considered to be relevant to shareholders. It is the unanimous recommendation of the Company's directors that shareholders vote for passage of the foregoing resolutions.

### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information relating of MOUNTAINVIEW ENERGY LTD. is provided in the Company's comparative financial statements for the financial year ended December 31, 2007. Shareholders may contact the Company to request copies of financial statements at the following address:

MOUNTAINVIEW ENERGY LTD.  
CBM Building  
33 First Avenue SW – PO 200  
Cut Bank, Montana 59427-0200  
Tel: 406-873-2235 / Fax: 406-873-2835

**OTHER MATERIAL FACTS**

Management knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the shares represented by the Proxy solicited hereby will be voted on such matter in accordance with the best judgment of the persons voting by proxy.

**CERTIFICATION AND BOARD APPROVAL**

The undersigned hereby certifies that the contents and the sending of this Information Circular to the Company's shareholders have been approved by the Board of Directors. The foregoing contains no untrue statement of 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.

**DATED** at Cut Bank, Montana, on the 24th day of May, 2008.

BY ORDER OF THE BOARD

**MOUNTAINVIEW ENERGY LTD.**

"JOSEPH V. MONTALBAN"

Joseph V. Montalban  
Chairman of the Board

"PATRICK M. MONTALBAN"

Patrick M. Montalban  
President & Chief Executive Officer

**SCHEDULE "A"**  
**AUDIT COMMITTEE CHARTER**

The following is the text of the Audit Committee's Charter:

**1. Overall Purpose/ Objectives**

The Audit Committee will assist the Board of Directors in fulfilling its responsibilities. The Audit Committee will review the financial reporting process, the system of internal control and management of financial risks and the audit process. In performing its duties, the committee will maintain effective working relationships with the Board of Directors, management, and the external auditors and monitor the independence of those auditors. To perform his or her role effectively, each committee member will obtain an understanding of the responsibilities of committee membership as well as the Company's business, operations and risks.

**2. Authority**

The Board authorizes the audit committee, within the scope of its responsibilities, to seek any information it requires from any employee and from external parties, to obtain outside legal or professional advice, to set and pay the compensation for any advisors employed by the Audit Committee, to ensure the attendance of the Company officers at meetings as appropriate and to communicate directly with the Company's external auditors.

**3. Organization**

Membership

The Audit Committee will be comprised of at least three members, a majority of which are not officers or employees of the Company.

The chairman of the Audit Committee will not be nominated by the Audit Committee from the members of the Audit Committee which are not officers or employees of the Company, or a company associated or affiliated with the Company, from time to time.

A quorum for any meeting will be two members.

The secretary of the Audit Committee will be the Company secretary, or such person as nominated by the Chairman.

Attendance at Meetings

The Audit Committee may invite such other persons (e.g. The President or Chief Financial Officer) to its meetings, as it deems appropriate.

Meetings shall be held not less than four times a year. Special meetings shall be convened as required. External auditors may convene a meeting if they consider that it is necessary.

The proceedings of all meetings will be minuted.

**4. Roles and Responsibilities**

The Audit Committee will:



- Gain understanding of whether internal control recommendations made by external auditors have been implemented by management.
- Gain an understanding of the current areas of greatest financial risk and whether management is managing these effectively.
- Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- Review any legal matters which could significantly impact the financial statements as reported on by the general counsel whenever deemed appropriate.
- Review the annual and quarterly financial statements including Management's Discussion and Analysis and annual and interim earnings press releases prior to public dissemination, including any certification, report, opinion, or review rendered by the external auditors and determine whether they are complete and consistent with the information known to committee members; determine that the auditors are satisfied that the financial statements have been prepared in accordance with generally accepted accounting principles.
- Pay particular attention to complex and/ or unusual transactions such as those involving derivative instruments and consider the adequacy of disclosure thereof.
- Focus on judgmental areas, for example those involving valuation of assets and liabilities and other commitments and contingencies.
- Review audit issues related to the Company's material associated and affiliated companies that may have a significant impact on the Company's equity investment.
- Meet with the management and the external auditors to review the annual financial statements and the results of the audit.
- Review the interim financial statements and disclosures, and obtain explanations from management on whether:
  - (a) actual financial results for the interim period varied significantly from budgeted or projected results;
  - (b) generally accepted accounting principals have been consistently applied;
  - (c) there are any actual or proposed changes in accounting or financial reporting practices'
  - (d) there are any significant or unusual events or transactions which require disclosure and, if so, consider the adequacy of that disclosure; and
  - (e) review the external auditors' proposed audit scope and approach and ensure no justifiable restriction or limitations have been placed on the scope.
- Review the performance of the external auditors and approve in advance provision of services other than auditing. Consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services brought by the company. The Board authorizes the Chairman of the Audit Committee to pre-approve any non-audit or additional audit

work which the Chairman deems as necessary and to notify the other members of the Audit Committee of such non-audit or additional work.

- Make recommendations to the Board regarding the reappointment of the external auditors and the compensation to be paid to the external auditor.
- Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- Establish a procedure for:
  - (a) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
  - (b) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters.
- Meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately.
- Endeavour to cause the receipt and discussion on a timely basis of any significant findings and recommendations made by the external auditors.
- Ensure that the Board is aware of matters which may significantly impact the financial condition or affairs of the business.
- Perform other functions as requested by the full Board.
- If necessary, institute special investigations and, if appropriate, hire special counsel or experts to assist, and set out the compensation to be paid to such special counsel or other experts.
- Review and recommend updates to the charter; receive approval of changes from the Board.