Gibson Energy Inc.

Notice of 2018 Annual Meeting of Shareholders

Management Information Circular

To be held on May 9, 2018
10:00 a.m. (Mountain Daylight Time)
Britannia/Belaire Rooms
The Westin Calgary
320 – 4th Avenue S.W.
Calgary, Alberta

Dated: March 28, 2018

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Letter to Our Shareholders

March 28, 2018

Dear Shareholder:

We are pleased to invite you to the upcoming annual meeting of the shareholders of Gibson Energy Inc. to be held at 10:00 a.m. (Mountain Daylight Time) on May 9, 2018 in the Britannia/Belaire Rooms of The Westin Calgary, 320 – 4th Avenue S.W., Calgary, Alberta (the "**Meeting**"). We look forward to sharing details on our 2017 performance and corporate strategy for 2018 and beyond with you.

The enclosed Management Information Circular describes in detail the formal business to be conducted at the Meeting, including the receipt of our audited consolidated financial statements for the year ended December 31, 2017 and the associated auditor's report thereon, the appointment of our auditors, the election of directors to our board and an advisory resolution on our approach to equity compensation. This year you will be electing seven directors to the board. All of them are well qualified and have agreed to stand for election for the ensuing one-year term. We encourage you to read more about the nominated directors beginning on page 6 of the enclosed Management Information Circular.

The enclosed Management Information Circular also includes important information for you regarding voting at the Meeting, what will be covered at the Meeting, the nominated directors and our board's practices, our compensation objectives and programs and our dedication to the highest corporate governance standards. The board believes that shareholders should be given the opportunity to fully understand our compensation objectives, philosophy and principles so it has adopted an annual non-binding advisory vote on our approach to executive compensation. We encourage you to read the enclosed Management Information Circular including the Compensation Discussion and Analysis beginning on page 30 and take the time to vote your shares. We encourage any shareholder who has comments on our approach to executive compensation to provide these comments to Mark Chyc-Cies, Vice President, Investor Relations, via email at Mark.Chyc-Cies@gibsonenergy.com or via telephone at 403-776-3146 or toll-free at 1-855-776-3077.

Following the Meeting, there will be a presentation by management highlighting our accomplishments in 2017 and outlining our goals and corporate strategy for 2018 and beyond. The presentation will include a question and answer session and will be followed by refreshments. This is your opportunity to meet our board of directors, senior management and your fellow shareholders.

Your vote and attendance at the Meeting are very important to us. If you are unable to attend in person, we ask you to vote your shares by proxy, or any of the means available to you, as described in the enclosed Management Information Circular. In addition, we will have a live audio webcast of the Meeting on our website (www.gibsonenergy.com) and encourage you to listen in.

Should you wish to access any of our other annual public disclosure documents, including our 2017 annual financial statements and related management discussion and analysis, please visit our website (www.gibsonenergy.com) or SEDAR (www.sedar.com).

We look forward to seeing you on May 9, 2018.

Sincerely,

(signed) *"Steven R. Spaulding"*

Steven R. Spaulding
President and Chief Executive Officer

(signed) *"James M. Estey"*

James M. Estey
Chair of the Board of Directors

Notice of Annual Meeting of Shareholders
to be held on May 9, 2018

You are invited to our 2018 annual meeting of shareholders:

When:	**Where:**
May 9, 2018 10:00 a.m. (Mountain Daylight Time)	Britannia/Belaire Rooms The Westin Calgary 320 – 4th Avenue S.W., Calgary, Alberta

The five items of business at the Meeting are:

1. receiving the audited annual consolidated financial statements for the year ended December 31, 2017 and the auditor's report thereon;

2. electing directors for the ensuing year or until their successors are elected or appointed;

3. appointing the auditors for the ensuing year and authorizing the directors to fix the remuneration to be paid to the auditors;

4. considering and, if thought advisable, approving an advisory resolution on our approach to executive compensation; and

5. transacting such other business as may properly come before the Meeting or any adjournment or postponement thereof.

Information relating to the foregoing is set forth in the accompanying Management Information Circular which forms an integral part of this Notice of Annual Meeting of Shareholders. Only shareholders of record as of the close of business on March 21, 2018 will be entitled to notice of and to vote at the Meeting or any adjournment or postponement thereof. How you vote depends on whether you are a registered or beneficial shareholder. Please see page 2 of the accompanying Management Information Circular for more details.

If you are unable to attend the Meeting in person, please vote your shares by following the instructions on the enclosed instrument of proxy or the voting information form provided by your broker or other intermediary. Registered shareholders who are unable to attend the Meeting in person are requested to date, sign and return the accompanying form of proxy to Computershare Trust Company of Canada, by mail at 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1. To be valid, a properly executed form of proxy must be received by Computershare Trust Company of Canada not less than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays) before the time fixed for holding the Meeting or any adjournment or postponement thereof. We may refuse to recognize any instruments of proxy received after that time. Please refer to "Solicitation of Proxies" in the accompanying Management Information Circular for more information on how to vote at the Meeting.

By order of the board of directors,

(signed) *"Steven R. Spaulding"*

Steven R. Spaulding
President and Chief Executive Officer

March 28, 2018

Annual Meeting of Shareholders
to be held on May 9, 2018

MANAGEMENT INFORMATION CIRCULAR

March 28, 2018

You have received this Management Information Circular (the "**Circular**") because you owned our shares on March 21, 2018 (the "**Record Date**") and our management and board of directors are soliciting your vote at our upcoming annual meeting of shareholders (the "**Meeting**") or any adjournment or postponement thereof. In this Circular, references to: (i) *you* and *your* mean holders of Gibson Energy shares; (ii) *we, us, our* and *Gibson Energy* mean Gibson Energy Inc.; (iii) *shares* and *our shares* mean Gibson Energy common shares; and (iv) *shareholder* means a holder of our common shares. Unless otherwise specified, all dollar amounts are in Canadian dollars and the information set forth herein is effective as of March 28, 2018.

The Meeting will be held on May 9, 2018 at 10:00 a.m. (Mountain Daylight Time) in the Britannia/Belaire Rooms of The Westin Calgary, 320 – 4th Avenue S.W., Calgary, Alberta. The Notice of Annual Meeting of Shareholders ("**Notice of Meeting**") accompanying this Circular describes the purpose of the Meeting.

This Circular makes references to certain financial measures which do not have standard meanings under International Financial Reporting Standards and, therefore, may not be comparable to similar measures reported by other entities. These financial measures are considered additional GAAP or non-GAAP financial measures.

SOLICITATION OF PROXIES

Solicitation of Proxies by Management

As a shareholder, we cordially invite you to be present at the Meeting. To ensure that you will be represented at the Meeting, in the event you are a registered shareholder and unable to attend personally, you are requested to date, complete and sign the accompanying instrument of proxy enclosed herewith (the "**Instrument of Proxy**") and return the same to Computershare Trust Company of Canada ("**Computershare**"), by mail at 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1. If you are a registered shareholder, you may also vote by telephone or internet as set forth below. If you are an unregistered shareholder and receive these materials through your broker or another intermediary, please complete and return the Instrument of Proxy in accordance with the instructions provided therein or vote by telephone or internet as set forth below. Solicitation of proxies will be primarily by mail, but may also be by personal interview, telephone or other oral or written means of communication by our directors, officers and employees at no additional compensation to them. The cost of the solicitation of proxies will be borne by us.

Appointment of Proxyholders

Each of the persons named in the accompanying Instrument of Proxy are one of our directors and/or officers. **You have the right to appoint a person or company to represent you at the Meeting (who need not also be a shareholder) other than the person or persons designated in the Instrument of Proxy we have provided.** To exercise this right, you must either insert the name of the desired representative in the blank space provided in the accompanying Instrument of Proxy or submit an alternative form of proxy (either of which is a "**Proxy**").

In order to be valid, your Proxy must be received not less than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays) before the time fixed for holding the Meeting or any adjournment or postponement thereof.

If you are a registered shareholder, you may vote by proxy in one of the following ways:

(i) by mailing or delivering the signed Proxy to Computershare at 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1;

(ii) by using the internet at www.investorvote.com; or

(iii) for shareholders in Canada and the United States, by calling the following toll free number from a touch tone telephone: 1-866-732-VOTE (8683).

If you are a Beneficial Shareholder (as defined below), you may vote by proxy in one of the following ways:

(i) for shareholders in Canada, by mailing or delivering a signed voting instruction form to Broadridge at Data Processing Centre, P.O. Box 2800 STN LCD Malton, Mississauga, Ontario, L5T 2T8;

(ii) for shareholders in the U.S., by mailing or delivering a signed voting instruction form to Broadridge at Proxy Services, PO Box 9104, Farmingdale, New York, United States, 11735-9533;

(iii) by using the internet at www.proxyvote.com;

(iv) for shareholders in Canada, by calling the following toll free number from a touch tone telephone: 1-800-474-7493; or

(v) for shareholders in the U.S., by calling the following toll free number from a touch tone telephone: 1-800-454-8683.

Signing Instruments of Proxy

A Proxy must be in writing and must be executed by you or your duly appointed attorney authorized in writing or, if you are a corporation, by a duly authorized officer or attorney of such corporation. A Proxy signed by a person acting as attorney or in some other representative capacity should expressly reflect that person's capacity (following his or her signature) and should be accompanied by the appropriate instrument evidencing qualification and authority to act (unless you have previously filed such instrument with Computershare or us).

Revocation of Proxies

If you have submitted a Proxy for use at the Meeting or any adjournment or postponement thereof, you may revoke it at any time up to and including the last business day preceding the day of the Meeting or any adjournment or postponement thereof. As well as revoking in any other way permitted by law:

(i) you or your attorney authorized in writing, may revoke the Proxy by signing a written Proxy cancellation, or

(ii) if you are a corporation, you may revoke the Proxy by a written Proxy cancellation signed under corporate seal or by an authorized officer or attorney of such corporation.

The Proxy cancellation document must be received by our Corporate Secretary, c/o Computershare, at 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1:

(i) no later than 10:00 a.m**.** (Mountain Daylight Time) on May 7, 2018, or

(ii) if the Meeting is adjourned or postponed, up to and including the last business day preceding the date set for the adjourned or postponed Meeting, or

alternatively, given to the meeting chair on the day of the Meeting prior to the commencement of the Meeting or on the day of any adjourned or postponed Meeting prior to the commencement of the Meeting. The Proxy is revoked when the Proxy cancellation notice is delivered in one of these ways. If you voted by telephone or internet, your Proxy will be revoked as soon as you submit new voting instructions.

Voting of Proxies and Exercise of Discretion by Proxyholders

All shares represented at the Meeting by properly executed Proxies will be voted, or withheld from voting, on any ballot that may be called for and, where a choice with respect to any matter to be acted upon has been specified in the Instrument of Proxy, the shares represented by the Proxy will be voted in accordance with your instructions. On any ballot that may be called for at the Meeting, our management nominees named in the accompanying Instrument of Proxy will vote or withhold from voting the shares in respect of which they are appointed proxy according to your directions. If you specify a choice regarding any matter to be acted upon at the Meeting, your shares will be voted accordingly. **In the absence of your direction, the shares will be voted: (i) for the election of our director nominees; (ii) for the appointment of PricewaterhouseCoopers LLP as our auditors at such remuneration as our directors may determine; and (iii) for the advisory resolution to accept our approach to executive compensation disclosed in this Circular.**

The accompanying Instrument of Proxy confers discretionary authority on the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly be brought before the Meeting unless otherwise indicated on such accompanying Instrument of Proxy.

As of this date, we are not aware of any amendments, variations or other matters to come before the Meeting, other than those matters referred to in the Notice of Meeting.

Advice to Beneficial Shareholders

The information set forth in this section is of significant importance if you do not hold your shares in your own name. If you do not hold your shares in your own name (a "**Beneficial Shareholder**"), you should note that only proxies deposited by those whose names appear on our records as the registered holders of shares can be recognized and acted upon at the Meeting. If shares are listed in an account statement provided to you by your broker, then, in almost all cases, those shares will not be registered in your name on our records. Such shares will more likely be registered under the name of your broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). Shares held by brokers or their agents or nominees can only be voted (for or against resolutions) or withheld from voting upon the instructions of the Beneficial Shareholder. Without specific instructions, a broker and its agents and nominees are prohibited from voting shares for you. **Therefore, if you are a Beneficial Shareholder you should ensure that instructions respecting the voting of your shares are communicated to the appropriate person or that your shares are duly registered in your name such that you become a registered holder and can vote as such.**

If you are a Beneficial Shareholder, applicable Canadian regulatory policy requires brokers and other intermediaries to seek voting instructions from you in advance of shareholders' meetings. Each broker or other intermediary has its own mailing procedures and will provide you with its own return instructions, which you should carefully follow in order to ensure that your shares are voted at the Meeting. In some cases, the form of proxy supplied to you by your broker (or the agent of the broker) is identical to the form of proxy provided to registered shareholders. However, its purpose is limited to instructing the registered shareholder (the broker or agent of the broker) how to vote on your behalf. In Canada, the majority of brokers now delegate responsibility for obtaining instructions from you to Broadridge Financial Solutions, Inc. ("**Broadridge**"). In most cases, Broadridge mails a scanable voting instruction form (a "**VIF**") in lieu of the form of proxy provided by us, and asks you to return the VIF to Broadridge. Alternatively, as set forth above, you can either call the toll-free telephone number to vote your shares, or access Broadridge's dedicated voting web site at www.proxyvote.com to deliver your voting 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 VIF from Broadridge, you cannot use that form to vote your shares directly at the Meeting. You must return the VIF to Broadridge or, alternatively, you must provide instructions to Broadridge in order to have such shares voted.**

Although you may not be recognized directly at the Meeting for the purposes of voting shares registered in the name of your broker (or an agent of the broker), you may attend at the Meeting as proxyholder for the registered shareholder and vote the shares in that capacity. If you wish to attend the Meeting and indirectly vote your shares as proxyholder for the registered shareholder, you should enter your own name in the blank space on the Instrument of Proxy provided to you and return the same to your broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

There are two types of Beneficial Shareholders:

(i) those who object to their name being made known to the issuers of the securities that they own, and

(ii) those who do not object to their name being made known to the issuers of the securities that they own (the "**NOBOs**").

Under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), issuers may request and obtain a list of their NOBOs from intermediaries through their transfer agent, namely Computershare in this case. We may use this NOBO list for the distribution of proxy-related materials directly (not through Broadridge) to NOBOs.

We have decided not to take advantage of the provisions of NI 54-101 that permit us to directly deliver proxy-related materials to our NOBOs. As a result, NOBOs can expect to receive a scanable VIF from Broadridge. These VIFs are to be completed and returned to Broadridge in the envelope provided for that purpose. In addition, Broadridge provides for both telephone voting and internet voting as described in the VIF, which contains complete instructions. Broadridge will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions to Computershare prior to the Meeting with respect to the shares represented by the VIFs it receives.

Notice-and-Access

We have elected to use the "notice-and-access" provisions under NI 54-101 (the "**Notice-and-Access Provisions**") for the Meeting for those of you who do not hold your shares in your own name. The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that reduce the volume of materials that we must physically mail to you by allowing us to post our Circular in respect of our Meeting and related materials online.

We have also elected to use procedures known as 'stratification' in relation to our use of the Notice-and-Access Provisions. Stratification occurs when we, while using the Notice-and-Access Provisions, provide a paper copy of our Notice of Meeting and Circular and a paper copy of our financial statements and related management's discussion and analysis to some of our shareholders. In relation to the Meeting, if you are a registered shareholder, you will receive a paper copy of each of the Notice of Meeting, this Circular, our financial statements and related management's discussion and analysis and an Instrument of Proxy, whereas if you are a Beneficial Shareholder, you will receive only a notice-and-access notification and a VIF. Furthermore, a paper copy of our financial statements and related management's discussion and analysis in respect of our most recent financial year will be mailed to you if you hold your shares in your own name and have previously requested to receive paper copies of our financial information.

Starting March 28, 2018, if you are a Beneficial Shareholder you may request a paper copy of this Circular for up to one year, at no charge. Requests for meeting materials may be made by contacting Mark Chyc-Cies, Vice President, Investor Relations, via email at Mark.Chyc-Cies@gibsonenergy.com or via telephone at 403-776-3146 or toll-free at 1-855-776-3077. In order to allow reasonable time to receive and review the Circular in advance of the Meeting, requests should be received at least 5 business days in advance of the proxy deposit date and time set out in the accompanying Proxy or VIF.

Record Date

If you were a holder of shares at the close of business on the Record Date, you are entitled to receive notice of and to vote at the Meeting. In addition, if you acquire shares from a shareholder of record after the Record Date, you may vote such shares at the Meeting if you: (a) produce properly endorsed certificates evidencing such shares or otherwise establishing that you own them; and (b) request, not later than ten (10) days before the Meeting, that your name be included on the list of shareholders entitled to vote at the Meeting. If you are a Beneficial Holder of shares as of the Record Date, you will be entitled to vote at the Meeting in accordance with the procedures established pursuant to NI 54-101.

ABOUT US

We are a Canadian-based, dividend paying oil infrastructure growth company with its principal businesses consisting of the storage, optimization, processing, and gathering of crude oil and refined products. Headquartered in Calgary, Alberta, our operations are focused around our core terminal assets located at Hardisty and Edmonton, Alberta, and also include the Moose Jaw Facility and injection stations in Texas and Oklahoma.

We are a reporting issuer in all the provinces and territories of Canada. In addition, we are a publicly traded entity listed on the Toronto Stock Exchange (the "**TSX**") under the symbol "GEI". Our head and registered office is located at 1700, 440 – 2nd Avenue S.W., Calgary, Alberta, T2P 5E9.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

Our authorized share capital consists of an unlimited number of common shares and an unlimited number of preferred shares, issuable in series. On March 28, 2018, there were 143,854,914 common shares and no preferred shares issued and outstanding. Each common share gives its holder the right to one vote at the Meeting.

To the knowledge of our directors and officers, no person beneficially owns, or controls or directs, directly or indirectly, 10% or more of the outstanding shares on March 28, 2018, other than as set forth below:

Shareholder Name	Type of Ownership	Number and Percentage of Common Shares Owned, Controlled or Directed on March 28, 2018(1)(2)
M&G Investment Management Limited	Record and Beneficial	27,688,621 (19.25%)

Notes:

(1) To our knowledge, none of the shares are held subject to any voting trust or other similar agreement.
(2) To our knowledge, on a fully diluted basis, M&G Investment Management Limited owns 18.50% (of record and beneficially) of the issued and outstanding shares.

BUSINESS OF THE ANNUAL MEETING

Financial Statements and Auditor's Report

Our consolidated financial statements for the fiscal year ended December 31, 2017, together with the auditor's report thereon, will be presented at the Meeting. Any questions you have regarding the financial statements may be brought forward at the Meeting. Copies of our annual and interim consolidated financial statements, the auditor's reports thereon and the management discussion and analysis thereon are also available on our website at www.gibsonenergy.com and on SEDAR at www.sedar.com. No vote by the shareholders is required to be taken on the financial statements.

Election of Directors

You will be asked at the Meeting to elect our directors for the ensuing year. At the present time, we have seven directors, five of whom will be standing for re-election at the Meeting. Mr. Spaulding, who was appointed to the Board on June 19, 2017, and Mr. Festival, a new director nominee, will both be standing for election for the first time. If each of the nominees in this Circular is elected to the Board at the Meeting, we will have seven directors. **Unless directed otherwise, the management nominees named in the accompanying Instrument of Proxy intend to vote FOR the election of James M. Estey, Douglas P. Bloom, James J. Cleary, John L. Festival, Marshall L. McRae, Mary Ellen Peters and Steven R. Spaulding to our Board.** Each director elected will hold office from the date on which he or she is elected until the next annual meeting of shareholders, or until his or her successor is duly elected or appointed, unless his or her office is vacated prior to the next meeting. The directors will be elected individually and not as a slate. All director nominees have confirmed their eligibility and willingness to serve on our board of directors (the "**Board**").

Clayton H. Woitas, a current director, is retiring from the Board and will not be standing for re-election at the Meeting.

The following table identifies all persons to be nominated for election as directors. The table also includes a brief biography of each proposed director, the number of shares each holds as at December 31, 2017 and a list of the committees of the Board on which each sit, if applicable.

Nominee	Brief Biography		
James M. Estey Director Since June 2011	Mr. Estey is the former Chair of the board of UBS Securities Canada Inc. and has more than 30 years of experience in the financial markets. Mr. Estey is currently the Chair of the board of PrairieSky Royalty Ltd. and serves as a director of New Gold Inc. Mr. Estey serves on the Advisory Committee at the Murray Edwards School of Business and is involved in several charitable organizations.		
	Board/Committee Membership	**Attendance in 2017**	
	Chair, Board of Directors	5 out of 5	100%
	Chair, Corporate Governance, Compensation and Nomination Committee	3 out of 3	100%
	Member, Audit Committee	4 out of 4	100%
	Securities Held(1)	**2017 Voting Results**	
	59,095 common shares 3,280 DSUs 42,737 Options	99.39% FOR	
	Residency and Age	**Independence**	
	Calgary, Alberta, Canada Age: 65	Independent	
	Office with Gibson Energy Now Held	**Principal Occupation**	
	Director	Former Investment Banker	

Nominee	Brief Biography		
Douglas P. Bloom Director Since May 2016	Mr. Bloom was elected as a director of Gibson Energy on May 4, 2016. On April 30, 2016, Mr. Bloom retired as the President of Spectra Energy's Canadian LNG business, with over 30 years' experience in the oil and gas industry. Mr. Bloom has served in numerous capacities with Spectra Energy and its predecessor companies including as an executive of Duke Energy and Westcoast Energy Inc. From 2008 to 2012, he served as the President of Spectra Energy's Western Canada business and from 2003 to 2007 he served as the President of Maritimes & Northeast Pipelines. Mr. Bloom has served as a board member of the Canadian Energy Pipeline Association and in 2011/2012 he served as its Chair. Mr. Bloom holds a Bachelor's and a Master's degree in economics, both from Simon Fraser University.		
	Board/Committee Membership	**Attendance in 2017**	
	Director, Board of Directors	5 out of 5	100%
	Member, Corporate Governance, Compensation and Nomination Committee	2 out of 2	100%
	Member, Environment, Health and Safety Committee	2 out of 2	100%
	Securities Held(1)	**2017 Voting Results**	
	30,000 common shares 6,640 DSUs	99.62% FOR	
	Residency and Age	**Independence**	
	Coquitlam, British Columbia, Canada Age: 60	Independent	
	Office with Gibson Energy Now Held	**Principal Occupation**	
	Director	Corporate Director	

Nominee	Brief Biography
James J. Cleary Director Since April 2013 	Mr. Cleary was appointed as a director of Gibson Energy on April 4, 2013. Mr. Cleary is currently a Managing Director of Global Infrastructure Partners, where he has been since May of 2012. Prior to joining Global Infrastructure Partners, Mr. Cleary was the President of El Paso Corporation's Western Pipeline Group and previously served as the President of ANR Pipeline Company. Prior to 2001, Mr. Cleary was the Executive Vice President and General Counsel of Southern Natural Gas Company and prior to 2015, Mr. Cleary was a director of Access Midstream Partners GP, LLC, the general partner of Access Midstream Partners L.P. Mr. Cleary received his Bachelor of Arts from the College of William & Mary in 1976 and a Juris Doctorate from Boston College Law School in 1979.

Board/Committee Membership	Attendance in 2017	
Director, Board of Directors	5 out of 5	100%
Member, Audit Committee	2 out of 2	100%
Chair, Environment, Health and Safety Committee	3 out of 3	100%
Member, Corporate Governance, Compensation and Nomination Committee	3 out of 3	100%

Securities Held[1]	2017 Voting Results
6,320 common shares 33,354 DSUs 24,343 Options	98.85% FOR

Residency and Age	Independence
Colorado Springs, Colorado, USA Age: 63	Independent

Office with Gibson Energy Now Held	Principal Occupation
Director	Managing Director of Global Infrastructure Partners

Nominee	Brief Biography
John L. Festival New Nominee 	Mr. Festival has been the President and Chief Executive Officer and a director of BlackPearl Resources Inc. since January of 2009. Prior thereto, Mr. Festival served as the President of BlackRock Ventures Inc. from 2001 to 2006 and as its Vice President of Corporate Development from 1999 to 2000. In addition, Mr. Festival is currently a director of Toscana Energy Income Corporation. Mr. Festival has over three decades of experience in the oil and gas industry and graduated from the University of Saskatchewan in 1984 with a bachelor of Chemical Engineering.

Securities Held[1]	2017 Voting Results
40,655 common shares	N/A

Residency and Age	Independence
Calgary, Alberta, Canada Age: 57	Independent

Office with Gibson Energy Now Held	Principal Occupation
None	President and Chief Executive Officer of BlackPearl Resources Inc.

Nominee	Brief Biography
Marshall L. McRae Director Since June 2011 	Mr. McRae has been an independent financial and management consultant since August 2009. Prior thereto, Mr. McRae was Chief Financial Officer of CCS Inc., administrator of CCS Income Trust and its successor corporation, CCS Corporation since August 2002. Mr. McRae has over 30 years of experience in senior operating and financial management positions with a number of publicly traded and private companies, including CCS Inc., Versacold Corporation and Mark's Work Wearhouse Limited. Mr. McRae is a director and the Chair of the audit committee of Athabasca Oil Corporation, lead director and chair of the audit committee of Source Energy Services Ltd. and a director of Black Diamond Group Limited. Mr. McRae served as interim Executive Vice President and CFO of Black Diamond Group Limited from October 16, 2013 to August 8, 2014 and as its Executive Vice President to December 31, 2014. Mr. McRae obtained a Bachelor of Commerce degree, with Distinction, from the University of Calgary in 1979, and a Chartered Accountant designation from the Institute of Chartered Accountants of Alberta in 1981.

Board/Committee Membership	**Attendance in 2017**	
Director, Board of Directors	5 out of 5	100%
Chair, Audit Committee	4 out of 4	100%
Securities Held[(1)]	**2017 Voting Results**	
13,939 common shares 34,244 DSUs 35,225 Options	98.53% FOR	
Residency and Age	**Independence**	
Calgary, Alberta, Canada Age: 60	Independent	
Office with Gibson Energy Now Held	**Principal Occupation**	
Director	Independent Financial and Management Consultant	

Nominee	Brief Biography
Mary Ellen Peters Director Since February 2014 	Ms. Peters was appointed as a director of Gibson Energy on February 3, 2014. Ms. Peters is a businesswoman with over 30 years of experience in the midstream and downstream sectors with Marathon Petroleum Company LP. During her tenure at Marathon, Ms. Peters held senior executive roles as Senior Vice President of Transportation and Logistics, Senior Vice President of Marketing and President of Marathon Pipeline. Ms. Peters graduated from Indiana University with a Bachelor of Science degree (Finance) and holds a Master of Business Administration from Bowling Green State University and also serves on the board of directors for Baytex Energy Corporation. Her previous board experience includes acting as Chair of the board for Louisiana Offshore Oil Port and as a Director of Colonial Pipeline Company.

Board/Committee Membership	**Attendance in 2017**	
Director, Board of Directors	5 out of 5	100%
Member, Environment, Health and Safety Committee	3 out of 3	100%
Securities Held[(1)]	**2017 Voting Results**	
1,200 common shares 33,022 DSUs 19,078 Options	99.16% FOR	
Residency and Age	**Independence**	
Sarasota, Florida, USA Age: 61	Independent	
Office with Gibson Energy Now Held	**Principal Occupation**	
Director	Former Petroleum Executive	

<table>
<tr><th>Nominee</th><th colspan="3">Brief Biography</th></tr>
<tr><td rowspan="11">Steven R. Spaulding
Director Since June 2017
</td><td colspan="3">Mr. Spaulding is our President and Chief Executive Officer. As such, he is accountable for Gibson Energy's operational performance and strategic direction. He became a member of our Board on June 19, 2017. Before joining Gibson Energy, Mr. Spaulding was Executive Vice President, Natural Gas Liquids with Texas-based Lone Star NGL LLC, a subsidiary of Energy Transfer Partners. Prior to that, he served as Senior Vice President, Gathering and Processing at Crosstex Energy, which is now Enlink Midstream Partners. With more than 25 years in the midstream industry, Mr. Spaulding's experience encompasses all facets of the business including operations, business development, and marketing. He holds a Bachelor of Science degree in chemical engineering from the University of Oklahoma.</td></tr>
<tr><td>Board/Committee Membership</td><td colspan="2">Attendance in 2017</td></tr>
<tr><td>Director, Board of Directors
Member, Environment, Health and Safety Committee</td><td>3 out of 3
2 out of 2</td><td>100%
100%</td></tr>
<tr><td>Securities Held(1)</td><td colspan="2">2017 Voting Results</td></tr>
<tr><td>59,000 common shares 54,686 DSUs
1,028,571 Options</td><td colspan="2">Not applicable. Mr. Spaulding was appointed to the Board on June 19, 2017.</td></tr>
<tr><td>Residency and Age</td><td colspan="2">Independence</td></tr>
<tr><td>Calgary, Alberta, Canada Age: 52</td><td colspan="2">Not Independent (Management)</td></tr>
<tr><td>Office with Gibson Energy Now Held</td><td colspan="2">Principal Occupation</td></tr>
<tr><td>President, Chief Executive Officer and Director</td><td colspan="2">President and Chief Executive Officer of Gibson Energy</td></tr>
</table>

Note:

(1) Securities held are provided as of the date hereof. The information as to the shares beneficially owned, not being within our knowledge, has been furnished by the respective directors individually. "**Option**", "**RSU**", "**RRSU**", "**PSU**" and "**DSU**" are defined herein – please see "Compensation Discussion and Analysis – Long Term Equity Incentives – 2011 Equity Incentive Plan"). Award total includes the dividend equivalent rights associated with such, RSUs, DSUs and PSUs. Please see "Compensation Discussion and Analysis – Long Term Equity Incentives – Dividend Equivalent Rights".

Independence and Interlocking Relationships

All of our director nominees, other than Mr. Spaulding, are independent (if all of our nominees are elected approximately 86% of the Board will be independent). Mr. Spaulding is our President and Chief Executive Officer ("**CEO**") and therefore is not independent. We assess independence on the basis of applicable Canadian securities laws. For more information, please see "Statement of Corporate Governance Practices – Independence of the Board".

None of the nominees serve together as directors or trustees of any other public entity. Therefore, there are no public company interlocking directorships.

Majority Voting Policy

We have a majority voting policy that requires any director nominee that receives more *withhold* votes than *for* votes to offer to resign immediately after the Meeting. Upon receipt of the offer of resignation, the Corporate Governance, Compensation and Nomination Committee (the "**CGCN Committee**") will review the matter and then make a recommendation to the Board. The Board will then decide whether to accept or reject the offer of resignation. The Board will accept the resignation absent exceptional circumstances, and the resignation will be effective when accepted by the Board. Until the decision is made, the director nominee in question will not participate in any discussions by the Board or the CGCN Committee. The Board will make a decision and disclose its reasoning to the public within 90 days of the Meeting. Should the Board determine to accept the resignation, it may choose to appoint a new director to fill the vacancy until the next annual general meeting of shareholders.

The majority voting policy only applies to uncontested elections in which the number of nominees for election is equal to the number of directors to be elected. Shareholders should note that, as a result of the majority voting policy, a withhold vote is effectively the same as a vote against the director nominee.

Additional Information about the Director Nominees

Bankruptcies and Cease Trade Orders

To our knowledge, and based upon information provided to us by the nominees for election as directors, no such nominee has, within the last 10 years, (i) become bankrupt, made a proposal under legislation relating to bankruptcy or insolvency or become subject to any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such nominee, or (ii) been a director or executive officer of any company or other entity that, while the nominee was acting in that capacity (or within a year of ceasing to act in that capacity), became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became 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 such company or other entity. Further, to our knowledge, and based upon information provided to us by the nominees for election as directors, no such nominee has, within the last 10 years, been a director, chief executive officer or chief financial officer of a company that, during the time the nominee was acting in such capacity, or as a result of events that occurred while the nominee was acting in such capacity, was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities laws that was in effect for a period of more than 30 consecutive days.

Penalties and Sanctions

To our knowledge, no proposed nominee for election as a director (nor any personal holding company of any of such persons) has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in deciding whether to vote for such proposed nominee.

Appointment of Auditors

Shareholders will be asked at the Meeting to pass a resolution appointing PricewaterhouseCoopers LLP as our auditors, to serve as our auditors until the next annual meeting of shareholders, at a remuneration to be determined by the Board. **Unless directed otherwise, the management nominees named in the accompanying Instrument of Proxy intend to vote FOR the appointment of PricewaterhouseCoopers LLP to serve as our auditors until the next annual meeting of shareholders, at a remuneration to be determined by the Board.**

PricewaterhouseCoopers LLP is independent within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Alberta and has served as our auditors since September 2001. The independence of our auditor is essential to maintaining the integrity of our financial statements and the Audit Committee is responsible for overseeing our external auditor and evaluating their qualifications and independence. The following table sets out the fees of PricewaterhouseCoopers LLP in 2017 and 2016:

	2017	**2016**
Audit Fees	$1,036,000	$1,163,000
Audit Related Fees	$326,000	$98,000
Tax Fees	$27,000	$221,000
Other Fees	$2,000	$613,000
Total	**$1,391,000**	**$2,095,000**

A description of the services provided under each category is as follows:

- Audit Fees: Fees for the audit of our consolidated financial statements, review of our quarterly reports, special audit engagements and assistance with the certification for internal controls over financial reporting.

- Audit Related Fees: Fees for services that are related to the review of prospectus filing and French translation services.

- Tax Fees: Fees for assistance in the preparation of income tax returns and advice on certain tax-related matters.

- Other Fees: Fees for professional services related to the procurement consulting costs and an annual subscription to accounting research software.

Pursuant to the charter of the Audit Committee (the "**Audit Committee Charter**"), the Audit Committee approves all audit plans and pre-approves significant non-audit engagements of the external auditors, including reviewing the fees paid for such engagements. The Audit Committee has delegated the responsibility for approving certain non-audit services to the Chair of the Audit Committee. Since the establishment of the Audit Committee, all audit and non-audit services provided to us for the year ended December 31, 2017 that required a pre-approval were pre-approved in accordance with the Audit Committee Charter.

Advisory Vote on Executive Compensation

The Board believes that clear and effective communication is an important component to executive compensation. As part of our ongoing commitment to strong corporate governance practices, on March 1, 2016, the Board adopted a "Say on Pay" policy that gives shareholders an annual non-binding advisory vote on executive compensation. At our 2017 meeting of shareholders, we received 99.35% shareholder support for our executive compensation. We encourage you to carefully review the Compensation Discussion and Analysis section of this Circular as it describes our objectives, philosophy and principles of executive compensation. It explains how our executive compensation is aligned with the long-term interests of our shareholders. We encourage any shareholder who has comments on our approach to executive compensation to provide these comments to Mark Chyc-Cies, Vice President, Investor Relations, via email at Mark.Chyc-Cies@gibsonenergy.com or via telephone at 403-776-3146 or toll-free at 1-855-776-3077.

Text of the Advisory Vote on Compensation

The "Say on Pay" policy was approved by the Board on March 1, 2016. **Unless directed otherwise, the management nominees named in the accompanying Instrument of Proxy intend to vote FOR the following advisory resolution:**

"**BE IT RESOLVED**, on an advisory basis and not to diminish the role and responsibilities of the Board, that the shareholders accept the approach to executive compensation disclosed in the Management Information Circular delivered in advance of the 2018 Annual Meeting of Shareholders."

As this is an advisory vote, the results will not be binding upon the Board. However, in considering its approach to executive compensation in the future, the Board will take into account the results of the vote and ensure its approach remains aligned with our strategic objectives, best practices and the interests of the shareholders. We will disclose the results of the shareholder advisory vote as part of its report on voting results for the Meeting. The Board will consider the outcome of this vote as part of its ongoing review of executive compensation.

Other Business

Our management knows of no amendment, variation or other matter to come before the Meeting other than the matters identified in the Notice of Meeting. However, if any other matter properly comes before the Meeting or any adjournment or postponement thereof, the shares subject to the Instrument of Proxy solicited hereunder will be voted on such matter in the discretion of and according to the best judgment of the proxyholder unless otherwise indicated on such Instrument of Proxy.

COMPENSATION OF OUR DIRECTORS

Compensation of our Directors

Our director compensation program is designed to attract and retain qualified people to serve as directors. Directors who are not independent do not receive any director fees.

The following table sets forth the schedule of approved annual fees used in determining the compensation paid to each independent director in 2017.

Category	Amount ($)[(1)]
Basic annual retainer for each independent director (the "**Base Annual Retainer**")	70,000
Annual retainer for the Chair of the Board	35,000
Annual retainer for the Chair of the Corporate Governance, Compensation and Nomination Committee	5,000
Annual retainer for the Chair of the Environment, Health and Safety Committee	5,000
Annual retainer for the Chair of the Audit Committee	10,000
Annual retainer for each Committee Member	nil
Meeting fees per Board Meeting	nil
Meeting fees per Committee Meeting	nil

Note:

(1) Annual fees payable to directors resident in the United States were paid in U.S. denominated funds ("**USD**").

The following table sets out the actual fees earned by directors for their participation as members of the Board and on Board committees during 2017 based on the approved schedule of fees outlined above. As President and CEO and as the former President and CEO, neither Mr. Spaulding, nor Mr. Hanlon, respectively, received any director fees.

Name	Base Annual Retainer ($)	Chair of the Board and Committee Chair Annual Retainer ($)	Total Meeting Fees for Board Meetings ($)	Total Meeting Fees for Committee Meetings ($)	Travel Fees ($)	Total ($)
James M. Estey	70,000	40,000	nil	nil	nil	110,000
Douglas P. Bloom	70,000	nil	nil	nil	nil	70,000
James J. Cleary[(1)]	89,226	3,043	nil	nil	nil	92,269
Donald R. Ingram[(2)]	26,849	nil	nil	nil	nil	26,849
Marshall L. McRae	70,000	10,000	nil	nil	nil	80,000
Mary Ellen Peters[(1)]	89,226	nil	nil	nil	nil	89,226
Clayton H. Woitas[(3)]	70,000	nil	nil	nil	nil	70,000

Notes:

(1) Annual fees paid to directors resident in the United States were paid in USD. For the purposes of this table, the annual fees were converted into Canadian dollars based on the Bank of Canada daily exchange rate on the grant date applicable to the fees being paid in the form of equity, as follows: on March 17, 2017 at $1.00 USD = $1.3347 CDN, on March 31, 2017 at $1.00 USD = $1.3299 CDN, on June 30, 2017 at $1.00 USD = $1.2977 CDN and on November 20, 2017 at $1.00 USD = $1.2783 CDN. The difference between the annual fees paid to the directors resident in Canada and the annual fees paid to the directors resident in the United States is due solely to the exchange rate.
(2) Effective May 9, 2017, Donald R. Ingram retired.
(3) Clayton H. Woitas is retiring from the Board and will not be standing for re-election.

In addition to the annual fees paid to the independent directors, our independent directors are eligible to participate in the long-term incentive plan (the "**2011 Equity Incentive Plan**"). Directors are not permitted to purchase financial instruments that are designed to hedge or offset a decrease in market value of shares granted to the director as compensation. Our Insider Trading Policy prohibits any and all forms of hedging. The following table sets forth the compensation we paid to the directors in 2017. For information on compensation paid to Mr. Spaulding, our President and CEO, and Mr. Hanlon, our former President and CEO, please see the Summary Compensation Table below under the heading "Compensation of the Named Executive Officers".

				Non-equity incentive plan compensation				
Name	**Fees Earned ($)**	**Share-based awards[1] ($)**	**Option-based awards ($)**	**Annual incentive plans ($)**	**Long term incentive plans ($)**	**Pension value[2] ($)**	**All other compensation ($)**	**Total compensation ($)**
James M. Estey	110,000	115,000	nil	nil	nil	nil	nil	225,000
Douglas P. Bloom	70,000	80,000	nil	nil	nil	nil	nil	150,000
James J. Cleary[3]	92,269	104,812	nil	nil	nil	nil	nil	197,081
Donald R. Ingram[4]	26,849	28,639	nil	nil	nil	nil	nil	55,488
Marshall L. McRae	80,000	80,000	nil	nil	nil	nil	nil	160,000
Mary Ellen Peters[3]	89,226	104,812	nil	nil	nil	nil	nil	194,038
Clayton H. Woitas[5]	70,000	80,000	nil	nil	nil	nil	nil	150,000

Notes:

(1) Figure includes DSUs granted to directors in 2017 but does not include the dividend equivalent rights associated therewith.
(2) As of December 31, 2017, we had not adopted any retirement plan or pension plan for the members of the Board.
(3) Annual fees paid to directors resident in the United States were paid in USD. For the purposes of this table, the annual fees were converted into Canadian dollars based on the Bank of Canada noon exchange rate on the grant date applicable to the fees being paid in the form of equity, as follows: on March 17, 2017 at $1.00 USD = $1.3347 CDN, on March 31, 2017 at $1.00 USD = $1.3299 CDN, on June 30, 2017 at $1.00 USD = $1.2977 CDN and on November 20, 2017 at $1.00 USD = $1.2783 CDN. The difference between the annual fees paid to the directors resident in Canada and the annual fees paid to the directors resident in the United States is due solely to the exchange rate.
(4) Effective May 9, 2017, Donald R. Ingram retired.
(5) Clayton H. Woitas is retiring from the Board and will not be standing for re-election.

In 2017, the Board was awarded DSUs only, with the exception of Mr. Spaulding who was also awarded Options.

In 2017, five out of six of our independent directors received their Base Annual Retainer and any applicable board or committee chair retainers in the form of equity. In 2017, five of our independent directors nominees had the option of making an election to receive their 2018 retainer compensation in the form of DSUs and four out of five of our director nominees elected to receive 100% of their Base Annual Retainer and chair retainers in the form of equity.

Incentive Plan Awards

Outstanding Option-Based Awards and Share-Based Awards

Our directors participate in the 2011 Equity Incentive Plan. The following table sets forth, for each director, information regarding all awards that are outstanding as of December 31, 2017. For information on compensation paid to Mr. Spaulding, our President and CEO, and Mr. Hanlon, our former President and CEO, please see the Outstanding Option-based and Share-based Awards Table below under the heading "Compensation of the Named Executive Officers".

	Option-based awards				Share-based awards			
Name	**Number of Common Shares underlying unexercised Options (#)**	**Option Exercise Price ($)**	**Option expiration date**	**Value of unexercised in-the-money Options[1] ($)**	**Number of DSUs that have not vested[2] (#)**	**Market value of DSUs that have not vested[1] ($)**	**Number of DSUs that have vested[2] (#)**	**Market value of vested DSUs not paid out or distributed[1] ($)**
James M. Estey	3,628	20.67	July 1, 2019	4,125	43,280	785,099	nil	nil
	10,041	22.03	July 1, 2019					
	4,386	24.44	July 1, 2020					
	3,792	28.57	April 1, 2021					
	3,733	33.91	July 1, 2021					
	3,223	35.51	October 1, 2021					
	2,970	25.33	March 15, 2022					
	2,927	26.59	April 1, 2022					
	3,695	23.13	July 1, 2022					
	4,342	17.19	October 1, 2022					
Douglas P. Bloom	nil	nil	nil	nil	6,640	120,450	nil	nil
James J. Cleary	4,386	24.44	July 1, 2020	3,844	33,354	605,042	nil	nil
	2,638	28.57	April 1, 2021					
	2,597	33.91	July 1, 2021					
	2,242	35.51	October 1, 2021					
	2,645	25.33	March 15, 2022					
	2,583	26.59	April 1, 2022					
	3,206	23.13	July 1, 2022					
	4,046	17.19	October 1, 2022					
Donald R. Ingram[3]	3,628	20.67	July 1, 2019	nil	nil	nil	17,179	nil
	10,041	22.03	July 1, 2019					
	4,386	24.44	July 1, 2020					
	2,638	28.57	April 1, 2021					
	2,597	33.91	July 1, 2021					
	2,242	35.51	October 1, 2021					
	2,066	25.33	March 15, 2022					
	2,036	26.59	April 1, 2022					
	2,570	23.13	July 1, 2022					

Name	Option-based awards				Share-based awards			
	Number of Common Shares underlying unexercised Options (#)	Option Exercise Price ($)	Option expiration date	Value of unexercised in-the-money Options[(1)] ($)	Number of DSUs that have not vested[(2)] (#)	Market value of DSUs that have not vested[(1)] ($)	Number of DSUs that have vested[(2)] (#)	Market value of vested DSUs not paid out or distributed[(1)] ($)
Marshall L. McRae	3,628	20.67	July 1, 2019	2,870	34,244	621,186	nil	nil
	10,041	22.03	July 1, 2019					
	4,386	24.44	July 1, 2020					
	2,638	28.57	April 1, 2021					
	2,597	33.91	July 1, 2021					
	2,242	35.51	October 1, 2021					
	2,066	25.33	March 15, 2022					
	2,036	26.59	April 1, 2022					
	2,570	23.13	July 1, 2022					
	3,021	17.19	October 1, 2022					
Mary Ellen Peters	1,759	28.57	April 1, 2021	3,844	33,022	599,019	nil	nil
	2,597	33.91	July 1, 2021					
	2,242	35.51	October 1, 2021					
	2,645	25.33	March 15, 2022					
	2,583	26.59	April 1, 2022					
	3,206	23.13	July 1, 2022					
	4,046	17.19	October 1, 2022					
Clayton H. Woitas[(4)]	3,628	20.67	July 1, 2019	2,870	34,244	621,186	nil	nil
	10,041	22.03	July 1, 2019					
	4,386	24.44	July 1, 2020					
	2,638	28.57	April 1, 2021					
	2,597	33.91	July 1, 2021					
	2,242	35.51	October 1, 2021					
	2,066	25.33	March 15, 2022					
	2,036	26.59	April 1, 2022					
	2,570	23.13	July 1, 2022					
	3,021	17.19	October 1, 2022					

Notes:

(1) Value is based on the five day weighted average trading price of the shares on December 31, 2017, which was $18.14.

(2) Figure represents DSUs, including the dividend equivalent rights associated therewith. All DSUs and the dividend equivalent rights associated therewith, granted in 2017, are not exercisable by a director until the redemption date, such redemption date occurring only after the cessation of directorship and are therefore shown as unvested. Please see "Compensation Discussion and Analysis – Long Term Equity Incentives – Dividend Equivalent Rights". The directors do not hold PSUs or RSUs.

(3) Effective May 9, 2017, Donald R. Ingram retired. In connection with such retirement, his DSUs vested on May 9, 2017 and were redeemed on May 18, 2017. Value is based on the five day weighted average trading price of the shares on May 9, 2017, which was $18.55.

(4) Clayton H. Woitas is retiring from the Board and will not be standing for re-election.

Value Vested or Earned during the Year

The following table sets forth, for each director, the value vested or earned on all options-based awards, share-based awards and non-equity incentive plan compensation in 2017. For information on compensation paid to Mr. Spaulding, our President and CEO, and Mr. Hanlon, our former President and CEO, please see the Value Vested or Earned during the Year Table below under the heading "Compensation of the Named Executive Officers".

Name	Option-based awards – Value vested during 2017[(1)] ($)	Share-based awards – Value vested during 2017[(2)] ($)	Non-equity incentive plan compensation – Value earned during 2017 ($)
James M. Estey	nil	nil	nil
Douglas P. Bloom	nil	nil	nil
James J. Cleary	nil	nil	nil
Donald R. Ingram[(3)]	nil	318,670	nil
Marshall L. McRae	nil	nil	nil
Mary Ellen Peters	nil	nil	nil
Clayton H. Woitas[(4)]	nil	nil	nil

Notes:

(1) Options that vested in 2017 were out-of-the-money as at December 31, 2017. Please see "Compensation Discussion and Analysis – Long Term Equity Incentives – Description of Options".

(2) In addition to share-based awards we granted to members of the Board in 2017, share-based awards were issued pursuant to the dividend equivalent rights associated with DSUs granted to members of the Board. In addition, PSU awards vested in 2017. Value is based on the five day weighted average trading price of the shares on December 31, 2017, which was $18.14. Please see "Compensation Discussion and Analysis – Long Term Equity Incentives – Dividend Equivalent Rights".

(3) Effective May 9, 2017, Donald R. Ingram retired. In connection with such retirement, his DSUs vested on May 9, 2017. Value is based on the five day weighted average trading price of the shares on May 18, 2017, which was $18.55.

(4) Clayton H. Woitas is retiring from the Board and will not be standing for re-election.

Share Ownership Policy (Directors)

The direct alignment of the directors' interests with the interests of the shareholders is of upmost importance to us. In order to ensure this alignment, the Board, upon the recommendation of the CGCN Committee, has adopted a share ownership policy ("**Share Ownership Policy**") for the directors to ensure that their interests are directly correlated with shareholders' interests. To comply with the Share Ownership Policy, each of our independent directors is expected to reach a minimum share ownership level equal to five times their Base Annual Retainer and any applicable board chair or committee chair retainer (excluding equity grants) within five years of becoming a director. Equity held by the directors on December 31, 2017 that contributed towards share ownership requirements included shares owned directly or indirectly by such director and unredeemed DSUs. As at December 31, 2017, all of the independent directors required by the Share Ownership Policy to be in compliance as of such date were in compliance.

The following table sets forth the share ownership levels for each independent director as of December 31, 2017.

Name	Number of Common Shares Beneficially Owned or Controlled[(1)] (#)	Total Value of Common Shares[(2)] ($)	Number of Unredeemed DSUs (#)	Total Value of Unredeemed DSUs[(2)(3)] ($)	Approximate Value as a Multiple of Annual Compensation
James M. Estey	59,095	1,071,983	43,280	785,099	17 times
Douglas P. Bloom	30,000	544,200	6,640	120,450	9.5 times
James J. Cleary	6,320	114,645	33,354	605,042	8 times
Marshall L. McRae	13,939	252,853	34,244	621,186	11 times
Mary Ellen Peters	1,200	21,768	33,022	599,019	7 times
Clayton H. Woitas[(4)]	90,265	1,637,407	34,244	621,186	32 times

Notes:

(1) Represents the number of shares beneficially owned or controlled as at December 31, 2017.
(2) Value is based on the five day weighted average trading price of the shares on December 31, 2017, which was $18.14.
(3) Figure includes DSUs, including the dividend equivalent rights associated therewith. Please see "Compensation Discussion and Analysis – Long Term Equity Incentives – Dividend Equivalent Rights".
(4) Clayton H. Woitas is retiring from the Board and will not be standing for re-election.

Incentive Compensation Claw Back Policy

On March 1, 2016, the Board approved the adoption of an Incentive Compensation Clawback Policy ("**Clawback Policy**"). The Clawback Policy requires those at a Vice-President level or above ("**Senior Manager**") to immediately reimburse us for all or any portion of bonuses and equity based compensation ("**Incentive Compensation**") in the event of the following circumstances:

1. we are required to prepare a restatement of its financial statements due to material non-compliance with any financial reporting requirement under applicable securities laws (the "**Restatement**");
2. incentive Compensation is received by a current or former Senior Manager in respect of the years to which the Restatement applies;
3. the amount of the Incentive Compensation received by the Senior Manager was calculated based on the achievement of certain financial results that were subsequently affected by the Restatement; and
4. the Senior Manager engaged in intentional gross negligence or fraud which significantly contributed to the Restatement.

Where the above circumstances exist, the Board has the authority under the Clawback Policy to cancel, withhold or otherwise take appropriate action to recoup all or a portion of that Senior Manager's Incentive Compensation relating to the 12-month period following the first public issuance or filing with securities regulatory authorities, whichever first occurs, of the financial document embodying such erroneous financial reporting results (the "**Clawback Amount**"). In carrying out the recovery of the Clawback Amount, the Board shall be entitled to pursue all legal and other remedies at its disposal including, without limitation, initiating legal action and cancelling or withholding vested, unvested and future Incentive Compensation awards.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

General

We recognize that corporate governance is fundamental to the success of our business and instrumental in generating long term shareholder value. We, along with our Board and management are committed to the highest standards of corporate governance. The Board has recently reviewed its charter (the "**Board Charter**") and the charters of its committees and made any necessary changes to such charters, position descriptions and corporate governance principles and practices. The following is a description of our approach to corporate governance.

Our corporate governance policies reflect the rules and guidelines adopted by the Canadian Securities Administrators. Our approach to governance meets or exceeds the practices set forth under National Policy 58-201 – *Corporate Governance Guidelines* ("**NP 58-201**") and National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**").

The Board

Our articles of amalgamation provide that we can have between three and eleven directors. At the present time, we have seven directors, five of whom will be standing for re-election at the Meeting. Mr. Spaulding, who was appointed to the Board on June 19, 2017, and Mr. Festival, a new director nominee, will both be standing for election for the first time. The matter of composition and size of the Board is reviewed annually. If each of the nominees in this Circular is elected to the Board at the Meeting, we will have seven directors. The Board considers that the composition of the Board and specific skill set of the proposed directors is appropriate for our size and complexity and will facilitate effective decision-making.

The Board has responsibility for our overall stewardship and management in conducting our day to day business. The Board discharges this responsibility directly and indirectly through the delegation of specific responsibilities to committees of the Board, the Chair of the Board and our officers, all as more particularly described in the Board Charter, a copy of which is attached to this Circular as Schedule "A". The Board Charter provides that the primary responsibilities of the Board are to:

- maximize long term shareholder value;
- approve our strategic plan;
- ensure that processes, controls and systems are in place for the management of our business and affairs and to address applicable legal and regulatory compliance matters;
- maintain the composition of the Board in a way that provides an effective mix of skills and experience to provide for our overall stewardship;
- ensure that we meet our obligations on an ongoing basis and operate in a safe and reliable manner; and
- monitor management's performance to ensure that we meet our duties and responsibilities to our shareholders.

In accordance with the Board Charter, the Board has adopted written position descriptions for the CEO, Chair of the Board, the Chair of the Audit Committee, the Chair of the CGCN Committee and the Chair of the Environment, Health and Safety Committee (the "**EHS Committee**"). In accordance with the written position description for the Chair of the Board, such individual is charged with providing leadership and their experience to the Board to enable it to act as an effective and cohesive team. The Chair of the Board also works with the CGCN Committee in monitoring the effectiveness, performance, composition and mandate of the Board and its committees.

Independence of the Board

A director who does not have a direct or indirect material relationship with us is considered to be an independent director. A relationship is considered to be material if it could reasonably interfere with the director's ability to make independent decisions and act in our best interests. If there is a change to a director's circumstances that could have an impact on their independence, the director must advise the CGCN Committee of such change as soon as they are able. The CGCN Committee is responsible for determining whether a director is independent using the criteria for independence set forth in NP 58-201 and NI 58-101.

In accordance with the review of the CGCN Committee, it has been determined that six of the seven director nominees are independent, which will result in approximately 86% of the Board being independent. The six director nominees that are independent are Mr. Estey, Mr. Bloom, Mr. Cleary, Mr. Festival, Mr. McRae and Ms. Peters. Mr. Spaulding is not independent because he is our President and CEO.

Chair of the Board

Mr. Estey was appointed as the Chair of the Board on April 4, 2013. The CGCN Committee has determined that the appointment of Mr. Estey as the Chair of the Board is in accordance with best governance practices given Mr. Estey's independence from the Board and his depth of industry experience.

Independence from Management and In-Camera Sessions

We take steps to ensure that adequate structures and processes are in place to permit the Board to function independently of our management. One of the responsibilities of the Chair of the Board is to provide leadership to the independent directors and to ensure that the policies and procedures adopted by the Board allow it to function independently of management. Matters that require decision making and evaluation that is independent of management and non-independent directors may arise at the meetings of the Board and the committees of the Board. Such matters require a portion of the meeting to be conducted without the presence of management and non-independent directors. At every board meeting in which these matters arise, including special meetings, we hold "in-camera" sessions among the independent directors, without management present so that these matters can be addressed. In 2017, there were in-camera sessions at all of the Board and Committee meetings which were held. Therefore, 100% of all Board and Committee meetings held in 2017 had an in-camera session.

Other Directorships

Although we do not have a formal policy that limits the number of outside directorships of public companies that a director may have, we do perform an individual assessment for each director to ensure that they will have the necessary time that we require be dedicated to our Board. The CGCN Committee has considered the issue and does not believe that the additional public board memberships currently held by our directors impair their ability to devote their time and attention to us. The CGCN Committee believes that such outside directorships can be beneficial to directors in enhancing their experience and exposure to issues facing public companies. Certain of the nominee directors of the Board are also directors of other issuers that are reporting issuers (or the equivalent), as set forth below. At this time, there are no public company interlocking directorships. For more information please see "Business of the Annual Meeting – Independence and Interlocking Relationships".

Director	Other Directorships	Stock Exchange Listing
James M. Estey………………………………..	New Gold Inc.	TSX, NYSE Amex
	PrairieSky Royalty Ltd.	TSX
John L. Festival…………………………………	BlackPearl Resources Inc.	TSX
	Toscana Energy Income Fund	TSX
Marshall L. McRae……………………………	Athabasca Oil Corporation	TSX
	Black Diamond Group Limited	TSX
	Source Energy Services Ltd.	TSX
Mary Ellen Peters……………………………..	Baytex Energy Corp.	TSX, NYSE

Director Attendance

The following table discloses the attendance of the members of the Board at meetings of the Board and committees of the Board for 2017:

Director	Board	CGCN Committee	Audit Committee	EHS Committee	Percentage Attendance
James M. Estey	5/5	3/3	4/4	–	**100%**
Douglas P. Bloom[(1)]	5/5	2/2	–	2/2	**100%**
James J. Cleary[(2)]	5/5	3/3	2/2	3/3	**100%**
Donald R. Ingram[(3)]	1/1	–	1/1	1/1	**100%**
Marshall L. McRae	5/5	–	4/4	–	**100%**
Mary Ellen Peters	5/5	–	–	3/3	**100%**
Clayton H. Woitas[(4)]	5/5	3/3	–	–	**100%**
Steven R. Spaulding[(5)]	3/3	–	–	2/2	**100%**

Notes:

(1) Mr. Bloom was appointed to the CGCN Committee and EHS Committee on May 9, 2017.
(2) Mr. Cleary was appointed to the Audit Committee on May 9, 2017.
(3) Effective May 9, 2017, Donald R. Ingram retired.
(4) Clayton H. Woitas is retiring from the Board and will not be standing for re-election.
(5) Mr. Spaulding was appointed to the Board and EHS Committee on June 19, 2017.

Orientation and Continuing Education

We feel that director education helps our directors grow their understanding of our business and operations as well as assists them with expanding their skill set and increases their awareness of current and emerging issues that impact us. The orientation and continuing education of the directors is the responsibility of the CGCN Committee and is focused on familiarizing our new directors with the midstream energy services industry. The details of the orientation of new directors will be tailored to their needs and areas of expertise and will include the delivery of written materials, including our governance guidelines and policies, and participation in meetings with management and the Board. The focus of the orientation program will be on providing new directors with: (i) information about the duties and obligations of directors; (ii) information about our business and operations; (iii) the expectations of directors (including, in particular, expectations of time and energy); (iv) opportunities to meet with management; and (v) access to documents from recent meetings of the Board and committees. The key elements of the program include:

- an orientation program for new directors that involves meetings with our key management and Board;
- provision of the Directors Manual which includes the Board and committee calendars, contact information for other directors and key employees, our articles and bylaws, our corporate structure description, corporate charters, position descriptions, policies and the particulars of the directors' and officers' liability insurance program;
- regular management presentations on our operations; and
- one or more facility tours.

The directors have all been chosen for their specific level of knowledge and expertise. All directors will be provided with materials relating to their duties, roles and responsibilities. In addition, the directors will be kept informed as to matters impacting, or which may impact, our operations through reports and presentations by internal and external presenters at meetings of the Board and during periodic strategy sessions held by the Board. Directors may periodically take part in site visits to facility locations in the field to observe our operations.

Our orientation and education program also provides financial support for directors to attend courses and conferences that are relevant to the fulfillment of their responsibilities as directors. Management is authorized to approve the reimbursement of expenditures incurred by directors for these kinds of courses, conferences and certification programs. Where practical, we also maintain memberships in professional or business associations which offer seminars, presentations and other educational material and, when appropriate, directors have the opportunity to take advantage of the educational opportunities offered through our membership in such associations.

All of our directors are registered with the Institute of Corporate Directors (the "**ICD**"). The ICD offers our directors flexible director education and learning opportunities as well as a year-round continuing education program where our directors engage in informal learning sessions and networking events. The ICD provides our directors with timely information on current and emerging governance issues and best practices.

Director Development in 2017

As at December 31, 2017, all of the directors had visited and toured all of our major facilities and operations.

Upon joining us in June 2017, Steven Spaulding visited and toured all of our major facilities, including the Hardisty Terminal, Edmonton Terminal and Moose Jaw Refinery. In addition to these site visits, Mr. Spaulding's onboarding consisted of a fulsome orientation and education program. Should Mr. Festival be appointed at the Meeting, he will visit all such facilities and operations as part of our orientation and education program.

Director Evaluation and Board Assessment

The responsibility to ensure that the Board is comprised of individuals who are conscientious, informed, participative and independent falls within the mandate of the CGCN Committee. We recognize that an effective Board is a key element of good corporate governance. We not only ensure that each individual director is contributing to the Board, but that the Board is contributing to our overall success. In order to ensure that individual Board members and the Board as a whole are meeting the high standards we set for them, the Chair of the CGCN Committee administers an annual review process through the use of a questionnaire for the assessment of the Board, Board Committees and our directors (the "**Assessment Questionnaire**"). This process is an effective tool to evaluate how the Board, committees and each director, embraces responsibility, provides insightful guidance and contributes to our overall success.

The Assessment Questionnaire is aimed at evaluating the Board as a whole, the effectiveness of each committee of the Board and the contributions of each Board member. The Assessment Questionnaire is a written evaluation process and applies to each director. All directors are asked to confirm and evaluate their independence.

With respect to the assessment of the Board and each Board committee, the Assessment Questionnaire focuses on the following areas:

Board General	Board Meetings	Board Communications	Committees	Board Effectiveness
• The collective experience and expertise to discharge the Board's duties • Ethical conduct of the Board • New director selection and identification process • Appropriateness of the Chair • Experience during the prior term	• Satisfactory number and length • Committee size • Addressing current and prospective issues • Appropriate utilization of talents and capacity • In camera sessions conducted at meetings • Adequate reporting from the committees • Appropriate form and content of meeting materials • Encouragement of open communication, critical questioning, meaningful participation and timely resolution of issues	• Board members are communicating effectively • Board has sufficient access to the CEO and other key management	• The duties of each committee are appropriate and sufficient • Proper performance of duties of each committee • Appropriate membership of each committee • Effectiveness of the chair of each committee	• Sufficient understanding of the Board's mandate and responsibilities • Proper discharge and/or delegation of responsibilities • Adequate mix of characteristics and skills • Appropriate number of committees • Satisfaction with the approved corporate strategy, goals, objectives and key success drivers • Adequate direction given to the CEO • Appropriate level of succession planning and evaluation of the CEO and other key management • Appropriate access to information and sufficient responses from management to questions • Constructive testing of the assertions and recommendations of the CEO • Overall effectiveness

With respect to the assessment of each individual Board member, the Assessment Questionnaire focuses on the following areas:

Self-Assessment	Assessment of Other Board Members	Assessment of Other Committee Members
• Attendance at and adequate preparation for Board and committee meetings • Contribution of relevant Board and business experience • Knowledgeable about Gibson Energy • Participation and questioning of presentations and recommendations • Respect of other Board members • Understanding of the Board and management's corporate governance role • Overall contribution to the Board	• Board members are conscientious, informed, participative and independent	• Committee members are conscientious, informed, participative and independent

Ethical Business Conduct

The Board has adopted a written code of conduct and ethics (the "**Code of Conduct**") that encourages and promotes a culture of ethical business conduct applicable to our directors, officers, management, employees, contractors and consultants. The Code of Conduct, among other things, addresses conflicts of interest; the protection and proper use of our assets and opportunities; the confidentiality of information; fair dealing with various stakeholders; compliance with laws, rules and regulations; and the reporting of illegal or unethical behavior. To ensure that our Code of Conduct is effective, we require our directors and management personnel on an annual basis to confirm that they have read the Code of Conduct and are in full compliance. The Code of Conduct is available for review on our website at www.gibsonenergy.com and on SEDAR at www.sedar.com.

The Board encourages officers, employees, contractors and consultants to express their concerns regarding compliance with the Code of Conduct without fear of retaliation. In accordance with our Whistleblower Policy, available for review on our website at www.gibsonenergy.com, we maintain an anonymous and confidential toll-free phone line, along with an internet reporting system, for individuals to report their concerns. Any such reports are provided directly to our legal department and the Chair of the Audit Committee.

Under the Code of Conduct, any actual or potential conflict of interest involving a director or officer, or a member of such person's immediate family, must be reported by the affected person to our legal department or the Chair of the Audit Committee. Any member of the Board or any officer having a possible conflict of interest in any proposed transaction or arrangement is not permitted to vote (in the case of a member of the Board) or use his or her personal influence on the matter being considered by the Board.

No material change reports have been filed in 2017 that pertain to any conduct of a director or officer that constitutes a departure from the Code of Conduct. To the knowledge of the Board, no such departures have occurred, and no waivers of the Code of Conduct have been granted to any director, executive officer or employee, contractors or consultants to whom the Code of Conduct applies.

Nomination of Directors

The responsibility for proposing nominees for the Board falls within the mandate of the CGCN Committee. New candidates for nomination to the Board will be identified and selected having regard to the strengths and constitution of the Board and the needs of the Board. The CGCN Committee also develops and determines the appropriate size of the Board from time to time and determines its composition, identifies the competencies and skills required by the Board to discharge its oversight responsibilities, organizes the process for recruiting potential candidates and provides orientation to such members. Through this process, Mr. Festival was identified as an additional independent board candidate with the requisite skills and experience that would support our initiatives and he will be standing for election at the Meeting. All of the directors that are members of the CGCN Committee are independent.

Term Limits for Directors

We have not adopted term limits for directors. At this time, we believe that the imposition of term limits or other mechanisms restricting board renewal are inflexible and discount the value of experience in our history and culture and the importance of continuity. We believe that a board member with longer tenure is able to increase their contribution over time. Such policies may run the risk of excluding experienced, high performing and valuable board members. We believe that our CGCN Committee is best positioned to recommend candidates for election who contribute the necessary qualities for our Board. The CGCN Committee annually considers changes to the composition of the Board and one factor considered is board renewal.

Retirement Policy for Directors

We do not currently have a retirement policy for our directors.

Board and Executive Diversity

Our current Board has a broad range of skills and experience. Please see "Business of the Annual Meeting – Election of Directors" for a description of their qualifications.

We do not have a written policy relating to the identification and nomination of women directors. The CGCN Committee regularly updates and reviews its long term plan for the composition of its Board and a key factor that is considered is diversity. We understand that building diversity will take time and therefore, at this time, we believe that the implementation of a written policy would be too restrictive and inflexible. Diversity remains a priority and is a factor considered in the nomination of any member to the Board. Therefore, at this time we do not believe that a written policy solely related to the identification of women is necessary.

We currently do not have a target regarding women on the Board and women in executive positions as the Board and the CGCN Committee believe that our current methods of recruitment are sufficiently focused on diversity and are sufficiently proactive. We believe that establishing a target based on just one factor which the CGCN Committee uses to recruit and assess nominees and potential appointees is unduly restrictive and would disqualify desirable candidates. We believe it is important to focus on all of the elements of diversity (i.e. age, visible minorities), not just gender. Based on the size of our executive team and Board, our needs at this time and the desire to ensure that decisions are based on merit and a variety of comprehensive factors, we do not believe targets are appropriate at this time.

Aligning with the Board's commitment to promoting our diversity, both at the company and Board level, the CGCN Committee endeavors to propose nominees to the Board that support the development and advancement of women and those of diverse backgrounds. We understand the importance of increasing female representation and therefore diversity considerations are included in our succession planning and strategies. This focus on advancing women is supported by the addition of Mary Ellen Peters to the Board on February 3, 2014 which represents approximately 14% of our current Board and approximately 14% of the Board should all of our director nominees be elected at the Meeting. In addition, females are well represented in our senior leadership roles and we currently have two female Vice Presidents and a female officer who represent approximately 23% of our executive officer positions.

Notwithstanding that no formal written policy and targets have been adopted with respect to the representation of women, we believe that our current policies are appropriately focused on the recruitment, retention and development of qualified female candidates.

Director Skills Matrix

The CGCN Committee recognizes that the Board's membership should represent a diversity of backgrounds, experience and skills. Directors are selected for their integrity and character as well as their breadth of experience and business acumen. Each year, the CGCN Committee conducts an assessment of the skills and expertise represented by the directors currently standing for appointment to ensure that the required skills are well represented. The CGCN Committee has determined that the Board will have the required skills. The key areas identified are set out in the skills matrix below:

Skills and Expertise	Estey	Bloom	Cleary	Festival	McRae	Peters	Spaulding
Accounting and Financial Services(1)	●		●		●	●	●
Environment, Health and Safety(2)		●	●	●		●	●
Corporate Governance(3)	●		●	●	●	●	●
Mergers and Acquisitions(4)	●	●			●		●
Compensation, Human Resources(5)	●	●	●	●	●	●	●
Corporate and Business Development(6)	●	●	●	●	●	●	●
Strategic Planning(7)	●	●	●	●	●	●	●
Risk Management(8)				●	●	●	●
Corporate Law(9)			●				

Notes:

(1) Accounting and Financial Services - experience in financial accounting, reporting and corporate finance and the ability to critically read and analyze financial statements.
(2) Environment, Health and Safety - understanding of the regulatory environment surrounding health, safety and environment matters in the oil and gas industry.
(3) Corporate Governance - understanding the requirements of good corporate governance usually gained through experience as a senior executive or board member of a publicly traded organization.
(4) Mergers and Acquisitions - experience and knowledge regarding leading a significant merger or acquisition.
(5) Compensation, Human Resources - experience in human resources, including succession planning and compensation
(6) Corporate and Business Development - experience identifying and completing value creation activities.
(7) Strategic Planning - experience with decision making regarding the overall strategy and vision of an organization.
(8) Risk Management - experience in evaluating and managing a variety of risks related to the oil and gas industry.
(9) Corporate Law - experience and understanding of the laws applicable to corporations in Canada.

Executive Succession Planning

The CGCN Committee has the responsibility to review management's ongoing succession planning with the objective of having high performers in key roles across the organization and a pipeline of qualified people to fill these roles in the future. On an annual basis, management provides the CGCN Committee with a detailed succession plan for each executive position and identifies possible succession gaps in the current composition of employees. The CGCN Committee, together with the CEO, conducts a thorough review of current employees that are potential candidates for the CEO role. Such review consists of evaluating such candidate's strengths and weaknesses, developmental requirements and when such candidate may be prepared to accept the role of CEO. After such evaluation, the CGCN Committee and the CEO identify action-items necessary in such candidate's career development. At the conclusion of this review, the CGCN Committee and the CEO discuss any identified concerns and formulate solutions accordingly. In addition to the CEO role, the CGCN Committee focuses on succession planning for other key management roles.

Committees of the Board

Subject to applicable law, the Board has established three committees to which it delegates powers, duties and responsibilities. At present, the Board has established the Audit Committee, the CGCN Committee and the EHS Committee.

In accordance with the position descriptions that have been adopted by the Board, the chair of each committee is responsible for providing leadership to that committee and acting as a liaison between the committee and the Board, which means that each committee chair is tasked with reporting to the Board on all proceedings and deliberations of the committee at the first Board meeting after such committee meeting. In accordance with best governance practices, the chair of each committee is an independent director.

A charter for each committee has been adopted, is reviewed annually and updated as needed. The charters of each committee can be found on our website at www.gibsonenergy.com. In addition, the full text of the Audit Committee Charter is disclosed in our annual information form dated March 5, 2018 (the "**AIF**"), which is available on our website at www.gibsonenergy.com and on SEDAR at www.sedar.com.

Audit Committee

The members of the Audit Committee are Mr. McRae, Mr. Cleary and Mr. Estey. Mr. McRae is the Chair of the Audit Committee. The Audit Committee met four times in 2017. The Board has determined that all of these directors are financially literate within the meaning of National Instrument 52-110 – *Audit Committees*. In considering whether a member of the Audit Committee is financially literate, the Board considers the ability to read a set of financial statements of a breadth and complexity similar to that of our financial statements. Further, none of the Audit Committee members have any direct or indirect relationship with our external auditors. The purpose of the Audit Committee is to assist the Board in fulfilling its oversight role and other responsibilities. Some of the roles of the Audit Committee are to:

- discuss with our management and senior staff and the management and senior staff of our subsidiaries and affiliates, any affected party and the external auditors, such accounts, records and other matters as any member of the Audit Committee considers necessary and appropriate;

- inspect any and all of our books and records and the books and records of our subsidiaries and affiliates;

- engage independent counsel and other advisors as it determines necessary to carry out its duties and set and pay the compensation for any advisors employed by the Audit Committee;

- review and assess the adequacy of our risk management policies, systems, controls and procedures with respect to our principal business risks, and report regularly to the Board;

- deal directly with the external auditors to approve external audit plans, other services (if any) and the external auditor's fees and directly oversee the external audit process and results;

- monitor the integrity of our financial reporting process and system of internal controls regarding financial reporting and accounting compliance;

- monitor the quality and integrity of our system of internal controls, disclosure controls and management information systems through discussions with management and the external auditors;

- oversee the system of internal controls by: (i) consulting with the external auditors regarding the effectiveness of our internal controls; (ii) monitoring policies and procedures for internal accounting, financial controls and management information, electronic data controls and computer security; (iii) obtaining from management adequate assurances that all statutory payments and withholdings have been made; and (iv) taking other actions as considered necessary;

- oversee investigations of alleged fraud and illegality relating to our finances and any resulting actions;

- be directly responsible for overseeing the work of the external auditors (including the resolution of any disagreements between management and the external auditors regarding financial reporting), monitor the independence and performance of the external auditors and annually recommend to the Board the appointment and compensation of the external auditors, or the discharge of the external auditors when circumstances so warrant;

- review disclosures made by our CEO and CFO during their certification process for annual and/or quarterly financial statements with applicable securities regulatory authorities about any significant deficiencies in the design or operation of internal controls which adversely affect our ability to record, process, summarize and report financial data or any material weaknesses in the internal controls, and any fraud involving our management or other employees who have a significant role in our internal controls;

- discuss with management and the external auditors any proposed changes in major accounting policies, standards or principles, the presentation and impact of significant risks and uncertainties and key estimates and judgments of management that may be material to financial reporting; and

- meet with management and the external auditors to review and discuss, and to recommend to the Board for approval, certain public documents prior to public disclosure.

As part of its oversight of our financial statements, the Audit Committee reviews and discusses with management and our external auditor, all interim and annual financial statements prior to their issuance. During fiscal 2017, management advised the Audit Committee that each of our interim and annual financial statements had been prepared in accordance with generally accepted accounting principles and IFRS. These reviews included discussion with our external auditor. In addition to the Audit Committee, we have an internal audit department that uses a co-source model and reports indirectly to the Audit Committee.

Corporate Governance, Compensation and Nomination Committee

The members of the CGCN Committee are Mr. Estey, Mr. Bloom, Mr. Woitas and Mr. Cleary, with Mr. Estey being the Chair. Mr. Woitas is retiring from the Board and will not be standing for re-election at the Meeting and will concurrently cease to be a member of the CGCN Committee. The CGCN Committee met three times in 2017. All of these directors are independent and financially literate and have a deep understanding of our compensation programs, methodologies and practices. The purpose of the CGCN Committee is to assist the Board in fulfilling its oversight role and other responsibilities, which are to:

- based upon a consideration of a director's performance in office and any other factors considered relevant, recommend to the Board whether such director should be nominated for election or re-election at any annual meeting of shareholders at which he or she is eligible to be elected a director;

- in the event of a vacancy occurring on the Board, however caused, recommend to the Board a person or persons for appointment as a director to fill the vacancy if deemed advisable to fill such vacancy;

- annually review and evaluate the role of the Board and its committees and the methods and processes by which the Board fulfills its duties and responsibilities, including the methods and processes for evaluating Board effectiveness;

- monitor and review our corporate insider trading policy, continuous disclosure policy, and corporate guidelines for maintaining confidentiality, and recommend changes and actions required to deal with breaches of policy or guidelines;

- approve any appropriate training and development or continuing education experiences funded by us for the Board as a whole, or for individual directors, and monitor and assess the value of any training programs and recommend changes;

- annually assess and make a recommendation to the Board with regard to the competitiveness and appropriateness of the compensation package of our CEO, our other officers and our other key employees as may be identified by our CEO and approved by the CGCN Committee;

- from time to time, review and make recommendations to the Board in respect of the design, benefit provisions, investment options and text of applicable pension, retirement and savings plans or related matters;

- as required, retain independent advice in respect of human resources and compensation matters;

- when requested by our CEO, review and make recommendations to the Board regarding incentive stock option plans or any other long term incentive plans and, to the extent delegated by the Board, approve grants to participants and the magnitude and terms of their participation;

- when requested by our CEO, review and make recommendations to the Board regarding short term incentive or reward plans and, to the extent delegated by the Board, approve awards to eligible participants; and

- annually, in conjunction with our general and administrative budget, review and make recommendations to the Board regarding compensation guidelines for the forthcoming budget period.

Environment, Health and Safety Committee

The members of the EHS Committee are Mr. Cleary, Mr. Bloom, Ms. Peters and Mr. Spaulding, with Mr. Cleary being the Chair. The EHS Committee met three times in 2017. All of these directors have a deep understanding of our approach to and management of operational risks. The purpose of the EHS Committee is to assist the Board in fulfilling its oversight role and other responsibilities. Some of the roles of the EHS Committee are to:

- review the status and effectiveness of our health, safety, security, environmental and sustainability performance, including processes to ensure compliance with internal policies and goals and external laws and regulations;

- review the status of our emergency response plans and capabilities, including management and crisis communications;

- monitor performance, including agreed upon metrics and indicators, with a focus of providing a desirable outcome for investors, customers, employees, contractors and the community;

- review high risk activities and events that have led to major and catastrophic losses or incidents, including any related issues and action plans put in place to prevent recurrence;

- approve the annual environmental, health and safety goals and plans and ensure that all affiliates and subsidiaries have goals aligned with ours; and

- ensure there are measurable and actionable systems and processes in place by which to hold management accountable in relation to environmental, health and safety performance.

COMPENSATION DISCUSSION AND ANALYSIS

Executive Summary

We believe that our ability to attract and retain high performing employees at all levels of our organization is a key component of ensuring our success and increasing our shareholder value. In order to achieve this, we foster a culture of "pay for performance". We believe that paying for performance is the most effective way to motivate our employees to achieve strong individual performance so that, in turn, we can achieve strong corporate performance.

The following compensation discussion and analysis outlines the structure, policies, principles and elements of our executive compensation program, as well as the processes related to compensation decisions. Information about the compensation awarded to our Named Executive Officers (the "**NEOs**") in 2017 can be found in the Summary Compensation Table, the Incentive Plan Awards Table and the Pension Plan Table included in this Circular under the heading "Compensation of the Named Executive Officers".

Consistent with best governance practices, our CGCN Committee is comprised of independent directors, Mr. Estey, Mr. Bloom, Mr. Woitas and Mr. Cleary, all of whom were selected for such committee by the Board due to their knowledge about compensation and talent development, their focus on using good corporate governance to create shareholder value and dedication to accountability, responsibility and fairness. Mr. Woitas is retiring from the Board and will not be standing for re-election at the Meeting and will concurrently cease to be a member of the CGCN Committee. The CGCN Committee has overall responsibility for the administration of our executive compensation program. On an annual basis, the CGCN Committee reviews each element of the compensation program and makes recommendations to the Board for approval. For more information please see "Compensation Discussion and Analysis – Compensation Methodology".

The primary factors that influenced compensation decisions in 2017 included the following:

- our strong 2017 financial performance, with segment profit from continuing operations increasing by 17% in a challenging economic environment;
- our strong relative share price performance when considered against our Canadian energy infrastructure peers;
- the successful sanctioning of 1.1 million barrels of crude oil storage capacity and related pipeline connection infrastructure at our Hardisty Terminal;
- the continued advancement, ahead of time and under budget, of two new 400,000 barrel crude oil storage tanks and related pipeline connection infrastructure at the Edmonton Terminal;
- the completed sale of our industrial propane division for a final purchase price of $433.1 million after adjusting for working capital adjustments, for a recognized post-tax gain on sale of $150.6 million;
- the continued advancement of the divestiture of our U.S. Environmental Services business;
- the completion of debt refinancing activities, which strengthened our balance sheet, decreased annual interest costs and extended it debt maturity profile, including the successful issuance of $350.0 million aggregate principal amount of 5.25% senior unsecured notes on May 22, 2017 and the successful issuance of a further $250.0 million aggregate principal amount of 5.25% notes on October 5, 2017;
- cost reductions in consideration of the economic conditions; and
- the advancement of other internal growth projects initiated or continued in 2018.

These factors contributed to a resilient financial performance and a solid advancement of our strategy in a challenging economic environment in 2017. In turn, our executives were paid for their performance accordingly.

Objectives of the Compensation Program

Our success depends on our ability to attract and retain a dedicated group of high performing employees, top management and quality directors. Compensation is the primary tool available to us to attract, retain and motivate individuals who have the skills, experience, capabilities and commitment needed to generate sustainable and increasing value for shareholders. We strive to maintain a competitive level of compensation to ensure that we recruit and retain experienced individuals. Our compensation programs are therefore designed to be fair, equitable and competitive with our industry peers and to reward employees, management and directors for superior performance. The three primary objectives of our compensation program are to:

1. **Create Shareholder Value.** Levels of compensation awarded under our compensation program are based upon performance metrics that are in line with shareholder interests creating a direct correlation between executive performance and shareholder value creation.

2. **Pay for Performance.** Under our compensation program, individuals are compensated based on actual performance, incentivizing them to attain their objectives and contribute to our overall success. Our compensation program motivates employees to be individually responsible for the achievement of both their short term and long term objectives by rewarding them when such objectives are attained.

3. **Be Competitive in the Market.** Our compensation program is designed to ensure market competitiveness and to allow us to attract, engage and retain talented and capable employees.

As discussed in this Circular, our executive compensation program consists of four key elements: base salary, short term annual incentives, long term equity incentives and benefits and pension plans. Our compensation program is designed to foster decisions and actions that result in our growth and in the creation of both near term and long term value for shareholders.

Engagement of Compensation Consultants

Between 2011 and 2014 Mercer Canada Limited ("**Mercer**") was retained as a third party compensation advisor to our management. In 2015 and 2016, Mercer's services were significantly reduced as a cost saving initiative aligned with the economic environment. In 2017, Mercer compiled relative total shareholder return ("**TSR**") data as compared to our peer group and was retained as a compensation advisor to our management.

To ensure that the amendments to our 2011 Equity Incentive Plan put forth at our meeting of shareholders in 2016 aligned with the best corporate governance practices we retained a proxy advisory firm, Institutional Shareholder Services ("**Advisory Firm**"). The Advisory Firm was retained in 2015.

In 2017 and 2016, fees billed by Mercer and the Advisory Firm for services provided were as follows:

	Mercer		Advisory Firm	
	2017	**2016**	**2017**	**2016**
Executive Compensation Fees	$33,483	$1,050	nil	nil
All Other Fees	$10,983	$12,768	nil	$39,500
Total	**$44,466**	**$13,818**	**nil**	**$39,500**

The services provided under each category are as follows:

- Executive Compensation Fees: Fees for services in 2016 and 2017 related to relative TSR data. Fees for services in 2017 also included a review of our executive compensation.

- All Other Fees: Fees provided to Mercer are for our participation in a market survey carried out by Mercer. Fees provided to the Advisory Firm are for advisory services and online access to the Advisory Firm's governance application.

Compensation Methodology

The CGCN Committee annually reviews the base salary, short term annual incentives and long term equity incentives of the NEOs and our other executive officers. The CGCN Committee analyzes our compensation packages alongside a group of comparator companies against which we compete for executive talent. Drawing on this analysis, the CGCN Committee then makes recommendations to the Board and provides the Board with the supporting materials. The Board reviews and evaluates the recommendations regarding salaries, annual bonuses and equity incentive compensation for the NEOs and other executives and makes a determination. In addition, the Board approves corporate goals and objectives for NEOs and our other executive officers' compensation.

Selection of the Comparator Group for Executive Compensation

On occasion the CGCN Committee works with Mercer to review the list of entities in our comparator group (the "**Comparator Group**") and makes any necessary changes to such Comparator Group to ensure that it is appropriate and relevant. Our Comparator Group currently includes a set of 13 entities. The Comparator Group consists of other midstream services companies and is selected based on revenue, assets, market capitalization and enterprise value.

The following table represents our position within our Comparator Group (in the millions) for 2017:

Company Name	Revenue[(1)] ($)	Assets[(2)] ($)	Market Capitalization[(3)] ($)	Enterprise Value[(3)] ($)
AltaGas Ltd.	2,556	10,032	4,994	9,983
Calfrac Well Services Ltd.	1,528	1,778	860	1,754
Enerflex Ltd.	1,553	2,131	1,358	1,592
Inter Pipeline Ltd.	2,261	10,362	9,886	15,295
Keyera Corp.	3,413	5,874	7,230	8,699
Mullen Group Ltd.	1,138	1,751	1,632	2,038
Newalta Corp.	246	688	89	423
Parkland Fuel Corp.	9,561	5,412	3,518	5,510
Pembina Pipeline Corp.	5,408	25,566	22,892	32,611
Secure Energy Services Inc.	2,328	1,563	1,431	1,720
Transforce Inc.	4,741	3,728	2,929	4,451
Trican Well Service Ltd.	930	1,506	1,381	1,472
Waste Connections Inc.	6,009	15,040	23,399	27,776
75th percentile	4,741	10,032	7,230	9,983
50th percentile	2,328	3,728	2,929	4,451
25th percentile	1,528	1,751	1,381	1,720
Average	3,206	6,572	6,277	8,717
Gibson Energy Inc.	**6,101**	**2,964**	**2,599**	**3,782**

Notes:

(1) Trailing 12-month revenue as reported on December 31, 2017.
(2) Most recently reported assets at December 31, 2017.
(3) Market capitalization and enterprise value based on public information available as at December 31, 2017.

The Comparator Group was used as a reference point by the CGCN Committee in developing its recommendations to the Board with respect to the determination of all compensation (including base pay levels and variable pay levels) for 2017.

The compensation information for the Comparator Group is derived from Mercer's 2017 Total Compensation Survey for the Energy Sector (the "**Survey**") and is supplemented with publicly disclosed information derived from sources such as information circulars and other public documents. The CGCN Committee does not know the extent to which the members of the Comparator Group participated in the Survey or which members of each Comparator Group comprised the benchmark for each position.

Selection of the Comparator Group for Performance

We recognize the importance of having a separate comparator group for the measurement of our comparative performance, such measurement including TSR. Therefore, the CGCN Committee establishes a separate PSU performance comparator group (the "**PSU Comparator Group**") at the beginning of each year. The PSU Comparator Group is slightly different from the Comparator Group used for compensation. The PSU Comparator Group includes companies with similar business operations that compete with us for investors whereas the Comparator Group includes similar size companies that compete with us for executive talent. In addition, the PSU Comparator Group represents the companies which we measure our TSR against. The table below shows the PSU Comparator Group for 2017:

Altagas Ltd.	Mullen Group Ltd.
Cdn Energy Services & Technology Corp.	Pembina Pipeline Corp.
Enbridge Inc.	Secure Energy Services Inc.
Enbridge Income Fund Holdings	Shawcor Ltd.
Inter Pipeline Ltd.	TransCanada Corp.
Keyera Corp.	Transforce Inc.

Determination of Compensation

In making compensation recommendations, the CGCN Committee reviews the various elements of each NEO's compensation in the context of the total compensation package. Based on this review, the CGCN Committee evaluates whether the intended relationship between performance and compensation is being achieved or whether changes are required in order to bring this relationship in line with our compensation objectives. The CGCN Committee and the Board exercise discretion based on our performance and the individual contributions of each NEO in determining actual compensation.

In determining the total compensation payable to the NEOs for 2017, the CGCN Committee and the Board took into account a range of relevant factors including but not limited to: our financial results, the current economic environment, the duties and responsibilities of each executive officer and their respective performance and current compensation levels, as well as other factors discussed in this Compensation Discussion and Analysis. Due to current economic conditions, the CGCN Committee and the Board decided not to increase base salaries in 2017.

Compensation of Named Executive Officers

The President and CEO, the Chief Financial Officer ("**CFO**"), and each of the three most highly compensated executive officers other than the CEO and the CFO are collectively referred to as the NEOs. The NEOs for the year ended December 31, 2017 are:

- Steven R. Spaulding, President and CEO;
- A. Stewart Hanlon, former President and CEO;
- Sean M. Brown, Senior Vice President ("**SVP**") and CFO;
- Richard M. Wise, SVP and Interim Chief Commercial Officer ("**Interim CCO**");
- Douglas P. Wilkins, SVP and President, U.S. Operations; and
- Sean W. Duffee, former SVP and Chief Commercial Officer ("**CCO**").

Effective June 19, 2017, A. Stewart Hanlon ceased to be the President and CEO and Steven Spaulding was appointed as his successor. Mr. Hanlon stayed on through a transition period until November 24, 2017. Effective December 4, 2017, Sean M. Duffee retired.

Components of Compensation

The compensation package for the NEOs consists of base salary, short term annual incentives, participation in our long term equity incentive plans and participation in benefit and pension plans. All salaries, bonuses and share-based compensation for the NEOs have been analyzed, reviewed, considered and approved by the CGCN Committee and, in turn, the Board.

The aggregate of base salary, annual incentive plans and long term equity incentive plans is benchmarked relative to the market within the Comparator Group through publicly available documents and the Survey prepared by Mercer. The CGCN Committee reviews publicly available documents on an annual basis as needed to ensure the compensation packages for the NEOs are competitive. The mix of pay and the weighting of short term and long term incentives are reflective of the NEO's position and his ability to impact our short term and long term performance. Performance by individuals is rewarded based on our pay for performance methodology. The following table outlines each of the components of the compensation program.

Component	Eligibility	Performance Period	Determination
Base Salary	All employees	1 year	Salary ranges are based on market competitiveness, annually reviewed and benchmarked against the Comparator Group.
Short Term Annual Incentive Program ("STIP")	All employees	1 year	The STIP design is based on market competitiveness and our performance, including Management EBITDA (as defined below), ROGCE (as defined below), safety performance goals and individual performance. STIP may be paid in the form of cash or equity.
Long Term Equity Incentive Program ("LTIP")	Directors, officers and certain key employees		The LTIP design is based on individual performance and our performance.
		1-3 years	RSUs typically vest in three equal installments following the anniversary of the grant. The actual payouts reflect: (i) the share value; and (ii) the reinvestment of notional dividends until exercise.
		1-3 years	Options vest in three equal installments following the anniversary of the grant. The actual payouts reflect the gain in share value upon exercise.
		3 years	PSUs cliff vest three years after the annual grant date. Actual payouts reflect: (i) share value; (ii) achievement of performance factors; and (iii) reinvestment of notional dividends until vesting.
		Upon exit	DSUs may not be redeemed until the earlier of the holder's death or cessation of employment or directorship with us. The actual payouts reflect: (i) the share value; and (ii) the reinvestment of notional dividends until exercise.
Benefits and Pension Plans	All employees	Continue throughout employment	Benefits plans and pension plans are based on market competitiveness, reviewed as required and compared with results received from independent surveys of energy industry benefits. Executive officers are eligible to receive registered pension and benefits available to all employees.

Base Salary

We believe that base salary is an essential component of total executive compensation as it constitutes the largest component of compensation that is fixed and not considered "at risk" and therefore provides income certainty. Base salary is intended to attract and retain executives by providing a competitive amount of income certainty.

NEO base salary levels reflect numerous factors relevant to the performance of their duties, including the complexity of their roles, the amount of applicable industry experience and the need to attract and retain talented individuals. Base salaries will be reviewed and compared to similar benchmarked positions in the Comparator Group. Consideration will also be given to the NEO's time in the role, and/or material differences in responsibilities compared with the benchmarked similar role in the Comparator Group data. The NEO base salaries will be targeted to a median range of the Comparator Group and adjusted for individual contribution and performance.

In 2017, base salaries were determined by the CGCN Committee's analysis of such factors as the consumer price index, gross domestic product, unemployment rates, industry trends and the overall economic outlook and a comparability of entities in the Comparator Group and the quality of data in the Comparator Group. The table below sets out the 2016 and 2017 base salaries for each NEO, along with the percentage change.

Name and Position	2016 Base Salary(1)	2017 Base Salary(2)	Percentage Change between 2016 and 2017
Steven R. Spaulding(3) **President and CEO**	N/A	$750,000	N/A
A. Stewart Hanlon **Former President and CEO**	$600,000	$600,000	0%
Sean M. Brown **SVP and CFO**	$400,000	$400,000	0%
Richard M. Wise **SVP and Interim CCO**	$400,000	$400,000	0%
Douglas P. Wilkins **SVP and President, U.S. Operations**	$400,000	$400,000	0%
Sean W. Duffee **Former SVP and CCO**	$360,000	$360,000	0%

Notes:

(1) Based on annual base salary as at December 31, 2016.
(2) Based on annual base salary as at December 31, 2017, as if such individual was employed by us on such date.
(3) Steven R. Spaulding was appointed as President and CEO on June 19, 2017.

Based on a 2017 comparison of the base salaries of the Comparator Group to the base salaries paid by us as outlined above and in accordance with our compensation philosophy, the base salaries for the NEOs were found to be above the 50th percentile of the Comparator Group. The CGCN Committee sets base salaries near or above the 50th percentile to ensure we are competitive in the market and it feels that all of our NEOs should have a significant portion of their compensation at risk to encourage strong performance.

Short Term Annual Incentives

STIP compensation for the NEOs is based on our overall performance, relative shareholder returns and other relevant factors. Annual bonuses for the NEOs, excluding the CEO, are recommended by the CEO to the CGCN Committee who reviews the recommendations and, if deemed appropriate, makes a recommendation to the Board for approval. The annual bonus for the CEO is determined solely by the Board based on recommendations received from the CGCN Committee. The factors that are considered in determining such bonus amounts are set out in further detail below. See "STIP Determinations for our NEOs".

Annual bonuses are paid out of a pool that is approved on an annual basis by the CGCN Committee and the Board. If actual performance meets or exceeds performance targets, then annual bonuses are paid out of the pool, at the discretion of the Board, to the NEOs who met performance targets. There is no guarantee that the funds allocated to the pool will be distributed in full, if at all, to the NEOs.

STIP Performance Measures

In determining the amount of short term annual incentives payable to the NEOs, different weighting is assigned to individual performance versus corporate performance, depending on the position of the NEO and their ability to impact organizational results. We have adopted guidelines with respect to the relative weighting of our performance and individual performance in determining annual bonuses.

The organizational performance measures underlying short term annual incentives are Management EBITDA (as defined below), ROGCE (as defined below), safety performance goals and individual performance. Management EBITDA is defined as segment profit less general and administrative expenses, as reported in our segment footnote in the consolidated financial statements, and also excludes the impact of the changes in the fair value movement of financial instruments relating to operating activities, as reported in our consolidated statement of cash flows. ROGCE is defined as return on gross capital employed, calculated as Management EBITDA divided by average gross capital employed. Average gross capital employed represents the previous as reported four quarter average of total assets less total liabilities, excluding long-term debt, accrued interest on long term-debt, accrued dividends, work in progress with respect to property plant and equipment and goodwill recognized on our acquisition on December 12, 2008.

The use of Management EBITDA, ROGCE, safety performance goals and individual performance as performance measures for short term annual incentives supports our alignment of executive compensation with the generation of shareholder value.

Annual STIP Ranges

The annual bonus range for each of the NEOs is between 0% and 150% of base salary as at the end of the most recently completed financial year, with the exception of our President and CEO, and former President and CEO whose range is between 0% and 200%. The Board does retain the discretion to award annual bonuses outside of these ranges if the circumstances warrant. The following table sets out the minimum, target and maximum bonus levels as well as the actual bonus level for each NEO as a percentage of salary in 2017:

Name and Position	Minimum	Target	Maximum	Actual
Steven R. Spaulding **President and CEO**	0%	100%	200%	100%
A. Stewart Hanlon(1) **Former President and CEO**	0%	100%	200%	N/A
Sean M. Brown **SVP and CFO**	0%	75%	150%	66%
Richard M. Wise **SVP and Interim CCO**	0%	75%	150%	75%
Douglas P. Wilkins **SVP and President, U.S. Operations**	0%	75%	150%	57.5%
Sean W. Duffee(2) **Former SVP and CCO**	0%	75%	150%	N/A

Note:

(1) Effective June 19, 2017, A. Stewart Hanlon ceased to be the President and CEO. Mr. Hanlon stayed on through a transition period until November 24, 2017. In 2017, the Board approved the payment of a prorated annual bonus to Mr. Hanlon as part of the Separation Agreement – see "Separation Agreement – A. Stewart Hanlon".

(2) Effective December 4, 2017, Mr. Sean W. Duffee retired. He did not receive an annual bonus for 2017 performance.

The following table sets out the actual annual bonuses for the NEOs as a percentage of base salary in 2017 as compared to 2016:

Name and Position	2016 Annual Bonus	Percentage of 2016 Base Salary[(1)]	2017 Annual Bonus[(2)]	Percentage of 2017 Base Salary[(3)]
Steven R. Spaulding[(4)] **President and CEO**	N/A	N/A	$750,000	100%
A. Stewart Hanlon[(5)] **Former President and CEO**	$375,000	63%	N/A	N/A%
Sean M. Brown[(6)] **SVP and CFO**	$225,000	56%	$264,000	66%
Richard M. Wise **SVP and Interim CCO**	$200,000	50%	$300,000	75%
Douglas P. Wilkins **SVP and President, U.S. Operations**	$200,000	50%	$230,000	57.5%
Sean W. Duffee[(7)] **Former SVP and CCO**	$175,000	49%	N/A	N/A

Notes:

(1) Based on a percentage of annual base salary as at December 31, 2016.

(2) In accordance with the terms of the 2011 Equity Incentive Plan, such payment shall be made in cash or RSUs as determined by the Board. In 2016 such payment was made in RSUs

(3) Based on a percentage of annual base salary as at December 31, 2017.

(4) Effective June 19, 2017, Steven R. Spaulding was appointed as President and CEO. The 2017 base salary for Mr. Spaulding represents a prorated portion based on the number of months in 2017 that Mr. Spaulding was employed by us.

(5) Effective June 19, 2017, A. Stewart Hanlon ceased to be the President and CEO. Mr. Hanlon stayed on for a transition period until November 24, 2017. The 2017 base salary for Mr. Hanlon represents a prorated portion based on the number of months in 2017 that Mr. Hanlon was employed by us. In 2017, the Board approved the payment of a prorated annual bonus to Mr. Hanlon as part of the Separation Agreement – see "Separation Agreement – A. Stewart Hanlon".

(6) Effective March 2, 2016, Sean M. Brown was appointed CFO. The 2016 base salary for Mr. Brown represents a prorated portion based on the number of months in 2016 that Mr. Brown was employed by us.

(7) Effective December 4, 2017, Mr. Sean W. Duffee retired. The 2017 base salary for Mr. Duffee represents a prorated portion based on the number of months in 2017 that Mr. Duffee was employed by us.

STIP Determinations for our NEOs

Based upon the recommendation of the CGCN Committee and its own evaluation, the Board believes that the 2017 compensation levels were appropriate given our resilient performance during the year in a depressed economic environment. In making this determination, the CGCN Committee and the Board took into account: the execution and completion of key growth initiatives, including the construction of two 400,000 barrel storage tanks at our Edmonton Terminal, the advancement of new projects, including the commissioning of 1.1 million barrels of storage capacity at our Hardisty Terminal, industry leading safety performance, our strong financial performance and the accomplishment of key business goals including the completion of the sale of our industrial propane division and our continued transformation to a crude oil focused energy infrastructure company.

In making a determination of the annual bonus for our NEOs, the CGCN Committee and the Board considered the following factors:

Factor	Weighting	Components	Target	Actual Achievement
Financial Performance	60%	• Management EBITDA relative to budget • ROGCE relative to budget	• 100% • 100%	• 91.7% • 92.4%

Factor	Weighting	Components	Target	Actual Achievement
Safety Performance	15%	Leading Indicators:(1) Lagging Indicators:(2) • total recordable injury frequency • lost time injury frequency • lost work day frequency • recordable vehicle incidents • reportable spills and releases	• 75.7% • 1.47 • 0.40 • 5.10 • 0.61 • 1.63	• 81.19% • 1.66 • 0.42 • 11.68 • 0.88 • 1.89
Individual Performance	25%	• determined by the CGCN Committee		discretionary

Notes:

(1) Leading Indicators are a compilation of environment, health and safety indicators monthly facility meetings and inspections, incident reports, annual one-on-one interviews, training requirement compliance, action register closure rates and triennial facility assessments which are measured at the facility level and included in the measurement for each business unit, region and company overall.

(2) Lagging Indicator targets are based on the most recent three (3) years' performance, less 10%, with a subsequent target never exceeding a previous target.

Long Term Equity Incentives

We believe that long term equity incentives are an integral part of executive compensation necessary to align executives with shareholders' long term interests, reward long term performance, deliver a competitive compensation package and retain key talent. The principal purposes of the 2011 Equity Incentive Plan are to attract and retain skilled officers and employees, to focus officers and employees on long term operational activities and growth and to encourage officers and employees to put forth maximum efforts to increase long term shareholder return. For more information on the 2011 Equity Incentive Plan, please see "Compensation of the Named Executive Officers – 2011 Equity Incentive Plan".

Awards are aimed at rewarding performance directly tied to share value. Therefore, a participant in the 2011 Equity Incentive Plan is awarded a fixed number of awards that vest over a three year period (with the exception of DSUs granted to NEOs which vest upon cessation of their employment). Awards are granted on an annual basis and each Award is designed to create sustainable shareholder returns over such three year period.

Determination of LTIP Awards

The CGCN Committee administers the 2011 Equity Incentive Plan and makes recommendations to the Board with respect to all matters related to long term equity compensation. These matters include when long term incentives will be granted, the criterion on which such grants will be made and which officers and employees will receive such grants. While directors are eligible to receive compensation in the form of long term equity incentives, the Board does not determine such grants and they are recommended to the Board by the CGCN Committee.

To determine the total number of awards to be provided to the executives under the 2011 Equity Incentive Plan, the CGCN Committee took into account factors such as the percentage of the NEO's base salary. Once the total number of awards was determined, the CGCN Committee and Board approved the number of awards to be given to each executive for the 2017 financial year. In doing so, the CGCN Committee took into account factors such as the position of the executive in the Company, the contributions of the executive to our overall performance, the roles and responsibilities of the executive and the executives overall impact on the success achieved by their business unit in 2017.

The following table outlines the number of awards granted to the NEOs for the year ended December 31, 2017. The value of these awards is discussed under the heading "Compensation of the Named Executive Officers – Summary Compensation Table".

Name and Position	Total Number and Type of Awards Granted in 2017[1]	Vesting Date
Steven R. Spaulding[2] **President and CEO**	1,028,571 Options 52,662 DSUs	1/3 on each of March 15, 2018, 2019 and 2020 Upon cessation of employment
A. Stewart Hanlon[3] **Former President and CEO**	18,778 RSUs STIP 60,090 DSUs 73,619 DSUs	November 24, 2017 November 24, 2017 November 24, 2017
Sean M. Brown **SVP and CFO**	35,000 Options 8,412 RSUs 11,266 RSUs STIP 19,629 PSUs	1/3 on each of March 15, 2018, 2019 and 2020 1/3 on each of March 15, 2018, 2019 and 2020 March 15, 2018 March 15, 2020
Richard M. Wise **SVP and Interim CCO**	10,015 RSUs STIP 28,042 DSUs	March 15, 2018 Upon cessation of employment
Douglas P. Wilkins **SVP and President, U.S. Operations**	10,015 RSUs STIP 28,042 DSUs	March 15, 2018 Upon cessation of employment
Sean W. Duffee[4] **Former SVP and CCO**	25,000 Options 17,666 PSUs 8,763 RSU STIP 7,571 RSUs	December 4, 2018 December 4, 2018 December 4, 2018 December 4, 2018

Notes:

(1) Figure includes RSUs, PSUs and DSUs but does not include the dividend equivalent rights associated therewith. Please see "Compensation Discussion and Analysis – Long Term Equity Incentives – Dividend Equivalent Rights". All RSU and PSU grants to NEOs were made on March 15, 2017.

(2) Steven R. Spaulding was appointed as President and CEO on June 19, 2017. The total number and type of awards granted in 2017 represent a full year contribution of equity as approved by the Board and set forth in Mr. Spaulding's employment contract.

(3) Effective June 19, 2017, A. Stewart Hanlon ceased to be the President and CEO. Mr. Hanlon stayed on through a transition period until November 24, 2017. In 2017, the Board approved the grant of the full contribution towards Mr. Hanlon's 2017 LTIP as part of the Separation Agreement – see "Separation Agreement – A. Stewart Hanlon". The value of the 2017 award was determined by using the fair market value of the shares on the date of grant.

(4) Effective December 4, 2017, Mr. Sean W. Duffee retired.

2011 Equity Incentive Plan

Under the 2011 Equity Incentive Plan, we issue share-based, share denominated and other long term incentives to employees, independent directors and other individuals making sustained contributions to us. Currently, up to 5,827,315 shares are issuable pursuant to securities exercisable to acquire shares under the 2011 Equity Incentive Plan. The number of shares issuable pursuant to the 2011 Equity Incentive Plan is a maximum of 10% of the total number of shares issued and outstanding at any given time. The 2011 Equity Incentive Plan permits the following award types:

- stock options ("**Options**");
- restricted share units ("**RSUs**"), including performance share units ("**PSUs**"); and
- deferred share units ("**DSUs**").

Aside from DSUs which vest upon cessation of employment and RSUs STIP, all future annual grants of long term incentive awards made under the 2011 Equity Incentive Plan will vest over multi-year periods for each grant to provide continual motivation for NEOs to deliver shareholder value over the long term while maintaining competitive total compensation opportunities to enable us to attract and retain talented executives. For more information on the vesting of awards, please see "Compensation of the Named Executive Officers – 2011 Equity Incentive Plan".

Options

Options are designed to retain and reward directors and key employees. In addition, Options are provided to key employees to motivate them to enhance shareholder value by providing them with compensation that is directly tied to increases in the market price of the shares. Options typically have a three year vesting term and commence vesting one third on each anniversary date of the grant. The value for each grant of Options is calculated using the Live Bloomberg model based on the Black Scholes option valuation methodology. The 2011 Equity Incentive Plan prohibits the repricing of Options without shareholder approval. We have never repriced, or sought shareholder approval to reprice, its Options. No Options were granted to the directors in 2017 with the exception of Mr. Spaulding who was granted Options.

RSUs LTIP

RSUs are notional share-based awards that are designed to retain and recognize key employees who create shareholder value by providing payouts to such employees that are directly tied to share value. A key employee is awarded a fixed number of RSUs that typically vest over a three year term and commence vesting one third on each anniversary date of the grant and are redeemed for a combination of cash and/or shares. In 2017, RSUs were granted to the NEOs, however, no RSUs were granted to the directors.

RSUs STIP

In 2016, in lieu of cash bonuses, the STIP compensation for the NEOs was paid in the form of RSUs. However, in 2017, the STIP compensation for the NEOs was paid in cash. The RSUs granted in 2017, for 2016 performance, cliff vest at the end of a one year term on the anniversary date of the grant.

PSUs

PSUs are notional share-based awards that are designed to retain and reward key employees who create shareholder value over a three year period. A key employee is awarded a fixed number of PSUs that cliff vest at the end of three years from the grant date. The performance criterion for PSUs is based 50% on total relative shareholder return as compared to the PSU Comparator Group over such three-year period, 35% on Management EBITDA and 15% on ROGCE, both relative to budget. The minimum threshold which must be achieved for an employee to receive credit for the Relative TSR performance metric is for TSR to be equal to, or greater than, the 25th percentile of our peer group with the maximum threshold being that the TSR is equal to, or greater than, the 75th percentile of our peer group. The threshold which must be achieved for an employee to receive credit for the Management EBITDA and ROGCE performance metrics is for each performance metric to achieve a minimum of 80% of budget. PSUs were granted to Mr. Brown and Mr. Duffee during 2017.

The following table provides a breakdown of the performance criterion for PSUs:

PSU Performance Metric	Weighting	Threshold	Minimum	Target	Maximum
Relative TSR	50%	25%	0%	50%	100%
Management EBITDA	35%	60%	0%	35%	70%
ROGCE	15%	60%	0%	15%	30%

DSUs

DSUs are notional share-based awards awarded to the directors, and in certain situations NEOs, that are designed to retain competent directors and NEOs and reward them for creating long term and sustainable shareholder value. DSUs have all of the same terms as RSUs with the exception that DSUs vest on the date the employee redeems such DSUs, such redemption date occurring only after the cessation of the participant's employment or directorship with us. Prior to certain amendments made to the 2011 Equity Incentive Plan on December 9, 2014, DSUs were recognized to vest immediately upon grant, however, such DSUs were not redeemable until after the cessation of the participant's employment or directorship.

Dividend Equivalent Rights

Under the terms of the 2011 Equity Incentive Plan, RSUs, PSUs and DSUs are eligible to receive dividend equivalent rights. If approved by the CGCN Committee, with respect to RSUs and PSUs, the unvested portion of such RSUs and PSUs accrue dividend equivalent rights and with respect to DSUs, DSUs accrue dividend equivalent rights prior to their redemption date.

Additional awards in respect of such dividend equivalent rights are credited to the notional account of the holder, in the same award type as the underlying award they are associated with, on each date that we record a dividend. On such dividend record dates, the awards accrue dividend equivalent rights as applicable, which are then automatically re-invested for additional awards on the dividend payment date. In 2017 we had four dividend payment dates upon which dividend equivalent rights were paid (January 17, 2017, April 17, 2017, July 17, 2017 and October 17, 2017).

Pension Plans and Benefits

Our Canadian employees are eligible to participate in a registered pension plan (the "**Pension Plan**"), a defined contribution pension plan to which certain contributions are made by the participant, ranging from 6% to 9% of base salary dependent on years of service. We match such participant contributions to the annual limit allowed by the Canada Revenue Agency. All of our NEOs participate in the Pension Plan.

The NEOs are also eligible to participate in our Supplemental Non-Registered Savings Plan (the "**Executive NRSP**"), a non-registered savings plan that is intended to assist participating members (restricted to designated executive employees) in accumulating additional savings toward retirement. The Executive NRSP is a non-tax-sheltered group employee savings plan, consisting of individual non-registered savings plans for members. The Executive NRSP is not a salary deferral arrangement, employee trust, employee benefit plan or retirement compensation arrangement, all as defined by the *Income Tax Act* (Canada). Our contributions are set at a gross amount of 30% of base salary in each year, and the net after-tax amount is submitted directly to an account in the member's name. No withdrawals are permitted from this plan during employment, and the member is entitled to the cash balance in the plan at retirement, termination of employment, or upon death to the member's beneficiary. The Pension Plan and the Executive NRSP are both fully funded. All of our NEOs participate in the Executive NRSP.

We offer group life, health and dental insurance, paid time off and other benefits to the employees. The NEOs partake in such benefits. In addition, perquisites are also provided to the NEOs in the form of vehicle allowances, parking and club memberships.

Share Ownership Policy (Executive)

Upon the recommendation of the CGCN Committee, on December 6, 2011, the Board put into place a Share Ownership Policy for our executive officers to ensure that the interests of the executive officers are aligned with shareholder's interests. The Share Ownership Policy was developed by the CGCN Committee based upon their own knowledge and experience and recommendations from Mercer. To comply with the Share Ownership Policy, each NEO is expected to reach a minimum share ownership level within five years of becoming an executive. Our President and CEO is expected to reach a minimum share ownership level equal to five times his annual base salary and until the forgoing share ownership level is achieved, the executive is subject to additional post-vesting and holding requirements which prohibit him from selling shares. All NEOs other than the our President and CEO are expected to reach a minimum share ownership level equal to three times their annual base salary. With the exception of Mr. Spaulding and Mr. Brown, all of the NEOs exceed the Share Ownership Policy as at December 31, 2017. Equity held by the NEOs on December 31, 2017 that contributed towards share ownership requirements included shares owned directly or indirectly by such NEO and unredeemed DSUs. Mr. Spaulding and Mr. Brown will have until June 19, 2022 and March 2, 2021, respectively, to meet the share ownership levels required.

The following table sets forth the ownership levels for the applicable NEOs as of December 31, 2017.

Name and Position	Minimum Share Ownership Requirement	Number of Securities Beneficially Owned or Controlled(1)	Total Value of Each Security(2)	Total Value of all Securities(2)	Approximate Value of Common Shares as a Multiple of Annual Base Salary
Steven R. Spaulding(3) **President and CEO** *Has until June 19, 2022 to comply*(3)	5 x base salary	59,000 shares 54,686 DSUs	$1,070,260 $992,004	$2,062,264	2.8 times
Sean M. Brown(4) **SVP and CFO** *Has until March 2, 2021 to comply*(5)	3 x base salary	12,044 shares	$218,478	$218,478	0.6 times
Richard M. Wise **SVP and Interim CCO**	3 x base salary	78,040 shares 29,612 DSUs	$1,415,646 $537,162	$1,952,808	4.9 times
Douglas P. Wilkins **SVP and President, U.S. Operations**	3 x base salary	89,568 shares 62,752 DSUs	$1,624,764 $1,138,321	$2,763,085	6.9 times

Notes:

(1) Represents the number of shares beneficially owned or controlled and the number of DSUs and the dividend equivalent rights associated therewith. Please see "Compensation Discussion and Analysis – Long Term Equity Incentives".

(2) Value is based on the five day weighted average trading price of the shares on December 31, 2017, which was $18.14.

(3) Effective June 19, 2017, Steven R. Spaulding was appointed President and CEO.

(4) Effective March 2, 2016, Sean M. Brown was appointed CFO.

Risk Management

In designing our overall compensation policies and programs, the CGCN Committee considered their risk implications to ensure that risk management was accurately reflected in the overall approach to compensation. As a result, our compensation principles and practices are designed to maintain an appropriate balance between risk and reward and encourage measured risk taking by executives. Two large components of compensation are base salary, a form of compensation that is not "at risk", and equity incentive awards, which are considered to be "at risk". This mix is designed to encourage executives to take measured risks that may have a positive impact on our performance while simultaneously providing adequate compensation to executives to discourage them from taking excessive or inappropriate risks and, accordingly, mitigate against such risks. In addition the CGCN Committee believes that our compensation policies and practices assist in the identification and mitigation of inappropriate or excessive risks:

- an annual review of total compensation and individual components by the CGCN Committee and the Board who are advised by independent third parties;

- the design of the compensation program, including a pay mix that is benchmarked relative to the market within the Comparator Group and variable weighting of short term and long term incentives; and

- a Share Ownership Policy that aligns executives with long term shareholder interests.

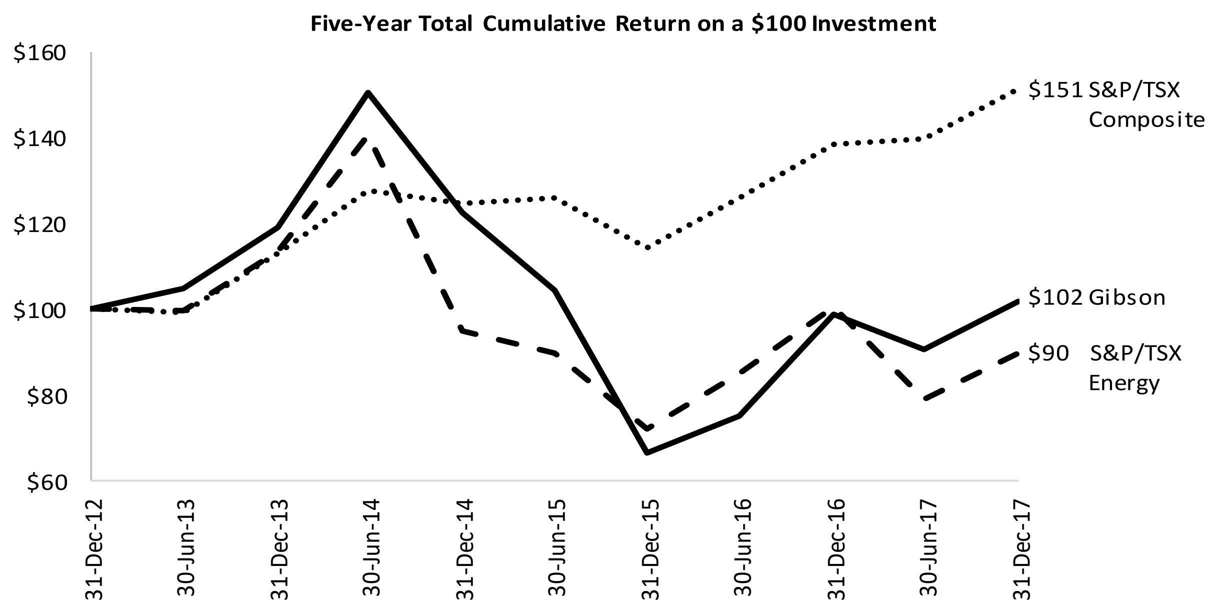
In addition, our Insider Trading Policy is robust as it applies to our shares as well as exchange-traded options or other derivative securities that are not issued by us but the value of which is derived from our securities.

Our Insider Trading Policy expressly prohibits a director or NEO from any and all forms of hedging or from completing any transactions to offset a decrease in market value of the shares granted as compensation.

On an annual basis, the CGCN Committee will continue to review our compensation practices with a view to mitigate unsafe risk taking activities and will make the necessary adjustments to maintain the appropriate balance between "at risk" and "not at risk" compensation. In its review of our compensation policies and practices, the CGCN Committee did not identify any risks that are reasonably likely to have a material adverse effect on us.

Performance Graph

The following graph shows the total cumulative return on a $100 investment in shares made on December 31, 2012, compared to the cumulative total return of the S&P/TSX Composite Index and the S&P/TSX Energy Index over the period beginning on December 31, 2012 and ending December 31, 2017, assuming reinvestment of all dividends.



	Dec. 31 2012	Jun. 30 2013	Dec. 31 2013	Jun. 30 2014	Dec. 31 2014	Jun. 30 2015	Dec. 31 2015	Jun. 30 2016	Dec. 31 2016	Jun. 30 2017	Dec. 31 2017
Gibson Energy	$100	$105	$119	$151	$123	$104	$67	$75	$99	$91	$102
S&P/TSX Composite	$100	$99	$113	$128	$125	$126	$115	$126	$139	$140	$151
S&P/TSX Energy	$100	$100	$113	$141	$95	$90	$72	$85	$100	$79	$90

The Board and the CGCN Committee believe that our management, including the NEOs, have delivered solid value to shareholders over the past five years. During a period of significant volatility in commodity prices, our shares have outperformed the S&P/TSX Energy Index on a total return basis over a five year period ending December 31, 2017. We feel such outperformance was attributable to the successful execution of a growth strategy centered around expanding contracted tankage at Hardisty and Edmonton, growing stable cash flows from non-cyclical businesses and increasing the quarterly dividend paid to our shareholders. Starting in mid-year 2014, our share performance was impacted by a significant decrease in commodity prices and structural changes in North American crude oil and NGL markets that impacted our profitability. In 2017, we took significant steps to better position itself for future growth through comprehensive organizational changes, improvements in cost structure and commercial focus and the development of a strategy focused on oil infrastructure and high quality cash flows to support and grow the dividend over time. The Board and the CGCN Committee are of the view that our management compensation levels remain appropriate and support our pay for performance culture.

Please see "Compensation of the Named Executive Officers – Incentive Plan Awards – Total Cost of Compensation to the NEOs" for a comparison of total Management EBITDA to the total cost of compensation to our NEOs.

COMPENSATION OF THE NAMED EXECUTIVE OFFICERS

Summary Compensation Table

The following table provides a summary of compensation information for the NEOs for the financial years ending December 31, 2017, December 31, 2016 and December 31, 2015. All compensation values are derived from compensation plans and programs that are described in detail under the section entitled "Compensation Discussion and Analysis".

Name and Position	Year	Salary(1) ($)	Share-based awards(2) ($)	Option-based awards(3) ($)	Non-equity incentive plan compensation: Annual incentive plans(4) ($)	Non-equity incentive plan compensation: Long term incentive plans(5) ($)	Pension value(6) ($)	All other compensation(7) ($)	Total compensation ($)
Steven R. Spaulding(8)	2017	375,000	899,994	1,799,999	750,000	N/A	13,115	1,128,008	4,966,116
President and CEO	2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
A. Stewart Hanlon(9)	2017	565,385	1,199,990	nil	nil	nil	13,115	265,386	2,043,876
Former President and CEO	2016	600,000	1,047,041	nil	375,000	nil	13,005	212,191	2,247,237
	2015	600,000	719,980	479,997	375,000	nil	12,685	210,467	2,398,129
Sean M. Brown(10)	2017	400,000	559,979	87,150	264,000	nil	13,115	159,918	1,484,184
SVP and CFO	2016	346,154	488,609	nil	225,000	nil	13,005	133,774	1,206,542
	2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Richard M. Wise	2017	400,000	559,999	nil	300,000	nil	13,115	181,516	1,454,630
Interim CCO	2016	400,000	488,609	nil	200,000	nil	13,005	149,594	1,251,207
	2015	400,000	335,977	224,000	175,000	nil	12,685	149,567	1,297,229
Douglas P. Wilkins	2017	400,000	559,999	nil	230,000	nil	13,115	161,368	1,364,482
SVP and President, U.S. Operations	2016	400,000	488,609	nil	200,000	nil	13,005	159,196	1,260,810
	2015	400,000	335,977	224,000	175,000	nil	12,685	156,858	1,304,520
Sean W. Duffee(11)	2017	351,077	503,938	62,250	nil	nil	13,115	172,304	1,102,729
Former SVP and CCO	2016	360,000	439,749	nil	175,000	nil	13,005	149,947	1,137,702
	2015	360,000	347,376	231,594	175,000	nil	12,685	145,941	1,672,596

Notes:

(1) Figure represents base salary earned during 2017, 2016 and 2015. If an NEO receives a salary adjustment, it is effective on April 1 of the year in which it is received.

(2) Figure includes DSUs, RSUs and PSUs granted to NEOs in 2017, RSUs and PSUs granted to NEOs in 2016, and PSUs granted in 2017 and 2015, but does not include the dividend equivalent rights associated therewith. Value shown is based on the fair market value as of the grant date.

(3) Figure represents Options granted in 2015 and 2017. No Options were granted in 2016. When granting option based awards, we first determine the award entitlement, and then use the Live Bloomberg model based on the Black Scholes option valuation methodology to calculate the implied forward value during the life of the Option. We chose this valuation methodology as it represents a reasonable estimate of fair value of the award. However, our consolidated financial statements value Option based awards using the historical volatility within the Black Scholes model.

(4) In accordance with the terms of the 2011 Equity Incentive Plan, the annual incentive compensation based on 2017 performance shall be made in cash or RSUs, as determined by the Board. The annual incentive compensation based on 2016 and 2015 performance was paid in RSUs and the annual incentive compensation based on 2017 performance was paid in cash.

(5) In 2017, 2016 and 2015 no long term non-equity compensation was granted to the NEOs.

(6) Figure represents our annual contribution on behalf of the NEO under the registered Pension Plan.

(7) Represents our contributions in respect of the NEO's participation in the Executive NRSP and the Employee Share Ownership Program and our funding of parking, health care programs, vehicle allowances and club memberships. Other than as disclosed herein, the value of other perquisites received by the NEOs, including property or other personal benefits provided to NEOs that are not generally available to all employees, were not, in the aggregate, either $50,000 or greater or 10% or greater of the respective NEO's total salary for 2017, 2016 and 2015. For Mr. Spaulding, the amount disclosed represents: (i) a one time cash payment of $1,000,000 as a signing bonus; and (ii) amounts contributed under the Executive NSRP in the pre-tax amount of $112,500. The gross amount contributed under the Executive NSRP in 2017 was $169,615 for Mr. Hanlon, $120,000 for Mr. Brown, $120,000 for Mr. Wise, $120,000 for Mr. Wilkins and $117,785 for Mr. Duffee.

(8) Steven R. Spaulding was appointed as President and CEO on June 19, 2017. In connection with his appointment, Steven received a one time grant of 1,028,571 Options.

(9) Effective June 19, 2017, A. Stewart Hanlon ceased to be the President and CEO. Mr. Hanlon stayed on for a transition period until November 24, 2017. The 2017 base salary for Mr. Hanlon represents a prorated portion based on the number of months in 2017 that Mr. Hanlon was employed by us. In connection with his cessation of employment, Mr. Hanlon received other payments pursuant to the Separation Agreement – see "Separation Agreement – A. Stewart Hanlon".

(10) Effective March 2, 2016, Sean M. Brown was appointed CFO.

(11) Effective December 4, 2017, Sean W. Duffee retired.

In determining a suitable replacement for Mr. Hanlon, the CGCN Committee established an Executive Search Committee (the "**Search Committee**") tasked with identifying and recommending a new CEO to the Board. With the assistance of an external recruitment firm, the Search Committee initiated a comprehensive search process throughout North America. Following the completion of this rigorous search, on June 5, 2017, we announced the appointment of Mr. Spaulding as our new President and CEO. Mr. Spaulding has over 25 years experience in the midstream sector and extensive infrastructure and commercial expertise.

In determining compensation arrangements for Mr. Spaulding, the Board carefully considered the nature and level of remuneration necessary to successfully attract, motivate and retain an individual with the industry experience, business acumen and strong leadership skills necessary to develop and execute on a strategy to our transform us into a crude oil infrastructure company. To this end, the Board considered a broad range of North American market data and competitive practices regarding CEO compensation. The Board also considered the implications of relocating Mr. Spaulding from his home in Houston, Texas to our head office in Calgary, Alberta. More broadly however, the Board carefully considered how best to structure Mr. Spaulding's compensation to incent the high level of leadership and performance in a manner that was best aligned with shareholder's interests. The Board strongly believes that Mr. Spaulding's compensation arrangements are consistent with our pay for performance culture.

Incentive Plan Awards

Outstanding Option-Based Awards and Share-Based Awards

The NEOs participate in the 2011 Equity Incentive Plan. For more information please see "Compensation Discussion and Analysis – Long Term Equity Incentives – Determination of Long Term Equity Incentive Awards". The following table sets forth, for each NEO, information regarding all awards that are outstanding as of December 31, 2017:

	Option-based awards				Share-based awards			
Name and Position	Number of Shares underlying unexercised Options (#)	Option Exercise Price ($)	Option expiration date	Total Value of unexercised in-the-money Options[(1)] ($)	Number of Share-based awards that have not vested[(2)] (#)	Market value of Share-based awards that have not vested[(1)] ($)	Number of Vested Share-based awards not paid out or distributed[(3)] (#)	Market value of vested Share-based awards not paid out or distributed[(1)] ($)
Steven R. Spaulding[(4)] **President and CEO**	1,028,571	17.09	June 28, 2022	1,080,000	54,686	991,998	nil	nil
A. Stewart Hanlon[(5)] **Former President and CEO**	34,270 107,816 139,784 95,500	8.64 25.94 28.27 25.33	Dec. 31, 2018 Mar. 15, 2020 Mar. 17, 2021 Mar. 15, 2022	325,565	nil	nil	137,072	2,486,486
Sean M. Brown[(6)] **SVP and CFO**	35,000	19.97	Mar. 15, 2024	nil	73,672	1,336,413	nil	nil
Richard M. Wise **Interim CCO**	25,000 37,735 68,817 46,281	8.64 25.94 28.27 25.33	Dec. 31, 2018 Mar. 15, 2020 Mar. 17, 2021 Mar. 15, 2022	237,500	88,491	1,605,220	nil	nil
Douglas P. Wilkins **SVP and President, U.S. Operations**	17,135 37,735 68,817 46,281	8.64 25.94 28.27 25.33	Dec. 31, 2018 Mar. 15, 2020 Mar. 17, 2021 Mar. 15, 2022	162,783	121,631	2,206,381	6,851	124,277
Sean W. Duffee[(7)] **Former SVP and CCO**	27,493 62,795 46,078 5,556	25.94 28.27 25.33 19.97	Mar. 15, 2020 Mar. 17, 2021 Mar. 15, 2022 Mar. 15, 2024	nil	nil	nil	11,169	202,603

Notes:

(1) Value is based on the five day weighted average trading price of the shares on December 31, 2017, which was $18.14.

(2) Figure includes unvested PSUs, DSUs and RSUs, including the dividend equivalent rights associated therewith. Please see "Compensation Discussion and Analysis – Long Term Equity Incentives – Dividend Equivalent Rights". In 2017, the Board approved the grant of the full contribution towards Mr. Hanlon's 2017 LTIP as part of the Separation Agreement – see "Separation Agreement – A. Stewart Hanlon". The value of the 2017 award was determined by using the fair market value of the shares on the date of grant.

(3) Figure includes vested PSUs and vested RSUs and the dividend rights associated therewith that have not been paid out.

(4) Effective June 19, 2017, Steven R. Spaulding was appointed as President and CEO.

(5) Effective June 19, 2017, A. Stewart Hanlon ceased to be the President and CEO. Mr. Hanlon stayed on through a transition period until November 24, 2017.

(6) Effective March 2, 2016, Sean M. Brown was appointed CFO.

(7) Effective December 4, 2017, Sean W. Duffee retired.

Value Vested or Earned during the Year

The following table sets forth, for each NEO, the value vested or earned on all options-based awards, share-based awards and non-equity incentive plan compensation in 2017:

Name and Position	Option-based awards – Value vested during 2017(1) ($)	Share-based awards – Value vested during 2017(2)(3) ($)	Non-equity incentive plan compensation – Value earned during 2017 ($)
Steven R. Spaulding(4) **President and CEO**	nil	nil	nil
A. Stewart Hanlon(5) **Former President and CEO**	nil	4,465,953	nil
Sean M. Brown **SVP and CFO**	nil	61,389	nil
Richard M. Wise **Interim CCO**	nil	328,917	nil
Douglas P. Wilkins **SVP and President, U.S. Operations**	nil	328,917	nil
Sean W. Duffee(6) **Former SVP and CCO**	nil	1,102,530	nil

Notes:

(1) Value is based on the five day weighted average trading price of the shares on December 31, 2017, which was $18.14.
(2) Figure includes the realized value of RSUs and PSUs and the dividend equivalent rights associated therewith.
(3) All Options that vested in 2017 were out-of-the-money as at December 31, 2017.
(4) Effective June 19, 2017, Steven R. Spaulding was appointed as President and CEO.
(5) Effective June 19, 2017, A. Stewart Hanlon ceased to be the President and CEO. Mr. Hanlon stayed on through a transition period until November 24, 2017. All DSUs awarded to Mr. Hanlon vested in 2017 upon his cessation of employment.
(6) Effective December 4, 2017, Sean W. Duffee retired.

Total Cost of Compensation to the NEOs

The CGCN Committee tests our pay for performance methodology in a number of ways. One of those ways is the comparison of total Management EBITDA to the total cost of compensation to our NEOs. The following table sets forth the relationship between our total Management EBITDA, a key measurement used in our incentive compensation programs, and total NEO compensation in the last three years.

Year	Total Management EBITDA(1) (millions)	Total Cost of Compensation to NEOs(2) (millions)	Total NEO Compensation as a Percentage of Total Management EBITDA
2017	$277	$12.40	4.48%
2016	$278	$7.64	2.75%
2015	$381	$7.58	1.99%

Notes:

(1) For a definition of Management EBITDA please see "Compensation Discussion and Analysis – Components of Compensation – Short Term Annual Incentives – Performance Measures".
(2) Please see "Compensation of the Named Executive Officers – Summary Compensation Table".

2011 Equity Incentive Plan

In connection with the completion of the IPO and upon the approval of the TSX, we established a long term incentive plan pursuant to which we are able to issue share-based, share-denominated and other long term incentives. All officers, employees, non-employee directors and other individuals making sustained contributions to us are eligible to receive awards under the 2011 Equity Incentive Plan. The purpose of the 2011 Equity Incentive Plan is to encourage selected of our employees, officers, consultants and directors to acquire a proprietary interest in our growth and performance.

The 2011 Equity Incentive Plan replaced the option plan in place prior to the completion of the IPO. Currently, up to 5,827,315 shares are issuable pursuant to securities exercisable to acquire shares under the 2011 Equity Incentive Plan. The types of awards available under the 2011 Equity Incentive Plan include Options, RSUs, PSUs and DSUs as well as Replacement Options and RRSUs, the terms of which are described herein. Please see "Compensation Discussion and Analysis – Long Term Equity Incentives – 2011 Equity Incentive Plan". The 2011 Equity Incentive Plan is administered by the CGCN Committee and, in turn, the Board.

When granting awards under the 2011 Equity Incentive Plan, the CGCN Committee will recommend to the Board, and, in turn, the Board will fix, the number of shares, exercise price, vesting provisions and expiry date for all award grants, with the exception that the term of all Option grants shall not exceed a period of seven years. The current practice of the Board in granting: (i) Options and RSUs is to provide for vesting that occurs over a three-year period, commencing on the first anniversary date of the grant; (ii) PSUs is to provide for a three-year term with vesting that occurs at the end of a three-year period, commencing on the date of the grant; and (iii) DSUs is to provide for the vesting date being the date that the director or officer has ceased to hold directorship or employment with us, and exercise date being the vesting date or as late as December 15 of the following calendar year. Although vesting generally occurs over a three-year period, should a participant cease to be our employee or officer as a result of termination without just cause, or as a result of the participant's death, disability or retirement, a pro rata portion of all unvested awards, with the exception of DSUs, shall become vested awards on the date of such event based on the number of full months during the vesting period that the participant was actively employed by us or an affiliate versus the number of full months in the vesting period.

The exercise price of an Option shall be no less than the volume weighted average trading price of the shares on the TSX for the five trading days immediately preceding the date of the grant of the Option. On March 1, 2016, upon the recommendation of the CGCN Committee, the Board approved an amendment to the 2011 Equity Incentive Plan to provide that, at the option of the CGCN Committee and subject to employment contracts, the vesting of Options and other awards may be accelerated upon the occurrence of a double trigger, including any one of a number of specified events that constitute a change of control and termination of the participant. This amendment was approved by the shareholders on May 4, 2016.

Subject to the terms of any particular award, if a participant shall cease to be an officer or employee as a result of termination for just cause or resignation, all vested awards shall remain exercisable for a period of thirty days from the date of such event. If the participant shall cease to be an officer or employee as a result of termination without just cause, or as a result of the participant's death, disability or retirement, all vested Options shall remain exercisable for a period of 12 months from the date of such event. At the end of such 12-month period, all Options not exercised will become null and void. All other vested awards shall remain exercisable for a period of 12 months from the date of such event. The assignment or transfer of any award shall not be permitted other than by will, by law or by the designation of a beneficiary by such participant.

The 2011 Equity Incentive Plan limits the number of shares underlying or relating to awards that may be issued within a calendar year to any one participant to 2.5% of the issued and outstanding shares and to directors who are not officers or employees to 1% of the issued and outstanding shares. On March 1, 2016, upon the recommendation of the CGCN Committee, the Board approved various amendments to the 2011 Equity Incentive Plan to provide that directors who are not officers or employees are also limited to receiving not more than $100,000 worth of Options within any one year period and not more than $150,000 worth of awards within any one year period. These amendments were of a "housekeeping" nature and, as such, shareholder approval was not required. In 2017, there were no amendments made to the 2011 Equity Incentive Plan. The 2011 Equity Incentive Plan also provides that the number of securities issuable to our insiders under the 2011 Equity Incentive Plan, or any other security based compensation arrangement, shall be limited to 10% of our issued and outstanding securities at any time and shall be limited to 5% of our issued and outstanding securities within any one year period.

Currently, DSUs, RSUs, PSUs and Options have been the only forms of awards exercisable by participants since the introduction of the 2011 Equity Incentive Plan. As at the end of our last fiscal year, there were 5,770,546 awards outstanding under the 2011 Equity Incentive Plan, representing 4.03% of our shares then issued and outstanding, and 8,549,893 awards remained available for grant, representing 5.97% of our shares then issued and outstanding.

The annual burn rates under the 2011 Equity Incentive Plan for the fiscal years ended 2015, 2016 and 2017 are 1.5%, 1.4% and 2.1%, respectively. The annual burn rate is calculated as (x) the number of securities (i.e., DSUs, RSUs, PSUs and Options) granted thereunder during the applicable fiscal year, divided by (y) the weighted average number of shares outstanding for the applicable fiscal year, calculated in accordance with the CPA Canada Handbook. Under the 2011 Equity Inventive Plan, no award, or right under such award, may be assigned, alienated, pledged, attached, sold or otherwise transferred by a participant except for by will, by the laws of descent or by the designation of a beneficiary by the participant.

The 2011 Equity Incentive Plan includes a "cashless" exercise feature whereby a participant may elect to sell all or any portion of the shares underlying an Option in order to satisfy the exercise price payable in connection with such Option exercise. Once a participant completes the transaction using our third party administrator, such administrator will deliver us written notification identifying the number of shares in respect of which the Option is being exercised and providing instructions to deliver such shares to a broker selected by the participant. The participant can choose a cashless exercise or pay us the exercise price.

The 2011 Equity Incentive Plan specifies certain types of amendments which may, subject to applicable laws and regulatory approval, be made without shareholder approval, including amendments to the 2011 Equity Incentive Plan and to an award granted thereunder. The amendment provision in the 2011 Equity Incentive Plan contemplates that amendments of a "housekeeping" nature may be made, as well as any other amendments, provided that such amendment does not impair the rights of any participant or holder or beneficiary of any award previously granted. However, notwithstanding any other provision of the 2011 Equity Incentive Plan or any award agreement, without the approval of the shareholders, no amendment, can be made that would: (i) increase the total number of shares available for awards under the 2011 Equity Incentive Plan; (ii) reduce the exercise price or extend the term of any award; (iii) otherwise cause the 2011 Equity Incentive Plan to cease to comply with any tax or regulatory requirement, including for these purposes any approval or other requirement; (iv) cancel, or have the effect of cancelling, any awards and concurrently reissuing on different terms; (v) remove or exceed the insider participation limits set forth in the 2011 Equity Incentive Plan; (vi) increase limits imposed on the participation of directors that are not officers or employees; (vii) amend, or have the effect of amending, the amending provision; (viii) modify or amend the provisions of the 2011 Equity Incentive Plan in any manner which would permit awards, including those previously granted, to be transferable or assignable in a manner not otherwise provided for in the 2011 Equity Incentive Plan; and (ix) change the eligible participants under the 2011 Equity Incentive Plan which would have the potential of broadening or increasing insider participation.

The amending provision also provides that amendments to the 2011 Equity Incentive Plan that do not require shareholder approval including changes to the termination provisions of awards which do not entail an extension beyond the original expiry date.

Our 2011 Equity Incentive Plan is available under our profile on SEDAR at www.sedar.com.

The following table provides information with respect to the 2011 Equity Incentive Plan as at December 31, 2017:

Plan Category	Number of shares to be issued upon the exercise of outstanding awards[1]	Weighted-average exercise price of Award	Number of awards available for future issuance under equity compensation plans
Equity Compensation plans not approved by shareholders: N/A	-	-	-

Plan Category	Number of shares to be issued upon the exercise of outstanding awards(1)	Weighted-average exercise price of Award	Number of awards available for future issuance under equity compensation plans
Equity Compensation plans approved by shareholders: 2011 Equity Incentive Plan • Options • RSUs (including PSUs) • DSUs	 3,296,715 1,968,145 505,686	 $22.90 $0 $0	 8,549,893
Total	5,770,546	-	8,549,893

Note:

(1) Figure is given as at December 31, 2017 and includes dividend equivalent rights accrued on such awards paid on January 17, 2017, April 17, 2017, July 17, 2017 and October 17, 2017. Please see "Compensation Discussion and Analysis – Long Term Equity Incentives – Dividend Equivalent Rights".

Dilution under the 2011 Equity Incentive Plan

We believe that a key component of delivering value to our shareholders is the responsible management of our 2011 Equity Incentive Plan and we are committed to ensuring that our Options and other awards are not excessively dilutive. The following table sets forth the number of Options and other awards granted in 2017 as a percentage of shares outstanding as well as the total number of Options and other awards outstanding at December 31, 2017 as a percentage of shares outstanding. The large number of awards remaining in the reserve approved by the shareholders, reflected below, demonstrates the commitment of the CGCN Committee to the responsible management of available awards and to the alignment of the interests of the Board, management and employees with our shareholders with only moderate dilution.

Measure of Dilution	Number of Options/Other awards	Percent of Shares Outstanding
Total number of Options granted under the 2011 Equity Incentive Plan in 2017	1,191,571	0.83%
Total number of Options outstanding under the 2011 Equity Incentive Plan on December 31, 2017	3,296,715	2.3%
Total number of awards (excluding Options) granted under the 2011 Equity Incentive Plan in 2017	1,584,267	1.11%
Total number of awards (excluding Options) outstanding under the 2011 Equity Incentive Plan on December 31, 2017	2,473,831	1.73%
Number of awards remaining in the reserve approved by the shareholders and available for grant under the 2011 Equity Incentive Plan	8,549,893	5.97%

Pension Plan and NRSP

All of our Canadian NEOs participate in the Pension Plan. The following table sets out the registered pension values and the contributions made by us on behalf of each such NEO for 2017:

Name and Position	Accumulated value at start of 2017	Compensatory	Non-compensatory(1)	Accumulated value at end of 2017
Steven R. Spaulding(2) **President and CEO**	nil	$13,115	$14,351	$27,466
A. Stewart Hanlon(3) **Former President and CEO**	$768,763	$13,115	$56,590	$838,467

Name and Position	Accumulated value at start of 2017	Compensatory	Non-compensatory[(1)]	Accumulated value at end of 2017
Sean M. Brown **SVP and CFO**	$98,179	$13,115	$27,126	$138,420
Richard M. Wise **Interim CCO**	$240,908	$13,115	$31,611	$285,634
Douglas P. Wilkins **SVP and President, U.S. Operations**	$253,679	$13,115	$23,653	$290,447
Sean W. Duffee[(4)] **Former Senior Vice President, Wholesale**	$272,515	$13,115	$38,584	$324,214

Notes:

(1) The amounts reported in this column include regular investment earnings or losses plus the contribution made by the NEO. Contributions by an NEO are mandatory under the terms of the Pension Plan.
(2) Effective June 19, 2017, Steven R. Spaulding was appointed as President and CEO.
(3) Effective June 19, 2017, A. Stewart Hanlon ceased to be the President and CEO. Mr. Hanlon stayed on through a transition period until November 24, 2017.
(4) Effective December 4, 2017, Sean W. Duffee retired.

All of our NEOs also participate in the Executive NSRP. The following table sets out the savings values and the contribution made by us on behalf of each such NEO for 2017:

Name and Position	Accumulated value at start of 2017	Compensatory	Non-compensatory[(1)]	Accumulated value at end of 2017
Steven R. Spaulding[(2)] **President and CEO**	nil	$58,500	$1,688	$60,188
A. Stewart Hanlon[(3)] **Former President and CEO**	$768,510	$88,200	$9,775	$866,485
Sean M. Brown **SVP and CFO**	$59,187	$62,400	$10,835	$132,421
Richard M. Wise **Interim CCO**	$532,960	$62,400	$42,857	$638,217
Douglas P. Wilkins **SVP and President, U.S. Operations**	$626,304	$62,400	$25,603	$714,306
Sean W. Duffee[(4)] **Former Senior Vice President, Wholesale**	$608,157	$61,248	$54,204	$723,609

Notes:

(1) The amounts reported in this column include regular investment earnings or losses. There are no contributions permitted by the NEOs under the terms of the Executive NRSP.
(2) Effective June 19, 2017, Steven R. Spaulding was appointed as President and CEO.
(3) Effective June 19, 2017, A. Stewart Hanlon ceased to be the President and CEO. Mr. Hanlon stayed on through a transition period until November 24, 2017.
(4) Effective December 4, 2017, Sean W. Duffee retired.

Termination and Change of Control Benefits

Except as described below and under "Separation Agreement", we have not entered into any contract, agreement, plan or arrangement that provides for payments to an NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control or a change in an NEO's responsibilities.

Each of our NEOs has an employment contract in place that sets out the principal terms of their employment relationship with us. These agreements also describe termination and change of control benefits. In the event of voluntary termination, death or permanent disability and termination for just cause, the following will apply:

Voluntary Termination

In the event of voluntary termination, no severance is paid, and remuneration of the NEO will remain unchanged during the notice period. Payment will be made in lieu of any unused accrued vacation up to the last day of work of the NEO. In the event that an NEO elects to resign at a point in time that a bonus has been declared to be payable but remains unpaid, that bonus will nonetheless be paid to the NEO when due. If, however, no bonus has been declared at the time of resignation, the NEO will not be entitled to receive any bonus. In the case of the retirement of an NEO, the NEO will be entitled to receive reasonable retirement benefits generally consistent with those provided by us to senior executives in accordance with the plans and policies in effect at the time of retirement.

Death or Disability

In the event of an NEO's death or permanent disability, regular remuneration and any outstanding accrued vacation up to the date of termination will be paid to the NEO or the NEO's estate as appropriate. In the event that the death or disability occurs at a point in time that a bonus has been declared to be payable but remains unpaid, that bonus will nonetheless be paid to the estate when due. If however no bonus has been declared at the time of death or disability, the estate will not be entitled to receive any bonus.

Termination for Just Cause

If we terminate an NEO's employment for just cause, no severance will be paid, and all other forms of unvested compensation payable to the NEO will terminate on the date of termination.

Involuntary Termination

Each of our NEOs has entered into an employment agreement that details the severance payments that will be paid for termination without cause or on a change of control. In order for any severance payments to be payable to any of our NEO's on a change of control, the following events must occur (collectively, a "**Double Trigger Event**"):

(i) there must be a change of control which is defined as:

(a) the acquisition by any means whatsoever, in one transaction or a series of transactions, by any person or by a group of persons acting jointly or in concert, of that number of our shares which is equal to or greater than fifty percent (50%) of the total issued and outstanding shares immediately after such acquisition, but excluding any issue or sale of our shares to an investment dealer or group of investment dealers as underwriters for distribution to the public either by way of prospectus or private placement;

(b) the sale or disposition by us of our shares, which is equal to or greater than fifty percent (50%) of the total issued and outstanding shares immediately after such sale or disposition, but excluding (a) the sale or disposition to our affiliate or (b) any other internal reorganization by us or our respective affiliates;

(c) the sale or disposition of all of substantially all of our assets, but excluding (a) the sale or disposition to our affiliate, or (b) any other internal reorganization by us or our respective affiliates;

(d) the election at a meeting of our shareholders of that number of persons which would represent a majority of the Board, as directors who were not included in the slate for election as directors proposed to our shareholders by us, or the appointment as directors of that number of persons which would represent a majority of the Board, nominated by any holder of our shares or by any group of holders of our shares acting jointly or in concert; or

(e) the completion of any transaction or the first of a series of transactions which would have the same or similar effect as any transaction or series of transactions referred to in sections (a), (b), (c) or (d) above; and

(ii) other than for just cause, disability or death, the NEO must be terminated (including by way of constructive dismissal) following the change of control.

Payment on termination other than in connection with a change of control or an employee's disability, are described below:

Plan	Type of Termination			
	Resignation or Termination with Cause	**Termination Without Cause**	**Retirement**	**Death**
Base Pay	Ends as of the termination date	Paid out as lump sum payment for severance period	Ends as of the retirement date	Ends as of the date of death
Benefits	Ends as of the termination date	Ends as of the termination date	Eligibility changes to Retirement Benefits as of the date of retirement	Eligibility ends as of the date of death
Perquisites	Ends as of the termination date	Ends as of the termination date	Ends as of the retirement date	Ends as of the date of death
Pension	Ends as of the termination date In Canada, the employee receives all employee and employer contributions	Ends as of the termination date In Canada, the employee receives all employee and employer contributions	Ends as of the retirement date In Canada, the employee receives all employee and employer contributions	Ends as of the date of death In Canada, the beneficiary receives all employee and employer contributions
Executive NSRP	Ends as of the termination date	Ends as of the termination date	Ends as of the retirement date	Ends as of the date of death In Canada, the beneficiary receives all employer contributions
Employee Share Ownership Plan (ESOP)	Ends as of the termination date	Ends as of the termination date	Ends as of the retirement date	Ends as of the date of death In Canada, the beneficiary receives all employee and employer contributions
STIP	Eligibility ends as of the termination date and no payment is made	Paid out as part of lump sum payment for severance period	Receive payment if declared but unpaid as of the retirement date	Payment made to estate if declared but unpaid as of the date of death
Options	Unvested options are forfeited as of termination date	Unvested options are pro-rata vested as of the termination date based on the number of full months worked during the vesting period Vested options remain exercisable for 12 months from the termination date	Unvested options are pro-rata vested as of the retirement date based on the number of full months worked during the vesting period Vested options remain exercisable for 12 months from the retirement date	Unvested options are pro-rata vested as of the date of death based on the number of full months worked during the vesting period Vested options remain exercisable to the estate for 12 months from the date of death

Plan	Type of Termination			
	Resignation or Termination with Cause	Termination Without Cause	Retirement	Death
PSUs	Unvested PSUs are forfeited as of termination date	Unvested PSUs are pro-rata vested as of the termination date based on the number of full months worked during the vesting period Performance scores are applied based on most current performance score available at time of termination Vested shares remain exercisable for 12 months from the termination date	Unvested PSUs are pro-rata vested as of the retirement date based on the number of full months worked during the vesting period Performance scores are applied based on most current performance score available at time of termination Vested shares remain exercisable for 12 months from the retirement date	Unvested PSUs are pro-rata vested as of the date of death based on the number of full months worked during the vesting period Performance scores are applied based on most current performance score available at time of death Governed by the 2011 Equity Incentive Plan
RSUs	Unvested RSUs are forfeited as of termination date	Unvested RSUs are pro-rata vested as of the termination date based on the number of full months worked during the vesting period Vested shares remain exercisable for 12 months from the termination date	Unvested RSUs are pro-rata vested as of the retirement date based on the number of full months worked during the vesting period Vested shares remain exercisable for 12 months from the retirement date	Unvested RSUs are pro-rata vested as of the date of death based on the number of full months worked during the vesting period Governed by the 2011 Equity Incentive Plan
DSUs - CDN Employees	All DSUs vest immediately upon cessation of employment Participant elects a redemption date that falls between termination date and December 15th of the following calendar year Fair Market Value is locked-in on termination date and used for calculating taxes and fees on redemption date	All DSUs vest immediately upon cessation of employment Participant elects a redemption date that falls between termination date and December 15th of the following calendar year Fair Market Value is locked-in on termination date and used for calculating taxes and fees on redemption date	All DSUs vest immediately upon cessation of employment Participant elects a redemption date that falls between retirement date and December 15th of the following calendar year Fair Market Value is locked-in on retirement date and used for calculating taxes and fees on redemption date	All DSUs vest immediately upon cessation of employment Estate elects a redemption date that falls between date of death and December 15th of the following calendar year Fair Market Value is locked-in on date of death and used for calculating taxes and fees on redemption date
DSUs - US Employees	All DSUs vest immediately upon cessation of employment All DSUs are redeemed on the first of the seventh month following separation of service Fair Market Value is locked-in on termination date and used for calculating taxes and fees on redemption date	All DSUs vest immediately upon cessation of employment All DSUs are redeemed on the first of the seventh month following separation of service Fair Market Value is locked-in on termination date and used for calculating taxes and fees on redemption date	All DSUs vest immediately upon cessation of employment All DSUs are redeemed on the first of the seventh month following separation of service Fair Market Value is locked-in on retirement date and used for calculating taxes and fees on redemption date	All DSUs vest immediately upon cessation of employment All DSUs are redeemed to the estate on the first of the seventh month following separation of service Fair Market Value is locked-in on date of death and used for calculating taxes and fees on redemption date

The following table summarizes our outstanding Termination and Change of Control Benefits for each NEO:

	UPON TERMINATION WITHOUT CAUSE (NO CHANGE OF CONTROL) (1)(2)	UPON DOUBLE TRIGGER EVENT(2)
Steven R. Spaulding **President and CEO**	• 2 times annual remuneration • Annual bonus if such bonus has been declared but not paid • 2 times the average incentive Bonus paid during two preceding years • If date of termination precedes the expiry of two (2) fiscal years after the commencement of the Employment Agreement, the Bonus component to be used as the multiplier for this calculation shall be at target • 20% of base salary in lieu of 2 years of health and insured benefits • Accelerated vesting of all unvested awards exercisable for a period of 12 months from date of termination **Total: $5,903,487**	• 2.5 times annual remuneration • Annual bonus if such bonus has been declared but not paid • 2.5 times the average incentive Bonus paid during two preceding years • If date of termination precedes the expiry of two (2) fiscal years after the commencement of the Employment Agreement, the Bonus component to be used as the multiplier for this calculation shall be at target • 25% of base salary in lieu of 2.5 years of health and insured benefits • Accelerated vesting of all unvested awards exercisable for a period of 12 months from date of termination **Total: $6,950,794**
Sean M. Brown **SVP and CFO**	• 2 times annual remuneration • Annual bonus if such bonus has been declared but not paid • In addition, for the years 2016 and 2017, 1.5 times the Bonus Target • Commencing in 2018, 1.5 times the average Incentive Bonus paid during the two preceding years • Immediate vesting of awards on a pro-rata basis **Total: $1,656,060**	• 2 times annual remuneration • Annual bonus if such bonus has been declared but not paid • In addition, for the years 2016 and 2017, two (2) times the Bonus Target • Accelerated vesting of all unvested awards exercisable for a period of 12 months from the date of termination **Total: $3,165,731**
Richard M. Wise **Interim CCO**	• 2 times annual remuneration • Annual bonus if such bonus has been declared but not paid • 1.5 times average annual bonus paid during two preceding years • Immediate vesting of awards on a pro-rata basis • **Total: $1,587,660**	• 2 times annual remuneration • 2 times average annual bonus paid during the two preceding years • Accelerated vesting of all unvested awards exercisable for a period of 12 months from date of termination • **Total: $3,345,816**
Douglas P. Wilkins **SVP and President, U.S. Operations**	• 2 times annual remuneration • Annual bonus if such bonus has been declared but not paid • Two further annual bonus payments based on same percentage of our pre-tax profits as the previous year's bonus • Immediate vesting of awards on a pro-rata basis **Total: $1,438,060**	• 2 times annual remuneration • 2 times average annual bonus paid during the two preceding years • No accelerated vesting of awards **Total: $1,408,060**

Notes:

(1) Total does not include pro-rata vesting of awards.

(2) Severance obligations provided as at December 31, 2017. Value is based on the five day weighted average trading price of the shares on December 31, 2017, which was $18.14.

Separation Agreement

A. Stewart Hanlon

In 2017, A. Stewart Hanlon ceased to be the President and CEO. As part of an orderly transition process, the Board determined that it was critically important to retain Mr. Hanlon's continued service to provide for an orderly transition of the top executive role and to ensure his availability to us through the President and CEO transition period and, if required, thereafter. Accordingly, on May 8, 2017, the Board approved a separation agreement with Mr. Hanlon (the "**Separation Agreement**").

Pursuant to the Separation Agreement, Mr. Hanlon continued as President and CEO until the appointment of Steven Spaulding as President and CEO on June 19, 2017. Following the appointment of Mr. Spaulding, Mr. Hanlon served as an Advisor to the President and CEO until November 24, 2017.

Under the Separation Agreement, Mr. Hanlon was paid such amounts as are consistent with our legal obligations and Mr. Hanlon's employment agreement. In addition, the Separation Agreement provided for the full contribution towards Mr. Hanlon's 2017 LTIP**,** which was awarded in DSUs. Accordingly, we granted 73,619 DSUs to Mr. Hanlon on November 20, 2017, using the fair market value of the shares on the date of such grant which was $16.30.

Among other things, the Separation Agreement provided that during the term of Mr. Hanlon's continued employment, we continue to pay Mr. Hanlon's ongoing salary and benefits in the amounts in effect prior to his separation and that we pay Mr. Hanlon a 2017 STIP. Such STIP was prorated based on the time that Mr. Hanlon was an employee during 2017 and was paid to Mr. Hanlon in the amount of $284,589. The terms of the Separation Agreement constitute full and final settlement for any and all payments due or potentially due to Mr. Hanlon pursuant to his employment agreement and all obligations set out in Mr. Hanlon's employment agreement survived the execution of the Separation Agreement, including, without limitation, his obligations of confidentiality and non-solicitation thereunder. All PSUs and RSUs previously granted to Mr. Hanlon pro rata vested in accordance with the terms of his employment agreement and all DSUs previously granted to Mr. Hanlon vested upon his cessation of employment in accordance with the 2011 Equity Incentive Plan.

OTHER MATTERS

Indebtedness of Directors and Officers

We are not aware of any individuals who are either current or former executive officers, directors or employees of us or any of our subsidiaries and who have indebtedness outstanding as at the date hereof (whether entered into in connection with the purchase of shares or otherwise) that is owing to (i) us or any of our subsidiaries, or (ii) another entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by us or any of our subsidiaries.

Except for (i) indebtedness that has been entirely repaid on or before the date of this Circular, and (ii) "routine indebtedness" (as defined in Form 51-102F5 to National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**")), we are not aware of any individuals who are, or who at any time during 2017 were, a director or executive officer of us, a proposed nominee for election as a director of us, or an associate of any of those directors, executive officers or proposed nominees, who are, or have been at any time since January 1, 2017, indebted to us or any of our subsidiaries, or whose indebtedness to another entity is, or at any time since January 1, 2017 has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by us or any of our subsidiaries.

Interest of Informed Persons in Material Transactions

There has been no transaction since January 1, 2017 and there is no proposed transaction that has materially affected or would materially affect us or any of our subsidiaries in respect of which any "informed person" (as defined in NI 51-102) of us, any proposed nominee for director of us, or any associate or affiliate of either of such persons had a direct or indirect material interest.

Interest of Certain Persons in Matters to be Acted Upon

We do not, nor do our directors, executive officers or proposed nominees for director of us, or any associate or affiliate of any one of them, have any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting except as otherwise disclosed in this Circular.

Additional Information

Additional information relating to us is available via SEDAR at www.sedar.com. A shareholder may obtain copies of our AIF, financial statements and management's discussion and analysis without charge upon written request to our Corporate Secretary at 1700, 440 – 2nd Avenue S.W., Calgary, Alberta, T2P 5E9. Financial information is provided in our comparative financial statements and management's discussion and analysis for the financial year ended December 31, 2017.

Schedule "A"
Board Charter

GIBSON ENERGY INC.
Board of Directors Charter

A. GENERAL

The Board of Directors (the "**Board**") of Gibson Energy Inc. (the "**Company**") is responsible for the stewardship of the Company's affairs and the activities of management of the Company in the conduct of day to day business, all for the benefit of its shareholders. In this mandate, all references to the Company shall include the subsidiaries of the Company.

The primary responsibilities of the Board are:

1. to maximize long term shareholder value;

2. to approve the strategic plan of the Company;

3. to ensure that processes, controls and systems are in place for the management of the business and affairs of the Company and to address applicable legal and regulatory compliance matters;

4. to maintain the composition of the Board in a way that provides an effective mix of skills and experience to provide for the overall stewardship of the Company;

5. to ensure that the Company meets its obligations on an ongoing basis and operates in a safe and reliable manner; and

6. to monitor the performance of the management of the Company to ensure that it meets its duties and responsibilities to the shareholders.

B. COMPOSITION AND OPERATION

The number of directors shall be not less than the minimum and not more than the maximum number specified in the Company's articles and shall be set from time to time within such limits by resolutions of the shareholders or of the Board as may be permitted by law. Directors are elected to hold office for a term of one year. At least 25 percent of the directors must be Canadian residents. The Board will analyze the application of the "independent" standard as such term is referred to in National Instrument 58-101 – *Disclosure of Corporate Governance Practices*, to individual members of the Board on an annual basis and disclose that analysis. The Board will ensure that a majority of the Board is independent. The Board will in each year appoint a chairman of the Board (the "**Chairman**").

The Board operates by delegating certain of its authorities to management and by reserving certain powers to itself. The Board retains the responsibility of managing its own affairs including selecting its Chairman, nominating candidates for election to the Board, constituting committees of the Board and determining compensation for the directors. Subject to the articles and by-laws of the Company and the *Business Corporations Act* (Alberta) (the "**ABCA**"), the Board may constitute, seek the advice of, and delegate certain powers, duties and responsibilities to, committees of the Board.

C. MEETINGS

The Board shall have a minimum of four regularly scheduled meetings per year. The meetings shall ordinarily take place in March, May, August and November. Special meetings are called as necessary. Occasional Board trips are scheduled, if possible, in conjunction with regular Board meetings, to offer directors the opportunity to visit sites and facilities at different operational locations. A quorum for a meeting of the Board shall consist of a simple majority of the members of the Board.

The Board will schedule executive sessions where directors meet with management participation at each regularly-scheduled meeting of the Board. In addition, the independent directors will hold an in-camera session at which non-independent directors and members of management are not in attendance.

Minutes will be kept of all meetings of the Board. The minutes will include copies of all resolutions passed at each meeting, will be maintained with the Company's records, and will be available for review by members of the Board and the external auditor.

D. SPECIFIC DUTIES

1. Oversight and Overall Responsibility

In fulfilling its responsibility for the stewardship of the affairs of the Company, the Board shall be specifically responsible for:

(a) providing leadership and direction to the Company and management with the view to maximizing shareholder value. Directors are expected to provide creative vision, initiative and experience in the course of fulfilling their leadership role;

(b) satisfying itself as to the integrity of the Chief Executive Officer (the "**CEO**") and other senior officers of the Company and ensuring that a culture of integrity is maintained throughout the Company;

(c) approving the significant policies and procedures by which the Company is operated and monitoring compliance with such policies and procedures, and, in particular, compliance by all directors, officers and employees with the provisions of the Code of Conduct and Ethics;

(d) reviewing and approving material transactions involving the Company, including the acquisitions and dispositions of material assets by the Company and material capital expenditures by the Company;

(e) monitoring operating performance and ensuring that the Board has the necessary information, including key business and competitive indicators, to enable it to discharge this duty and take any remedial action necessary;

(f) establishing methods by which interested parties may communicate directly with the Chairman or with the independent directors as a group and cause such methods to be disclosed;

(g) developing written position descriptions for the Chairman and for the chair of each Board committee; and

(h) making regular assessments of the Board and its individual members, as well as the effectiveness and contributions of each Board committee.

2. Legal Requirements

(a) The Board has the oversight responsibility for meeting the Company's legal requirements and for properly preparing, approving and maintaining the Company's documents and records.

(b) The Board has the statutory responsibility to:

(i) manage the business and affairs of the Company;

(ii) act honestly and in good faith with a view to the best interests of the Company;

(iii) exercise the care, diligence and skill that responsible, prudent people would exercise in comparable circumstances; and

(iv) act in accordance with its obligations contained in the ABCA and the regulations thereto, the articles and by-laws of the Company, and other relevant legislation and regulations.

(c) The Board has the statutory responsibility for considering the following matters as a full Board which by law may not be delegated to management or to a committee of the Board:

(i) any submission to the shareholders of a question or matter requiring the approval of the shareholders;

(ii) the filling of a vacancy among the directors or in the office of auditor;

(iii) the appointment of additional directors;

(iv) the issuance of securities except in the manner and on the terms authorized by the Board;

(v) the declaration of dividends;

(vi) the purchase, redemption or any other form of acquisition of shares issued by the Company, except in the manner and on the terms authorized by the Board;

(vii) the payment of a commission to any person in consideration of such person's purchasing or agreeing to purchase shares of the Company from the Company or from any other person, or procuring or agreeing to procure purchasers for any shares of the Company;

(viii) the approval of any material continuous disclosure documents including annual and interim financial statements and related management's discussion and analysis, annual information forms and management information circulars;

(ix) the approval of any financial statements to be placed before the shareholders of the Company at an annual general meeting; and

(x) the adoption, amendment or repeal of any by-laws of the Company.

3. Independence

The Board shall have the responsibility to:

(a) implement appropriate structures and procedures to permit the Board to function independently of management (including, without limitation, through the holding of meetings at which non-independent directors and management are not in attendance, if and when appropriate);

(b) implement a system which enables an individual director to engage an outside advisor at the expense of the Company in appropriate circumstances; and

(c) provide an orientation and education program for newly appointed members of the Board.

4. Strategy Determination, Planning and Budgeting

The Board shall:

(a) adopt and annually review a strategic planning process and approve the corporate strategic plan, which takes into account, among other things, the opportunities and risks of the Company's business;

(b) approve annual capital and operating budgets and business plans within the context of the strategic plan of the Company;

(c) annually review operating and financial performance results relative to established strategy, budgets and objectives;

(d) approve expenditures, acquisitions and divestitures that are not within the authority delegated to the CEO;

(e) approve mergers and similar arrangements involving unaffiliated parties;

(f) approve the entry into or withdrawal from lines of business that are material to the Company; and

(g) annually review the financing strategy and plans of the Company.

5. Managing Risk

The Board has the responsibility to identify and understand the principal risks of the Company's business, to achieve a proper balance between risks incurred and the potential return to shareholders, and to ensure that appropriate systems are in place which effectively monitor and manage those risks with a view to the long-term viability of the Company.

6. Appointment, Training and Monitoring of Senior Management

The Board shall:

(a) appoint the CEO and other senior officers of the Company, approve (upon recommendations from the Corporate Governance, Compensation and Nomination Committee) their compensation, and monitor and assess the CEO's performance against a set of mutually agreed corporate objectives directed at maximizing shareholder value;

(b) ensure that a process is established that adequately provides for succession planning including the appointment, training and monitoring of senior management;

(c) establish limits of authority delegated to management; and

(d) develop a written position description for the CEO.

7. Reporting and Communication

The Board has the responsibility to:

(a) verify that the Company has in place policies and programs to enable the Company to communicate effectively with its shareholders, other stakeholders and the public generally;

(b) verify that the financial performance of the Company is reported to shareholders, other security holders and regulators on a timely and regular basis;

(c) verify that the financial results of the Company are reported fairly and in accordance with generally accepted accounting principles recognized by the Canadian Institute of Chartered Accountants from time to time;

(d) verify the timely reporting of any other developments that have a significant and material impact on the value of the Company;

(e) report annually to shareholders on its stewardship of the affairs of the Company for the preceding year; and

(f) develop appropriate measures for receiving stakeholder feedback.

8. Monitoring and Acting

The Board has the responsibility to:

(a) review and approve the Company's financial statements and oversee the Company's compliance with applicable audit, accounting and reporting requirements;

(b) verify that the Company operates at all times within applicable laws and regulations to the highest ethical and moral standards;

(c) approve and monitor compliance with significant policies and procedures by which the Company operates;

(d) monitor the Company's progress towards its goals and objectives and to work with management to revise and alter its direction in response to changing circumstances;

(e) take such action as it determines appropriate when the Company's performance falls short of its goals and objectives or when other special circumstances warrant; and

(f) verify that the Company has implemented appropriate internal control and management information systems.

9. Other Activities

The Board may perform any other activities consistent with this mandate, the articles and by-laws of the Company and any other governing laws as the Board deems necessary or appropriate including, but not limited to:

(a) preparing and distributing the schedule of Board meetings for each upcoming year;

(b) calling meetings of the Board at such time and such place and providing notice of such meetings to all members of the Board in accordance with the by-laws of the Company; and

(c) ensuring that all regularly-scheduled Board meetings and committee meetings are properly attended by directors. Directors may participate in such meetings by conference call if attendance in person is not possible.

10. Code of Conduct and Ethics

The Board shall be responsible to adopt a "Code of Conduct and Ethics" for the Company which shall address:

(a) conflicts of interest;

(b) the protection and proper use of the Company's assets and opportunities;

(c) the confidentiality of information;

(d) fair dealing with various stakeholders of the Company;

(e) compliance with laws, rules and regulations; and

(f) the reporting of any illegal or unethical behaviour.

E. BOARD COMMITTEES

The Board shall at all times maintain (a) an Audit Committee, (b) a Corporate Governance, Compensation and Nomination Committee, and (c) a Environment, Health and Safety Committee, each of which must report to the Board. Each such committee must operate in accordance with the by-laws, applicable law, its committee charter and the applicable rules of any stock exchange on which the shares are traded. The Board may also establish such other committees as it deems appropriate and delegate to such committees such authority permitted by its by-laws and applicable law, and as the Board sees fit. The purpose of the Board committees is to assist the Board in discharging its responsibilities. Notwithstanding the delegation of responsibilities to a Board committee, the Board is ultimately responsible for matters assigned to the committees for determination. Except as may be explicitly provided in the charter of a particular committee or a resolution of the Board, the role of a Board committee is to review and make recommendations to the Board with respect to the approval of matters considered by the committee.

F. DIRECTOR ACCESS TO MANAGEMENT

The Company shall provide each director with complete access to the management of the Company, subject to reasonable advance notice to the Company and reasonable efforts to avoid disruption to the Company's management, business and operations.

G. DIRECTOR COMPENSATION

The Board, upon recommendation of the Corporate Governance, Compensation and Nomination Committee, will determine and review the form and amount of compensation to directors.

H. INDEPENDENT ADVISORS

The Board and its committees have the right at any time to retain independent legal, financial or other advisors to advise the board independently on any matter. The Board shall have the sole authority (subject to its power to specifically delegate this power to a committee or others as the Board considers reasonable) to retain and terminate such consultants or advisors, including sole authority to approve an advisor's fees and other retention terms.

I. BOARD EVALUATION

The chair of the Corporate Governance, Compensation and Nomination Committee will facilitate an annual assessment of the overall performance and effectiveness of the Board and will report on such assessments to the Board. The Board, in conjunction with the Corporate Governance, Compensation and Nomination Committee, will be responsible for establishing the evaluation criteria and implementing the process for such evaluations. Each director will complete a board assessment questionnaire assessing:

(a) the Board's general performance and its performance in specified categories such as board meetings, board communications, committees and board effectiveness; and

(b) their own personal performance, as well as the performance of other Board members and committee members.

The Board will, after receiving the oral or written report, discuss the results. The objective of the assessments is to maintain the continued effectiveness of the Board as a whole, each committee, and each individual Board member, in the execution of their responsibilities and to contribute to a process of continuing improvement.