

SAVANNA ENERGY SERVICES CORP.

CODE OF BUSINESS CONDUCT AND ETHICS

Section 1 Application and Purpose

This code of business conduct and ethics (this “**Code**”) applies to the employees, officers and directors of each of Savanna Energy Services Corp. and its Subsidiaries, and such other persons as agree to be bound by this Code, (collectively, the “**Personnel**”). Reference in this Code to the Corporation means Savanna Energy Services Corp. and its Subsidiaries.

Subsidiary means a corporation, partnership or other person that is controlled by one or more of Savanna Energy Services Corp. and other Subsidiaries; for which purpose a corporation or similar entity shall be deemed to be controlled by those corporations, partnerships or other persons who own or effectively control, other than by way of security only, sufficient voting securities of the corporation or similar entity (whether directly through the ownership of securities of the corporation or similar entity or indirectly through the ownership of securities of the corporation or similar entity) to elect the majority of its board of directors; and a partnership or similar entity shall be deemed to be controlled by those corporations, partnerships or other persons that are able to determine policies or material decisions of that partnership or similar entity.

The Corporation is committed to conducting its business in compliance with all applicable laws and regulations and in accordance with the highest ethical standards. This commitment must include the highest standards of professional and ethical conduct from all Personnel. The Corporation’s reputation for honesty and integrity among its securityholders is key to the Corporation's success. No Personnel will be permitted to benefit from violations of laws or regulations or unscrupulous dealings.

The Corporation intends that its business practices will be compatible with the economic and social priorities of each location in which it operates, currently or in the future. Although customs vary from region to region and standards of ethics may vary in different business environments, honesty and integrity must always characterize any business activity.

This Code reflects the Corporation’s commitment to honesty, integrity and accountability and outlines the basic principles and policies with which all Personnel are expected to comply. Please read this Code carefully as all Personnel are responsible for understanding this Code and are accountable for their conduct. Compliance with this Code and any other policies of the Corporation at all times is essential.

Failure to comply with this Code and any other policies of the Corporation will be considered a serious breach of duties and responsibilities to the Corporation and will result in remedial measures, which may include immediate dismissal for cause.

In addition to following this Code in all aspects of Personnel’s business related activities, Personnel are expected to seek guidance in any case where there is a question about compliance with both the letter and spirit of this code and any other policies of the Corporation. This Code sets forth general principles and does not supersede the specific policies and procedures that are covered in separate specific policy statements of the Corporation.

Section 2 Conflicts of Interest

Personnel are expected to give exclusive loyalty to the Corporation when conducting business-related activities and duties.

A conflict of interest occurs when an individual's private interest interferes, or may appear to interfere, in any way with the interests of the Corporation. A conflict situation can arise when Personnel take actions or have interests that may make it difficult to perform their work effectively. Conflicts of interest also

arise when Personnel, or family members, receive improper personal benefits as a result of their position in the Corporation. Loans to, or guarantees of obligations of, such persons are likely to pose conflicts of interest, as are transactions of any kind between the Corporation and any other organization in which Personnel or any member of their family have an interest.

Activities that could give rise to conflicts of interest are prohibited unless specifically approved in advance by an officer of the Corporation or, in the case of conflicts involving a director or an officer of the Corporation, by the Governance and Nomination Committee (“Governance Committee”). It is not always easy to determine whether a conflict of interest exists, so any potential conflicts of interests must be reported immediately to an officer of the Corporation, or in the case of conflicts involving a director or an officer of the Corporation, to the Governance Committee.

Personnel are required to avoid any investment, interest or association which interferes, might interfere, or may appear to interfere, with the interests of the Corporation or the independent exercise of judgment by the Personnel in the Corporation’s best interest.

Section 3 Corporate Opportunities

Personnel are prohibited from taking for themselves personally opportunities that arise through the use of corporate property, information or position and from using corporate property, information or position for personal gain.

Subject only to the qualification in request of directorships noted below, Personnel are prohibited from competing with the Corporation.

Personnel must not engage in outside employment if it is related to the business in which the Corporation is now, or may become, engaged, or which would otherwise conflict with work obligations at the Corporation. Personnel who feel that any position or involvement held outside of the Corporation may present a conflict of interest should discuss the situation with an officer of the Corporation, or in the case of conflictings involving an officer of the Corporation, to the Governance Committee.

It is recognized that directors and/or officers of the Corporation may act as directors and/or trustees of other entities that may compete with the Corporation. Any such positions shall be reported to the Governance Committee of the Board of Directors of the Corporation and such persons shall strictly abide by their fiduciary duties in respect of the Corporation and obligations to declare any conflicting interests. Any officer of the Corporation acting as a director and/or trustee of another entity shall do so only with the consent of the Board of Directors.

Section 4 Confidential and Proprietary Information

Information is a valuable corporate asset. Much information concerning the Corporation and its business activities is restricted and proprietary. Personnel have an affirmative obligation to safeguard all information entrusted to them by the Corporation or that otherwise comes into their possession in the course of their employment, except when disclosure is authorized or legally mandated. The obligation to preserve confidential information and proprietary information continues after Personnel leave the Corporation for any reason.

Confidential information includes all non-public information that may be of use to competitors, or harmful to the Corporation or its customers, if disclosed. Any and all information that may be developed or shared as a result of the business process is proprietary to the Corporation and must be treated as confidential. Specific examples of proprietary information include intellectual property, business and

marketing plans and employee information. Also, information that suppliers, customers, contractors and other third parties have entrusted to the Corporation or that results from the delivery or receipt of goods or services from the suppliers, customers, contractors and other third parties (including well locations, well performance, etc.) must be treated as confidential.

Personnel are not to deliver, reproduce or in any way consent to any confidential and proprietary information, knowledge, data or other information, or any documentation relating thereto, being delivered or used by any third party without explicit direction or consent of senior management.

Documents (and devices) containing confidential information should not be left unattended and should not be read, discarded or carried in an exposed manner in public places. Confidential information should also not be discussed in public places (eg. elevators, hallways, restaurants, airplanes and taxis).

Section 5 Protection and Proper Use of Corporate Assets

All Personnel are required to protect the Corporation's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on the Corporation's profitability. Any suspected incidents of fraud or theft should be immediately reported to senior management for investigation.

Corporate assets, such as supplies, tools, equipment, buildings, telephones, fax machines and computers, may only be used for legitimate business purposes or other purposes approved by senior management. Corporate assets may never be used for illegal purposes.

Section 6 Insider Trading

Insider trading is unethical and illegal. Personnel are not allowed to trade in securities of a company while in possession of material non-public information regarding that company. It is also illegal to "tip" or pass on inside information to any other person who might make an investment decision based on that information or pass the information on further.

The Corporation has an Insider Trading Policy, which sets forth Personnel's obligations in respect of trading in the Corporation's securities. All Personnel are responsible for reviewing, understanding and complying with the Insider Trading Policy.

Section 7 Fair Dealing

All Personnel are required to deal fairly with the Corporation's customers, suppliers, competitors and employees. No Personnel should take unfair advantage of anyone through illegal conduct, manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice.

Section 8 Compliance with Laws, Rules and Regulations

Compliance with both the letter and spirit of all laws, rules and regulations applicable to the Corporation's business is critical to its reputation and continued success.

Disregard of the law cannot and will not be tolerated. All Personnel must respect and obey the laws of the cities, provinces, states, and countries in which the Corporation currently operates or may operate in the future and avoid even the appearance of impropriety. When in doubt about certain laws, Personnel are required to check with senior management.

Section 9 Compliance With Antitrust Laws

The Corporation believes in fair and open competition and adheres strictly to the requirements of the anti-trust laws. As a general proposition, any contact with a competitor regarding price or territorial restrictions could present a problem under anti-trust laws. However, it is also clearly recognized by the Corporation that the marketplace within which all of our businesses operate are competitive, and awareness of competitors' prices is a necessary component of remaining competitive ourselves. While anti-trust laws do not allow agreements among competitors relating to prices whether they are formal or informal, it is generally acceptable to have formal or informal exchanges or accumulation of price information within the marketplace.

It is a violation of anti-trust laws for competitors to agree, expressly or by implication, to divide markets by territory or customers, or to fix or set pricing. It is also a violation of anti-trust laws for competitors to agree not to do business with a particular customer or supplier. It does not necessarily require an express understanding regarding these matters to constitute a breach of anti-trust laws, however, so long as the intent is informal and directed towards marketing our services in the context of overall competitive pricing and other considerations, it is likely not a violation of anti-trust laws.

To the extent there are any questions or concerns among responsible personnel, these matters should be discussed and approved by senior management.

Section 10 Compliance with Environmental Laws

The Corporation is sensitive to the environmental, health and safety consequences of its operations. Accordingly, the Corporation is in strict compliance with all applicable federal and provincial environmental laws and regulations.

The Corporation has an Environmental Policy. All Personnel are responsible for reviewing and complying with the Environmental Policy. If any Personnel have any doubt as to the applicability or meaning of a particular environmental, health or safety regulation or policy of the Corporation, they should discuss the matter with senior management.

Section 11 Discrimination and Harassment

The Corporation is committed to maintaining a work environment free from any form of harassment. Any conduct or behaviour based on a person's race, colour, religion, gender, national origin, age, sexual orientation, marital status, family status, disability or other legally protected characteristic is considered harassing if it creates a hostile, intimidating or offensive work environment or unreasonably interferes with a Personnel's work performance. Abusive, harassing or offensive conduct is unacceptable, whether verbal, physical or visual.

Personnel must immediately report to senior management any harassment they have witnessed and are encouraged to report any harassment they have been subjected to.

The Corporation recruits, trains, promotes and compensates Personnel on the basis of performance, experience and work-related criteria. The Corporation complies with all laws governing fair employment and labour practices. The Corporation does not discriminate against any applicant for employment or any Personnel in any aspect of their employment with the Corporation because of a person's race, colour, religion, gender, national origin, age, sexual orientation, marital status, family status, disability, or any other legally protected characteristic.

Section 12 Safety and Health

The health and safety of the Personnel is of the utmost importance to the Corporation. All Personnel are responsible for maintaining a safe workplace by following safety and health rules and practices.

The Corporation is committed to keeping its workplaces free from hazards. To assist the Corporation in its commitment, Personnel should take the necessary precautions to protect themselves and are required to report any accidents, injuries, unsafe equipment, practices or conditions immediately to a supervisor or senior management. Personnel are required to complete pre-safety and post-safety checks on all equipment, ensuring items are properly maintained and in good working order. Threats or acts of violence or physical intimidation are prohibited.

In order to protect the safety of all Personnel, the Corporation's policy is to maintain a drug-free and alcohol-free work environment. Use of illegal drugs and/or alcohol creates serious health and safety risks in the workplace for employees. The use, possession or distribution of alcohol (other than prudent consumption of alcohol in connection with entertainment for the promotion of the Corporation's business and at social events approved by the senior management of the Corporation), illegal drugs or other illegal substances is strictly prohibited while at work, on the Corporation's premises or on company business.

Section 13 Accuracy of Corporate Records and Reporting

Honest and accurate recording and reporting of information is critical to the Corporation's ability to make responsible business decisions. The Corporation's accounting records are relied upon to produce reports for the Corporation's management, shareholders, creditors, governmental agencies and others. The Corporation's financial statements and the books and records on which they are based must accurately reflect all corporate transactions and conform to all legal and accounting requirements and the Corporation's system of internal controls.

All Personnel have a responsibility to ensure that the Corporation's accounting records do not contain any false or intentionally misleading entries. The Corporation does not permit intentional misclassification of transactions as to accounts, departments or accounting periods all transactions must be supported by accurate documentation in reasonable detail and recorded in the proper account and in the proper accounting period.

Business records and communications often become public through legal or regulatory investigations or the media. Personnel should avoid exaggeration, derogatory remarks, legal conclusions or inappropriate characterizations of people and companies. This applies to communications of all kinds, including e-mail and informal notes or inter-office memos. Records should be retained and destroyed in accordance with the Corporation's records retention policy.

Section 14 Use of E-Mail and Internet Services

E-mail systems and Internet services are provided to help Personnel perform their work duties. Incidental and occasional personal use is permitted, but must be limited to a reasonable level, never interfere with or take priority over the Corporation's business, not involve any commercial or business activity apart from the Corporation's business and not be used for an improper purpose.

The following activities in respect of the Corporation's e-mail systems and Internet services are prohibited at all times:

- the introduction, storage, use or communication of information or data that (i) would be considered defamatory or fraudulent; (ii) would be considered obscene, sexually explicit, hate literature or a contravention of the Corporation's discrimination and harassment policies or applicable human rights laws; or (iii) is in any other way unlawful or inappropriate; and
- the introduction, storage, use or communication of any information or data that may have a destructive or destabilizing effect on the computer system e.g. viruses.

Personnel's messages (including voice mail) and computer information are considered the Corporation's property and Personnel should not have any expectation of privacy. Unless prohibited by law, the Corporation reserves the right to access and disclose this information as necessary for business purposes. Personnel should use good judgment, and should not access, send messages or store any information that they would not want to be seen or heard by other individuals.

Section 15 Political Activities and Contributions

The Corporation respects and supports the right of its Personnel to participate in political activities. However, these activities should not be conducted on company time or involve the use of any of the Corporation's resources such as computers or supplies. Personnel will not be reimbursed for personal political contributions.

The Corporation may occasionally express its views on local and national issues that affect its operations. In such cases, the Corporation's funds and resources may be used, but only when permitted by law and by the strict guidelines of the Corporation. The Corporation may also make limited contributions to political parties or candidates in jurisdictions where it is legal and customary to do so. The Corporation may pay related administrative and solicitation costs for political action committees formed in accordance with applicable laws and regulations. No Personnel may make or commit to political contributions on behalf of the Corporation.

Section 16 Gifts and Entertainment

This policy applies to anything given as a result of the Corporation's business affiliation, for which Personnel have not paid fair market cost.

Business gifts and entertainment are customary courtesies designed to build goodwill among business partners. These courtesies include such things as meals and beverages, tickets to sporting or cultural events, discounts not available to the general public, travel, accommodation and other merchandise or services. In some cultures they play an important role in business relationships. However, a problem may arise when such courtesies compromise, or appear to compromise, the ability to make objective and fair business decisions. The same rules apply to Personnel offering gifts and entertainment to the Corporation's business associates.

Offering or receiving any gift, gratuity or entertainment that might be perceived to unfairly influence a business relationship should be avoided. The following guidelines apply at all times, and do not change during traditional gift-giving seasons.

The value of gifts should be reasonable with respect to frequency and amount. Gifts that are repetitive (no matter how small) may be perceived as an attempt to create an obligation to the giver and are therefore inappropriate. Likewise, business entertainment should be moderately scaled and intended only for legitimate business goals. Use good judgment. "Everyone else does it" is not sufficient justification.

In determining whether a specific gift or entertainment item lies within the bounds of acceptable business practice, Personnel are encouraged to discuss the issue with a supervisor or senior management and should consider the following guiding questions:

- Is it legal?
- Is it clearly business related?
- Is it moderate, reasonable, and in good taste?
- Would public disclosure embarrass the Corporation?
- Is there any pressure to reciprocate or grant special favors?

Strict rules apply when doing business with governmental agencies and officials, whether in Canada or in other countries, as discussed in more detail below. Due to the sensitive nature of these relationships, Personnel should consult with senior management and where appropriate, their own legal counsel before offering or making any gifts or hospitality to governmental employees.

Section 17 Payments to Government Officials

Personnel must comply with all laws prohibiting improper payments to domestic and foreign officials. In addition, the Corporation prohibits any offer, payment, promise of payment or authorization of the payment, directly or indirectly, of any money or gift to any public or private official, political party, government or any other person to influence any act or decision of such person or party to obtain or retain business.

Although so-called “grease” payments may not be illegal, the Corporation’s policy is to avoid such payments. If any Personnel finds that adherence to the Corporation’s policy would cause a substantial adverse effect on operations, that fact should be reported to an officer of the Corporation for consultation with the Corporation’s legal counsel, to determine whether an exception may lawfully be authorized. If the facilitating payment is made, such payment must be properly entered and identified on the books of the Corporation and all appropriate disclosures made.

Section 18 Reporting of any Illegal or Unethical behaviour

The Corporation has a strong commitment to conduct business in a lawful and ethical manner. Personnel are encouraged to talk to supervisors, managers or other appropriate personnel when in doubt about the best course of action in a particular situation and to report violations of laws, rules, regulations of this Code.

The Corporation prohibits retaliatory action against any employee who, in good faith, reports a possible violation. It is unacceptable to file a report knowing it to be false.

Section 19 Waivers of the Code of Business Conduct and Ethics

Any waiver of this Code for Personnel may be made only by an officer of the Corporation, and in the case of a director or an officer of the Corporation, by the Governance Committee of the Board of Directors and will be promptly disclosed as required by law or stock exchange regulation.

Section 20 Compliance Procedures

This Code cannot, and is not intended to, address all of the situations Personnel may encounter. There will be occasions where Personnel are confronted by circumstances not covered by policy or procedure and where a judgment must be made as to the appropriate course of action. In those circumstances common sense should be used, and Personnel are encouraged to contact a supervisor, senior manager or a member of human resources for guidance. If Personnel do not feel comfortable discussing the matter with a supervisor, senior manager or human resources member, they may contact any officer of the Corporation, or if it is felt that such a discussion with any of such individuals would impact on Personnel's reputation or working relationships, they may call any director which will preserve anonymity.

This Code of Business Conduct and Ethics was approved by the Board of Directors of the Corporation on November 14, 2003, and may be amended, subject to approval by the Board of Directors, at any time.

Dated for reference: March 11, 2008