



TAX ELECTION FILING PACKAGE

For former holders of common shares of Realm Energy International Corporation who received exchangeable shares of 0921644 B.C. Ltd. and associated ancillary rights under the

ARRANGEMENT OF NOVEMBER 10, 2011 INVOLVING

Realm Energy International Corporation

- and -

San Leon Energy plc

- and -

0921644 B.C. Ltd.

- and -

0921642 B.C. Unlimited Liability Company

November 10, 2011

TO: CERTAIN FORMER HOLDERS OF COMMON SHARES OF REALM ENERGY INTERNATIONAL CORPORATION

You are receiving this package (the "**Tax Election Package**") because you have completed the appropriate box on the Letter of Transmittal and Election Form you submitted in respect of the plan of arrangement (the "**Arrangement**") among Realm Energy International Corporation ("**Realm**"), San Leon Energy plc ("**San Leon**"), 0921644 B.C. Ltd. ("**Exchangeco**"), 0921642 B.C. Unlimited Liability Company ("**Calico**") and the shareholders of Realm (the "**Realm Shareholders**"). The Arrangement is described in the Information Circular and Proxy Statement of Realm dated October 5, 2011 (the "**Circular**") sent to Realm Shareholders in connection with the Arrangement. Capitalized terms not defined in this letter have the meanings assigned to them in the Circular.

This Tax Election Package is addressed to Exchanging Shareholders (as defined below) who held Realm Shares as capital property for purposes of the *Income Tax Act* (Canada) (the "**Tax Act**") and who validly exchanged such Realm Shares with Exchangeco for consideration that included Exchangeable Shares and associated Ancillary Rights pursuant to the Arrangement.

An "Exchanging Shareholder" is a former beneficial owner of Realm Shares who, on November 10, 2011 (the "Effective Date"):

- (a) **was a resident of Canada for purposes of the Tax Act (including a partnership all of the members of which are residents of Canada for the purposes of the Tax Act);**
- (b) **was not exempt from tax under Part I of the Tax Act; and**
- (c) **had validly elected in the Letter of Transmittal and Election Form to receive Exchangeable Shares and associated Ancillary Rights as full or partial consideration for the Realm Shares exchanged under the Arrangement.**

Subject to certain restrictions set out below, an Exchanging Shareholder is entitled to make a joint tax election (the "**Joint Tax Election**") with Exchangeco pursuant to subsection 85(1) or 85(2) of the Tax Act, as applicable, with respect to the transfer by such Exchanging Shareholder of its Realm Shares to Exchangeco for consideration that included Exchangeable Shares. Filing a Joint Tax Election may allow an Exchanging Shareholder to obtain a full or partial deferral of any capital gain otherwise arising on the exchange of its Realm Shares under the Arrangement. The procedure for making a Joint Tax Election is set out herein and in the Circular under the heading "*Tax Considerations to Realm Shareholders - Certain Canadian Federal Income Tax Considerations - Realm Shareholders Resident in Canada - Exchange of Realm Shares for Consideration Including Exchangeable Shares and Ancillary Rights - Rollover Transaction*" (the "**Joint Election Procedure**").

No Joint Tax Election will be made by Exchangeco with a former Realm Shareholder who is not an Exchanging Shareholder. For the remainder of this Tax Election Package it is assumed that you (i) are an Exchanging Shareholder and (ii) held your Realm Shares as capital property for purposes of the Tax Act.

The information provided in this Tax Election Package is of a general nature only. You should consult your own tax advisor with respect to the Joint Tax Election and the Joint Election Procedure, particularly if you did not hold your Realm Shares as capital property or are unsure whether you held your Realm Shares as capital property.

This Tax Election Package contains the following with respect to the Joint Tax Election:

- instructions for completing Form T2057, which are cross-referenced for illustrative purposes; and
- two copies of a partially completed Form T2057 that must be completed by an Exchanging Shareholder (other than a partnership) who wants to make the Joint Tax Election.

Extra copies of Form T2057 can be obtained from the Canada Revenue Agency website <http://www.cra-arc.gc.ca/formspubs/menu-eng.html>.

An Exchanging Shareholder that is a partnership wishing to make the Joint Tax Election is required to complete Form T2058 as described below.

PROCEDURE FOR MAKING A JOINT TAX ELECTION

The instructions provided herein are of a general nature only and are not intended to be (nor should they be construed to be) legal or tax advice to any particular Exchanging Shareholder concerning the Joint Tax Election or the Joint Election Procedure. Exchanging Shareholders are encouraged to consult their own tax advisors with respect to making a Joint Tax Election.

To make a Joint Tax Election, an Exchanging Shareholder must provide two signed copies of the applicable tax election forms to Exchangeco by February 8, 2012, duly completed and including: (i) the required information concerning the Exchanging Shareholder; (ii) the details of the Realm Shares exchanged in respect of which the Exchanging Shareholder is making a Joint Tax Election; and (iii) the applicable Elected Amount (as described below and in the Circular). The relevant federal tax election forms are Form T2057 for an Exchanging Shareholder that is not a partnership, and, in the event the Exchanging Shareholder is a partnership, Form T2058 (collectively, the "**Election Forms**").

It is an Exchanging Shareholder's responsibility to take the steps required to make a valid Joint Tax Election, which include ensuring that the Elected Amount (as described below and in the Circular) specified in the Joint Tax Election complies with the limitations prescribed in the Tax Act. An Elected Amount which does not comply with such limitations will automatically be adjusted under the Tax Act so that it is in compliance.

Exchangeco will assume that any representative that signs an Election Form on behalf of a corporation, trust or estate has been duly authorized to do so and will not take any action to verify the validity of any such authorization. Exchanging Shareholders that are corporations, trusts or estates should consult their own legal advisors in determining whether such authorization has been properly given.

Where a Canadian province or territory requires the filing of a separate provincial or territorial tax election form in order to make a provincial or territorial election having similar effect to the Joint Tax Election, Exchangeco will also make any such similar provincial or territorial joint election with an Exchanging Shareholder under the same terms and conditions applicable to the Joint Tax Election.

Exchanging Shareholders are entirely responsible for determining whether any such separate provincial or territorial election is applicable in their circumstances and (if so) obtaining, completing and forwarding the relevant forms to Exchangeco (at the address listed at the end of this Tax Election Package) for execution by Exchangeco on or before February 8, 2012.

Exchangeco will execute any properly completed Election Forms (including any applicable provincial or territorial forms) submitted to it by an Exchanging Shareholder in the time and manner specified herein and return an executed original (or originals) to the Exchanging Shareholder for filing with the Canada Revenue Agency (the "CRA") (and any provincial or territorial tax authorities). In its sole discretion, Exchangeco may choose to sign and return an Election Form received by it after February 8, 2012, but Exchangeco will have no obligation to do so.

In order for the CRA (and where applicable, any provincial and territorial tax authorities) to accept a Joint Tax Election without a late filing penalty being paid by an Exchanging Shareholder, the applicable election form(s) must be received by the CRA (and any applicable provincial or territorial tax authorities) at the appropriate Tax Centre (listed on the CRA's website) on or before the day that is the earliest of the days on or before which either Exchangeco or the Exchanging Shareholder is required to file an income tax return for the taxation year that includes the Effective Date.

As part of the Arrangement, an amalgamation was effected between Exchangeco and Realm, causing Exchangeco's taxation year to end immediately prior to the Effective Date, with an income tax return required to be filed in respect of that taxation year on or before May 9, 2012. **In these circumstances, the Joint Tax Election generally must, in the case of an Exchanging Shareholder who is an individual (other than a trust), be received by the CRA (and any applicable provincial or territorial tax authorities) by April 30, 2012 (being the deadline when such individuals are required to file tax returns for the 2011 taxation year).**

Exchanging Shareholders are urged to consult their own advisors as soon as possible respecting the deadlines applicable to their own particular circumstances. **However, regardless of such deadlines, Election Forms necessary for an Exchanging Shareholder to make a Joint Tax Election must be received by Exchangeco in accordance with the procedures set out in this letter on or before February 8, 2012.**

With the exception of Exchangeco's obligation to sign and return duly completed Election Forms (and any applicable provincial or territorial election forms) received by it on or before February 8, 2012, none of Realm, San Leon or Exchangeco or their respective advisors or agents will be responsible for the proper completion of any Election Forms and will not be responsible or liable for any taxes, interest, penalties damages or expenses resulting from the failure by an Exchanging Shareholder to properly complete or file an Election Form (or any provincial or territorial election forms) in the form and manner and within the time prescribed by the Tax Act. Accordingly, Exchanging Shareholders should consult with their own tax advisors for specific advice with respect to making the Joint Tax Election (including as to the advisability to the Exchanging Shareholder of recognizing a gain on the disposition of its Realm Shares) and complying with the Joint Election Procedure, having regard to their own particular circumstances.

Please review the enclosed forms very carefully and consult your tax advisor as to their proper completion, delivery and filing. You are advised to review Information Circular 76-19R3 and Interpretation Bulletin IT-291R3 issued by the CRA for information in respect of the Joint Tax Election.

INSTRUCTIONS FOR COMPLETING PRESCRIBED FORMS FOR THE JOINT TAX ELECTION

1. Where Realm Shares were Co-owned

Where Realm Shares were held in co-ownership and two or more co-owners wish to make the Joint Tax Election, one of the co-owners designated for such purpose (the "**Designated Co-Owner**") should return to Exchangeco (at the address listed at the end of this Tax Election Package):

- (a) a written designation signed by each co-owner, authorizing the Designated Co-Owner to execute and file the election on behalf of that co-owner;
- (b) two copies of Form T2057 (and the relevant election form(s) for any applicable provincial or territorial election similar to the Joint Tax Election) for each co-owner signed by the Designated Co-Owner; and
- (c) a list containing the names, addresses and social insurance numbers or tax account numbers of each electing co-owner.

2. Where the Realm Shares are held by a Partnership

Where the Realm Shares were held as partnership property and all members of the partnership wish to make the Joint Tax Election, a partner designated by the partnership (the "**Designated Partner**") must return to Exchangeco (at the address listed at the end of this Tax Election Package):

- (a) a written designation signed by each partner, authorizing the Designated Partner to execute and file the election (partnerships may have their own form of authorization);
- (b) two copies of Form T2058 (and the relevant election form(s) for any applicable provincial or territorial election similar to the Joint Tax Election) executed by the Designated Partner on behalf of all members of the partnership; and
- (c) a list containing the name, address, and social insurance number or tax account number of each partner.

The Form T2058 can be obtained on the CRA's website at <http://www.cra-arc.gc.ca/formspubs/menu-eng.html>. Exchanging Shareholders completing Form T2058 may generally refer to the instructions detailed below regarding Form T2057. However, there may be some differences in the information that is required and the order of presentation of such information.

3. Completion of Form T2057 (For Exchanging Shareholders that are not partnerships)

This package includes two copies of a partially completed Form T2057 (the "**Prepared Forms**") to be completed and executed by the Exchanging Shareholder and returned to Exchangeco (at the address listed at the end of this Tax Election Package). **The Prepared Forms are only partially completed by Exchangeco and Exchanging Shareholders are required to fill in certain important information on these forms.** As described above, any Election Forms duly completed by an Exchanging Shareholder will be executed by Exchangeco and returned to the Exchanging Shareholder for filing with the CRA.

The instructions set forth below have been cross-referenced to the specific pages of the Prepared Forms. Exchanging Shareholders are encouraged to refer to the instructions below when completing the Prepared Forms. Note that the instructions set out below DO NOT apply to an Exchanging Shareholder that is a partnership.

T2057 - Page 1

Insert your name, complete address, postal code, social insurance number or business number and relevant taxation year in the applicable fields on page 1. (For most individuals, the taxation year will be January 1, 2011 - December 31, 2011). Indicate the Tax Services Office which normally serves you. This is determined by the geographical area in which you reside or have your place of business. The location of all Tax Service Offices in Canada can be found on the CRA's website.

Name of taxpayer (transferor) (print)					Social insurance number or Business Number		
Address					Postal code		
Tax year of taxpayer for the period from	Year	Month	Day	to	Year	Month	Day
							Tax services office

Complete the information in the following box if you held your Realm Shares in co-ownership, otherwise enter "N/A".

Name of co-owner(s), if any (if more than one, attach schedule giving similar details) (print)		Social insurance number
Address		Tax services office
		Postal code

Exchangeco has partially completed the next section as follows:

Name of corporation (transferee) (print)					Business Number		
San Leon Canada Limited, successor by amalgamation to 0921644 B.C. Ltd.					85178 6103		
Address					Postal code		
Suite 1700, Park Place, 666 Burrard Street Vancouver, British Columbia					V6C 2X8		
Tax year of taxpayer for the period from	Year	Month	Day	to	Year	Month	Day
	2011	09	30		2011	11	09
					Tax services office		
					Vancouver, British Columbia		
Name of person to contact for additional information					Area code		Telephone number
Mr. David Weekes					403		266-9060

The section titled "Penalty for Late-Filed and Amended Elections" will only apply if you file your election form late.

T2057 - Page 2

San Leon has completed the answers to the first five questions of this section as follows:

1 - Is there a written agreement relating to the transfer?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
2 - Does a price adjustment clause apply to any of the properties? (See the Interpretation Bulletin IT-169 for details)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
3 - Do any persons other than the taxpayer own or control directly or indirectly any shares of any class of the transferee?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
4 - Does a non-arm's length rollover exist between 2 or more corporations?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
a) Have all or substantially all (90% or more) of all the properties of the corporations been transferred to the corporation?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
5 - Is the taxpayer a non-resident of Canada?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Question 6 has been marked "Yes" on the assumption that you held your Realm Shares as capital property. If you did not hold your Realm Shares as capital property, or if you have any doubt as to whether or not you held your Realm Shares as capital property, you should NOT complete the Prepared Form as so marked and should consult with your own tax advisor.

6. Are any of the properties transferred capital properties?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
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We are not aware of any facts that would suggest that the responses to questions 6(a), 6(c), 7 and 8 on page 2 of the Election Form should be "Yes". As such, the responses to those questions have been marked "No".

Question 6(b) has been left blank for you to fill in. If any of your Realm Shares were acquired in a non-arm's length transaction, insert an "x" in the "Yes" box. If all of your Realm Shares were acquired in arm's length transactions, insert an "x" in the "No" box. You are urged to consult your own tax advisor if you have any questions as to whether or not the transaction(s) pursuant to which you acquired your Realm Shares are considered to be at arm's length.

a) have they been owned continuously since Valuation-Day (V-Day - Dec 31,1971)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b) have they been acquired after V-Day in a transaction considered not to be at arm's length?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
c) since V-Day, has the taxpayer or any person from whom shares were acquired in a non-arm's length transaction received any subsection 83(1) dividends with respect to the shares transferred?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
7. Is the agreed amount of any of the transferred properties based on an estimate of fair market value on V-Day?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
a) If yes, does a formal documented V-Day value report exist?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
8. Has an election under subsection 26(7) of the Income Tax Act Application Rules (Form T2076) been filed by or on behalf of the taxpayer?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

As Realm was not a private corporation at the Effective Time, Exchangeco has completed the following section.

Name of corporation (transferee) (print)	Business Number	Paid-up capital of shares transferred
N/A	N/A	N/A

Insert in field referenced [1] below the total number of Exchangeable Shares that you received in exchange for your Realm Shares.

There were no fractional shares issued under the Arrangement. Pursuant to the terms of the Arrangement, all fractional Exchangeable Shares were rounded down to the next whole number and no Exchanging Shareholder was entitled to any compensation in respect of such fractional Exchangeable Shares.

Number of shares transferor received	Class of shares	Redemption value per share	Paid-up capital	Voting or non-voting	Are shares retractable?
[1]	Exchangeable Shares	Value of one ordinary share of San Leon Energy plc	As determined under s. 85(2.1)	Non-Voting	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Instructions continued on next page

T2057 - Page 3

The section at the top of Page 3 has been completed by Exchangeco with the Effective Date.

Date of sale or transfer of all properties listed below:	Year	Month	Day	Note: For properties sold or transferred on different dates, use separate T2057's.
	2011	11	10	

Complete the information in each column of the following section (within the area designated by the sidebar title "Capital Property Excluding Depreciable Property") according to the instructions referenced below:

Property Disposed of			Agreed Amount (cannot be zero)	Amount to be reported (if greater than 0 see Note 4)	Consideration Received				
Description	Elected Amount Limits				B	B - A	Non-share	Share	Fair Market Value of Total Consideration
	Fair Market Value	A					Description	Number and Class	
	\$ [3]	\$ [4]	\$ [5]	\$ [6]	[7a]		\$ [9]		
[2] Common shares of Realm Energy International Corporation					[7b]	[8] Exchangeable Shares			
					Ancillary Rights connected to Exchangeable Shares				

[2] Enter the number of Realm Shares you exchanged pursuant to the Arrangement in return for consideration that included Exchangeable Shares. This should be all of your Realm Shares.

[3] Enter the total fair market value as of the Effective Date of the Realm Shares exchanged. This amount should be equal to the amount that is inserted in field **[9]**, which is the aggregate value of the Exchangeable Shares and the Ancillary Rights, plus the aggregate value of any San Leon Shares and Cash Consideration (if any) received pursuant to the Arrangement. Please note that the amount determined pursuant to the above formula is not binding on the CRA.

[4] Enter the total adjusted cost base for tax purposes of the Realm Shares which you exchanged for consideration that included Exchangeable Shares pursuant to the Arrangement. You are urged to consult your own tax advisor with respect to the determination of the total adjusted cost base of your Realm Shares.

[5] Insert the Elected Amount, which, subject to certain limitations contained in the Tax Act, described below, will be treated as the proceeds of disposition of your Realm Shares. The Elected Amount may not:

- (a) be less than the sum of (i) any Cash Consideration received and (ii) the fair market value on the Effective Date of any San Leon Shares and/or Ancillary Rights acquired on the exchange;
- (b) be less than the lesser of (i) the adjusted cost base to the Exchanging Shareholder of the Exchanging Shareholder's Realm Shares exchanged, determined immediately before the Effective Time, and (ii) the fair market value of the Realm Shares at that time; or
- (c) exceed the fair market value of the Realm Shares at the Effective Time.

If the Elected Amount is greater or less than the permissible maximum or minimum amount under the Tax Act, the Elected Amount is deemed under the Tax Act to be such permissible maximum or minimum.

[6] Insert the difference which results from subtracting the amount in the field referenced **[4]** from the amount in the field referenced **[5]**, and fill in the result in this box. This difference is the capital gain (if any) you must generally report on your income tax return for your taxation year that includes the Effective Date.

[7] Insert a description of any consideration that you have received for your Realm Shares other than Exchangeable Shares:

[7a] Insert the number of San Leon Shares you have received (if any) in this field (include the words "Ordinary shares of San Leon Energy plc"); and

[7b] Insert the amount of Cash Consideration received (if any) in this field.

[8] Insert in this field the number of Exchangeable Shares that you received in exchange for the Realm Shares. This is the same number you inserted in field **[1]** on page 2 of the T2057 Form.

[9] Insert in this field the aggregate fair market value of each of the following received in exchange for your Realm Shares pursuant to the Arrangement:

- (a) the Exchangeable Shares;
- (b) the Ancillary Rights (include \$1.00 as the fair market value of the Ancillary Rights);
- (b) any San Leon Shares received; and
- (c) any Cash Consideration received.

The respective fair market values of the Exchangeable Shares, Ancillary Rights, and San Leon Shares must be determined on a reasonable basis.

Realm is of the view that the Ancillary Rights have a nominal fair market value of \$1.00. However, this determination is not binding on the CRA. San Leon has not made any attempt to

value the Ancillary Rights and assumes no responsibility or liability should the CRA (or another taxation authority) successfully determine that the Ancillary Rights have a value in excess of this nominal value.

An Exchanging Shareholder may rely on the trading price of San Leon Shares on the date the Arrangement became effective, converted to Canadian dollars using the noon exchange rate published on that day by the Bank of Canada for GBP to CAD, to determine the fair market value of the Exchangeable Shares and the San Leon Shares, if any, received on the exchange of Realm Shares.

Election and Certification:

The last box on page 3 should be completed as indicated:

Election and Certification		
The taxpayer and corporation hereby jointly elect under subsection 85(1) in respect of the property specified, and certify that the information given in this election, and in any documents attached, is to the best of their knowledge, correct and complete.		
_____ [10]	and	_____ [11]
Signature of Transferor of Authorized Officer or Authorized Person	Signature of Authorized Officer of Transferee	_____ [12] Date
* Attain a copy of an authorizing agreement		

- [10]** You (or your authorized representative if you are not an individual) should sign on this line.
- [11]** **Leave this line blank.** Provided that you send the properly completed and executed election forms to Exchangeco (at the address listed below) within the time limits described above, an authorized officer of Exchangeco will sign on this line.
- [12]** **Leave this line blank.** The appropriate date will be inserted by the authorized officer of Exchangeco at the time Exchangeco executes your election forms.

ADDRESS FOR DELIVERY

Please properly complete, sign and send two (2) originals of the Tax Election Form and any other required documents so that they are received by Exchangeco no later than February 8, 2012:

<p>San Leon Canada Limited</p> <p>c/o Stikeman Elliott LLP 4300 Bankers Hall West 888 - 3rd Street S.W. Calgary T2P 5C5</p> <p>ATTENTION: Mr. David Weekes</p>
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