SIGNIFICANT DIFFERENCES IN BELLATRIX'S CORPORATE GOVERNANCE PRACTICES COMPARED TO NYSE CORPORATE GOVERNANCE STANDARDS

As a Canadian corporation listed on the New York Stock Exchange ("**NYSE**"), Bellatrix is not required to comply with most of the NYSE corporate governance standards, so long as it complies with Canadian and Toronto Stock Exchange ("**TSX**") corporate governance requirements. In order to claim such an exemption, however, Bellatrix must disclose the significant difference between its corporate governance practices and those required to be followed by U.S. domestic companies under the NYSE corporate governance standards.

Bellatrix's corporate governance practices meet or exceed all applicable Canadian requirements. They also incorporate some best practices derived from the NYSE rules, and comply with applicable United States securities laws and rules adopted by the United States Securities and Exchange Commission (the "**SEC**"). Further information about Bellatrix's corporate governance practices is included in Bellatrix's Information Circulars prepared in respect of its annual meetings of shareholders.

The following is a summary of the significant ways in which Bellatrix's corporate governance practices differ from those required to be followed by U.S. domestic issuers under NYSE's corporate governance standards. Except as described in this summary, Bellatrix is in compliance with the NYSE corporate governance standards in all significant respects.

Internal Audit Function.

Section 303A.07(d) of the NYSE's Listed Company Manual requires a listed company to have an internal audit. Bellatrix does not currently have such a function.

Approval of Equity Compensation Plans

Section 303A.08 of the NYSE's Listed Company Manual requires shareholder approval of all equity compensation plans and material revisions to such plans. The definition of "equity compensation plans" covers plans that provide for the delivery of both newly issued and treasury securities, as well as plans that rely on securities re-acquired in the open market by the issuing company for the purpose of redistribution to employees and directors. The TSX rules provide that only the creation of or certain material amendments to equity compensation plans that provide for new issuances of securities are subject to shareholder approval. Bellatrix follows the TSX rules with respect to the requirements for shareholder approval of equity compensation plans and material revisions to such plans.

Proxy Solicitation Requirements

The rules of the NYSE require the solicitation of proxies and delivery of proxy statements for all shareholder meetings of a listed company, and that proxies be solicited pursuant to a proxy statement that conforms to the proxy rules of the SEC. As a "foreign private issuer" as defined under the United States Securities Exchange Act of 1934, as amended, Bellatrix is exempt from the proxy rules adopted by the SEC, and instead Bellatrix solicits proxies in accordance with the Alberta Business Corporations Act, applicable Canadian securities laws, and the rules and policies of the TSX.