To Our U.S. Shareholders

Edgewater Exploration Ltd. ("the Company")
1820 – 999 West Hastings Street
Vancouver, BC V6C 2W2

For the year ended December 31, 2013

PFIC ANNUAL INFORMATION STATEMENT FOR SHAREHOLDERS

This statement is provided for shareholders who are United States persons. It is not relevant to other persons. In order to assist you in preparation of Form 8621, we provide the following information:

PFIC Name	PFIC Address	EIN#	Taxable Year
Edgewater Exploration Ltd.	1820 – 999 West Hastings Street Vancouver, BC V6C 2W2	N/A	01/01/2013 12/31/2013

(1) This information statement applies only to the Company and corresponding taxable year listed above.

(2) Your pro-rata share of the ordinary earnings and net capital gain of the Company for the taxable year specified in paragraph (1):

Ordinary earnings: None Per Share

Net capital gains: None Per Share

(3) Amount of cash and fair market value of other property distributed or deemed distributed with respect to each ordinary share of the Company you held on the following distribution date(s) during the taxable year specified in paragraph (1) is as follows:

Distribution Date: N/A

Cash: None

Fair Market Value of Property: None

(4) The Company will permit the shareholders to inspect and copy its permanent books of account, records, and such other documents as may be maintained by the Company that are necessary to establish that its ordinary earnings and net capital gain are computed in accordance with US income tax principles and to verify these amounts and the shareholder's pro-rata share.

Edgewater Exploration Ltd.

By: */s/ Edward Farrauto*
Title: Chief Financial Officer
Date: February 7, 2014

THIS INFORMATION IS PROVIDED IN ORDER TO ASSIST THOSE SHAREHOLDERS WHO HAVE MADE A QEF ELECTION WITH RESPECT TO EDGEWATER EXPLORATION LTD. IN MAKING CERTAIN PFIC CALCULATIONS AND DOES NOT CONSTITUTE TAX ADVICE. THOSE SHAREHOLDERS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS CONCERNING THE OVERALL TAX CONSEQUENCES OF THE OWNERSHIP OF SHARES ARISING IN THEIR OWN PARTICULAR SITUATIONS UNDER UNITED STATES FEDERAL, STATE, LOCAL AND FOREIGN LAW.