

PARAMOUNT RESOURCES LTD.

- and -

AKITA DRILLING LTD.

SECURITIES PURCHASE AGREEMENT

APRIL 26, 2026

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SECURITIES PURCHASE AGREEMENT

This Securities Purchase Agreement dated April 26, 2026 is made

B E T W E E N

PARAMOUNT RESOURCES LTD. (the "**Vendor**")

- and -

AKITA DRILLING LTD. (the "**Purchaser**")

RECITALS

- A. The Vendor is the sole limited partner of Fox Drilling Limited Partnership (the "**Limited Partnership**") and Fox Drilling Inc. (the "**General Partner**") is the sole general partner of the Limited Partnership.
- B. The Vendor and the General Partner collectively own the Partnership Interests, being all of the outstanding partnership interests in the Limited Partnership.
- C. The Vendor is the registered and beneficial owner of the GP Shares, being all of the issued and outstanding common shares in the capital of the General Partner.
- D. The Purchaser is willing to purchase, and the Vendor is willing to sell, the Partnership Interests owned by the Vendor and the GP Shares (collectively, the "**Acquired Securities**") on and subject to the terms and conditions contained in this Agreement.
- E. Concurrent with the execution of this Agreement, the Purchaser Support Shareholders have delivered to the Vendor the Purchaser Support Agreements in respect of 1,426,990 Purchaser Class B Shares and 6,634,272 Purchaser Class A Shares.

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged by each Party, the Parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions. In this Agreement:

"**ABCA**" means the ***Business Corporations Act***, R.S.A. 2000, C. B-9.

"**Acquired Entities**" means, collectively, the Limited Partnership and the General Partner.

"**Acquired Entities Financial Statements**" means the annual unaudited combined financial statements of the Acquired Entities and accompanying notice to reader for the fiscal years ended December 31, 2024 and 2025, true and complete copies of which were delivered to the Purchaser.

"Acquired Entity Information" means the information concerning the Acquired Entities necessary to permit the Purchaser Circular to comply with Applicable Canadian Securities Laws.

"Acquired Securities" has the meaning set forth in the recitals hereto.

"Adjustment Date" means the third Business Day after the Purchase Price is finally determined in accordance with Section 2.5 or 2.6, as the case may be.

"Affiliate" means, with respect to any Person, any other Person who directly or indirectly controls, is controlled by, or is under direct or indirect common control with, such Person, and includes any Person in like relation to an Affiliate. A Person shall be deemed to **"control"** another Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise and the term **"controlled"** shall have a similar meaning.

"Aggregate Claim Threshold" has the meaning set out in Section 6.6(1)(b).

"Agreement" means this Securities Purchase Agreement and all the Exhibits and Appendices attached hereto.

"Alternative Transaction" means any alternative transaction involving an issuance or sale of any securities of an Acquired Entity, an arrangement, amalgamation or merger involving any Acquired Entity or a purchase or sale by an Acquired Entity of any material assets.

"Applicable Canadian Securities Laws" means, with respect to a Person or Persons or its or their business, activities, property, assets or undertaking, the securities legislation of each of the provinces and territories of Canada, and the rules, regulations, instruments, notices, blanket orders and policies published and/or promulgated thereunder, as such may be amended from time to time, that apply to such Person or Persons or their business, activities, property, assets, undertaking, or securities and emanate from a Person having jurisdiction over the Person or the Persons or its or their business, undertaking, property or securities, including the rules of the TSX.

"Applicable Law" means, with respect to any Person, property, transaction, event or other matter, (a) any foreign or domestic constitution, treaty, law, statute, regulation, code, ordinance, principle of common law or equity, rule, municipal by-law, Order or other requirement having the force of law, (b) any policy, practice, protocol, standard or guideline of any Governmental Authority which, although not necessarily having the force of law, is regarded by such Governmental Authority as requiring compliance as if it had the force of law (collectively in the foregoing clauses (a) and (b), **"Law"**), in each case relating or applicable to such Person, property, transaction, event or other matter and also includes, where appropriate, any interpretation of Law (or any part thereof) by any Person having jurisdiction over it, or charged with its administration or interpretation.

"Bonding Products Indemnity" means the indemnification given by the Acquired Entities under the Vendor's bonding products and other insurance declaration and indemnity dated July 3, 2019.

"Books and Records" means the Financial Records and all other books, records, files and papers of the Acquired Entities or the Purchaser, as the case may be, including drawings, engineering information, manuals and data, sales and advertising materials, sales and purchase correspondence, trade association files, research and development records, lists of

present and former customers and suppliers, marketing lists and marketing consent records, personnel, employment and other records, and the minute books and registers of the Acquired Entities or the Purchaser, as the case may be, and all records, data and information stored electronically, digitally or on computer-related media.

"Business" means the business carried on by the Acquired Entities which involves providing contract drilling services in the Canadian oil and gas industry.

"Business Day" means any day except Saturday, Sunday or any day on which banks are generally not open for business in the City of Calgary.

"Canadian Dollars" means the lawful currency of Canada.

"Cash" means, as of any time, the aggregate amount (which may be negative) of cash, cash equivalents and marketable securities (to the extent such cash equivalents and marketable securities are convertible to cash in 30 days) of the Acquired Entities as of such time; provided that Cash will be (a) increased by deposits in transit as of such time, (b) decreased by any outstanding cheques, wires or drafts that have been issued but not yet cleared as of such time, and (c) decreased by any cash restricted in use in the Ordinary Course of Business by Contract, Law or otherwise (including all cash posted to support letters of credit, performance bonds, security deposits or other obligations, but excluding cash posted to support credit cards).

"Certificate of Limited Partnership" means the certificate of limited partnership of the Limited Partnership.

"Claim Notice" has the meaning set out in Section 6.4.

"Claims" has the meaning set out in Section 9.4(1).

"Closing" means the completion of the purchase and sale of the Acquired Securities in accordance with the provisions of this Agreement.

"Closing Balance Sheet" means the combined balance sheet of the Acquired Entities as of the Measurement Time, prepared in accordance with those principles used in the preparation of the Acquired Entities Financial Statements, as finally determined.

"Closing Cash" means Cash reflected in the Closing Balance Sheet.

"Closing Date" means the date that is three Business Days following the date on which all of the conditions set forth in Article 5 have been satisfied or waived, or such earlier or later date prior to the Outside Date as may be agreed to in writing by the Parties.

"Closing Indebtedness" means the total of the Acquired Entities' Indebtedness, excluding items referred to in subsections (e) to (h) and, to the extent related to such items, (j) of the definition of Indebtedness, reflected in the Closing Balance Sheet.

"Closing Share Consideration" means 19,264,270 common shares in the capital of the Purchaser after the Purchaser Amendment.

"Closing Statements" has the meaning set out in Section 2.5(1).

"Closing Time" means the time of Closing on the Closing Date provided for in Section 4.1.

"Closing Working Capital" means the amount, which may be positive or negative, determined without duplication equal to: (i) the Acquired Entities' current assets, excluding Closing Cash and any deferred tax assets *minus* (ii) the Acquired Entities' current liabilities, excluding any Closing Indebtedness, capital lease obligations, Transaction Expenses and deferred tax liabilities, all as reflected in the Closing Balance Sheet.

"Consent" means any consent, approval, permit, waiver, ruling, exemption or acknowledgement from any Person (other than the Acquired Entities) which is provided for or required: (a) in respect of or pursuant to the terms of any Material Contract; or (b) under any Applicable Law, in either case in connection with the sale of the Acquired Securities to the Purchaser on the terms contemplated in this Agreement, to permit the Acquired Entities to carry on the Business after Closing or which is otherwise necessary to permit the Parties to perform their obligations under this Agreement, but does not include a Regulatory Approval.

"Consequential Damages" means any:

- (a) consequential, incidental, special, exemplary, or indirect losses, damages or costs; or
- (b) deferred profits or revenues, loss of business opportunity, lost profits, losses based on loss of use or other business interruption losses and damages;

in each case whether based on contract, tort, strict liability or otherwise and whether or not arising from a Party's sole, joint or concurrent negligence, strict liability or other fault, but excluding liability incurred by a Party to a Third Party with respect to any of the foregoing.

"Contracts" means all contracts, agreements, leases, understandings and arrangements (whether oral or written) to which an Acquired Entity is a party or by which an Acquired Entity or any of their respective properties or assets or the Business is bound or under which an Acquired Entity has rights or obligations, including Premises Leases, Personal Property Leases and Permitted Liens.

"Damages" means, without duplication, any loss, cost, liability, claim, interest, fine, penalty, assessment, damages available at law or in equity, expense (including consultant's and expert's fees and expenses and reasonable costs, fees and expenses of legal counsel on a full indemnity basis, without reduction for tariff rates or similar reductions and reasonable costs, fees and expenses of investigation, defence or settlement) or diminution in value, excluding in all cases Consequential Damages and calculated after any refunds, credits, reimbursements, insurance or similar amounts received or receivable.

"De Minimis Threshold" has the meaning set out in Section 6.6(1)(a).

"Direct Claim" has the meaning set out in Section 6.4.

"Dissent Rights" means the right of a registered Purchaser Shareholder to dissent to the Purchaser Amendment Resolution pursuant to Section 191 of the ABCA.

"Distribution" has the meaning set out in Section 2.9(1).

"Employee Plans" has the meaning set out in Section 3.2(25)(a).

"Employees" means Salaried Employees and Hourly Employees.

"Environmental Law" means Applicable Law in respect of the protection of the natural environment or any species or organisms that make use of it, public or occupational health or safety, or the manufacture, importation, handling, transportation, storage, disposal and treatment of Hazardous Substances.

"Environmental Permit" means any Licence issued or required pursuant to any Environmental Law.

"Estimated Adjustment Amount" means an amount, which may be positive or negative, determined without duplication using estimates and in accordance with Section 2.3, equal to the following:

- (a) the amount (if any) of the Closing Cash;
- (b) **plus** the Closing Working Capital, if positive, or **minus** the Closing Working Capital, if negative;
- (c) **minus** the amount (if any) of the Closing Indebtedness;
- (d) **minus** the amount (if any) of the Transaction Expenses.

"Estimated Closing Statements" has the meaning set out in Section 2.3.

"Estimated Purchase Price" means an amount equal to (a) the Closing Share Consideration, **plus** (b) if the Estimated Adjustment Amount is positive, the Estimated Adjustment Amount, or **minus** (c) if the Estimated Adjustment Amount is negative, the absolute value of the Estimated Adjustment Amount.

"Facility Guarantees and Security" means the guarantees, indemnities and security provided by the Acquired Entities with respect to the Vendor's \$500 million syndicated credit facility dated as of December 15, 2025 and \$250 million bilateral term loan agreement with Export Development Canada dated as of December 15, 2025.

"Final Adjustment Amount" means an amount, which may be positive or negative, determined without duplication and in accordance with Section 2.5, equal to the following:

- (a) the amount (if any) of the Closing Cash;
- (b) **plus** the Closing Working Capital, if positive, or **minus** the Closing Working Capital, if negative;
- (c) **minus** the amount (if any) of the Closing Indebtedness;
- (d) **minus** the amount (if any) of the Transaction Expenses.

"Final Determination" means a determination made by a Governmental Authority (including pursuant to a settlement) where all rights to object to or appeal from the determination (including any right to obtain relief under a competent authority or similar process) have been exhausted or have expired.

"Financial Records" means all books of account and other financial data and information of each Acquired Entity or the Purchaser, as the case may be, and includes all such records, data and information stored electronically, digitally or on computer-related media.

"GAAP" or "**generally accepted accounting principles**" have the meaning set out in Section 1.2.

"**General Partner**" has the meaning set forth in the recitals hereto.

"**Governmental Authority**" means:

- (a) any domestic or foreign government, whether national, federal, provincial, state, territorial, municipal or local (whether administrative, legislative, executive or otherwise);
- (b) any agency, authority, ministry, department, regulatory body, court, central bank, bureau, board or other instrumentality having legislative, judicial, taxing, regulatory, prosecutorial or administrative powers or functions of, or pertaining to, government;
- (c) any court, tribunal, commission, individual, arbitrator, arbitration panel or other body having adjudicative, regulatory, judicial, quasi-judicial, administrative or similar functions; and
- (d) any other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing, including any stock or other securities exchange or professional association.

"**GP Shares**" means all of the issued and outstanding common shares in the capital of the General Partner.

"**GST/HST**" means all goods and services tax and harmonized sales tax imposed under Part IX of the **Excise Tax Act** (Canada).

"**Hazardous Substance**" means any solid, liquid, gas, odour, heat, sound, vibration, radiation or combination of them that may impair the natural environment, injure or damage property or plant or animal life or harm or impair the health of any individual and includes any contaminant, waste, or substance or material defined, prohibited, regulated or reportable pursuant to any Environmental Law.

"**Hourly Employees**" means those individuals who are employed by an Acquired Entity, whether on a full-time or part-time basis, and paid by the hour.

"**Improvements**" means all buildings, fixtures, sidings, parking lots, roadways, structures, erections, fixed machinery, fixed equipment and appurtenances situate on, in, under, over or forming part of, any real property.

"**Indebtedness**" of any Person means, without duplication:

- (a) all obligations of such Person for borrowed money;
- (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments;
- (c) all obligations of such Person under conditional sale or other title retention agreements relating to property acquired by such Person;

- (d) all obligations of such Person in respect of the deferred purchase price of property or services (excluding current accounts payable incurred in the ordinary course of business);
- (e) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the Indebtedness secured thereby has been assumed;
- (f) all guarantees by such Person of Indebtedness of others;
- (g) all capital lease obligations of such Person;
- (h) all obligations, contingent or otherwise, of such Person as an account party in respect of letters of credit and letters of guarantee (other than letters of credit and letters of guarantee issued in support of current accounts payable incurred in the ordinary course of business);
- (i) all obligations of such Person to purchase, redeem, retire, defease or otherwise acquire for value (other than for other equity securities) any equity securities of such Person, valued, in the case of redeemable equity securities, at the greater of voluntary or involuntary redemption price, plus accrued and unpaid dividends; and
- (j) any amendment, supplement, modification, deferral, renewal, extension, refunding or refinancing of any Indebtedness of the types referred to above.

"Indemnified Party" means a Person whom the Vendor or the Purchaser, as the case may be, is required to indemnify under Article 6.

"Indemnified Taxes" has the meaning set out in Section 6.2(c).

"Indemnifying Party" means, in relation to an Indemnified Party, the Party that is required to indemnify such Indemnified Party under Article 6.

"Independent Accountant" means a nationally recognized accounting firm that does not act for either Party and which is acceptable to both Parties, acting reasonably.

"Insurance Policies" has the meaning set out in Section 3.2(28)(a).

"Intellectual Property" means all intellectual property and related rights, throughout the world, whether or not registrable, patentable or otherwise formally protectable, and whether or not registered, patented, otherwise formally protected or the subject of a pending application for registration, patent or any other formal protection.

"Interim Period" means the period from the date of execution of this Agreement to the Closing Time.

"ITA" means the *Income Tax Act*, R.S.C. 1985, c. 1 (5th Supplement).

"Lands" means all real property that an Acquired Entity leases or in which it otherwise has an interest, including the Leased Premises, together with all easements, rights-of-way and interests appurtenant to them.

"Law" has the meaning set out in the definition of "Applicable Law".

"Leased Premises" means all real property that is leased, subleased, licensed or otherwise occupied or used by an Acquired Entity, including all Improvements thereon, therein or thereunder.

"Legal Proceeding" means any litigation, action, application, suit, investigation, hearing, claim, complaint, deemed complaint, grievance, civil, administrative, regulatory or criminal, arbitration proceeding or other similar proceeding, before or by any Governmental Authority, and includes any appeal or review thereof and any application for leave for appeal or review.

"Licence" means any licence, permit, authorization, approval or other evidence of authority issued or granted to, conferred upon, or otherwise created for, an Acquired Entity by any Governmental Authority.

"Lien" means any lien, mortgage, charge, hypothec, pledge, security interest, prior assignment, option, warrant, lease, sublease, right to possession, encumbrance, claim, right or restriction which affects, by way of a conflicting ownership interest or otherwise, the right, title or interest in or to any particular property.

"Limited Partnership" has the meaning set forth in the recitals hereto.

"Master Daywork Agreement" means a master daywork agreement between the Vendor and the Purchaser in the standard form of the Canadian Association of Energy Contractors, supplemented by the special provisions set forth in Exhibit C and including, in respect of each operating rig of the Acquired Entities, an Exhibit "A" thereto having the terms set forth in the example set forth in Exhibit C.

"Material Contract" means:

- (a) any written employment agreement with or for the benefit of any Employee or any consultant or independent contractor to an Acquired Entity under which an Acquired Entity has any current or future obligations;
- (b) any Contract with any labour union, collective bargaining group, works council or association representing any Employee;
- (c) any Contract that provides for change in control payments that would be triggered by the completion of the transactions contemplated hereby;
- (d) any Contract relating to capital expenditures by the Acquired Entities and involving future payments in excess of [Redacted: Monetary threshold] individually or [Redacted] in the aggregate;
- (e) any Contract for drilling services, excluding Contracts for drilling services between the Vendor and the Acquired Entities that will be terminated at or prior to Closing;
- (f) any master services agreement or other vendor, supplier or subcontractor Contract that involved payments per annum in either of the last two completed financial years in excess of [Redacted: Monetary threshold] or would be expected to involve payments per annum in excess of [Redacted] in the current financial year;
- (g) any Contract for the purchase of any materials, supplies, equipment, merchandise or services that obligates an Acquired Entity to purchase all or substantially all of

its requirements of a particular product or service from a supplier or to make periodic minimum purchases of a particular product or service from a supplier;

- (h) any Contract for the sale of any of the assets, properties or securities of an Acquired Entity (other than sales in the Ordinary Course of Business), or for the grant to any Person of any option, right of first refusal or preferential or similar right to purchase any such assets, properties or securities;
- (i) any Contract pursuant to which an Acquired Entity has agreed to, or assumed, any obligation or duty to warrant, indemnify, reimburse, hold harmless, guaranty or otherwise assume or incur any liability of any other Person other than in the Ordinary Course of Business and other than in connection with the Facility Guarantees and Security and the Bonding Products Indemnity;
- (j) any Contract which contains covenants of an Acquired Entity not to compete in any line of business, in any geographic area or with any Person or grants any exclusivity rights, rights of first refusal, rights of first negotiation or similar rights to any Person;
- (k) any Contract relating to the acquisition by an Acquired Entity of any business or material assets or any securities or other equity interests of any other Person;
- (l) any Contract relating to or evidencing outstanding Indebtedness of an Acquired Entity, other than in connection with the Facility Guarantees and Security and the Bonding Products Indemnity;
- (m) any Premises Lease;
- (n) any Personal Property Lease or any Contract for the rental or purchase of equipment expected to involve annual payments in excess of [Redacted: Monetary threshold] per annum;
- (o) any Contract that contains a change of control provision that would modify the rights of any party to such Contract upon completion of, or require Consent in connection with, the transactions contemplated hereby;
- (p) any Contract establishing a partnership or joint venture of any kind, other than the Partnership Agreement;
- (q) any Contract between an Acquired Entity, on the one hand, and an Affiliate (other than the other Acquired Entity), on the other hand, excluding the Services Agreement and any Contract related to the Facility Guarantees and Security and the Bonding Products Indemnity;
- (r) any Contract not made in the Ordinary Course of Business; and
- (s) any commitment to enter into any of the foregoing.

"Measurement Time" means 12:01 a.m. Calgary time on the Closing Date or such other time as may be agreed to in writing by the Purchaser and the Vendor.

"NI 51-102" means National Instrument 51-102 - Continuous Disclosure Obligations of the Canadian Securities Administrators.

"Order" means any order, directive, judgment, decree, injunction, decision, ruling, award or writ of any Governmental Authority.

"Ordinary Course of Business" when used in relation to the taking of any action by an Acquired Entity or the Purchaser, as the case may be, means that the action:

- (a) is consistent in nature, scope and magnitude with the past practices of the Acquired Entity or the Purchaser, as the case may be, and is taken in the ordinary course of normal day-to-day operations of the Acquired Entity or the Purchaser, as the case may be;
- (b) is similar in nature, scope and magnitude to actions customarily taken in the ordinary course of the normal day-to-day operations of other Persons that are in the same line of business as the Acquired Entity or the Purchaser, as the case may be; and
- (c) does not require the authorization of the equityholders of any Acquired Entity or the Purchaser, as the case may be, or any other separate or special authorization of any nature.

"Outside Date" means August 31, 2026 or such other date as may be agreed upon in writing by the Parties.

"Partnership Agreement" means the partnership agreement of the Limited Partnership.

"Partnership Interests" means all of the outstanding partnership interests in the Limited Partnership.

"Party" means a party to this Agreement and any reference to a Party includes its successors and permitted assigns and **"Parties"** means every Party.

"Permitted Liens" means:

- (a) Liens for Taxes and utilities that in each case are not yet due or are not in arrears;
- (b) construction, mechanics', carriers', workers', repairers', storers' or other similar Liens (inchoate or otherwise) if individually or in the aggregate: (i) they are not material; (ii) they arose or were incurred in the Ordinary Course of Business; and (iii) the debt secured by them is either not in arrears or will be satisfied prior to the Closing Time;
- (c) minor title defects or irregularities, minor unregistered easements or rights of way, and other minor unregistered restrictions affecting the use of real property if such title defects, irregularities or restrictions are complied with and do not, in the aggregate, materially adversely affect: (i) the operation of the Business or the business of the Purchaser, as the case may be, or the continued use of the real property to which they relate after the Closing on substantially the same basis as the Business or the business of the Purchaser, as the case may be, is currently being operated and such real property is currently being used; or (ii) the marketability of such real property;
- (d) easements, covenants, rights of way and other restrictions if registered provided that they are complied with and do not, in the aggregate, materially adversely

affect: (i) the operation of the Business or the business of the Purchaser, as the case may be, or the continued use of the real property to which they relate after the Closing on substantially the same basis as the Business or the business of the Purchaser, as the case may be, is currently being operated and such real property is currently being used; or (ii) the marketability of such real property;

- (e) registered agreements with municipalities or public utilities if they: (i) have been complied with or adequate security has been furnished to secure compliance; and (ii) do not, in the aggregate, materially adversely affect (A) the operation of the Business or the business of the Purchaser, as the case may be, or the continued use of the real property to which they relate after the Closing on substantially the same basis as the Business or the business of the Purchaser, as the case may be, is currently being operated and such real property is currently being used, or (B) the marketability of such real property;
- (f) security interests registered or held by the lessor of leased vehicles;
- (g) the Facility Guarantees and Security; and
- (h) any security held by any Third Party encumbering either of the Acquired Entities' interest in and to any of their assets in respect of which the Vendor delivers to the Purchaser at or prior to Closing, a release and discharge or no interest letter in a form and substance acceptable to the Purchaser, acting reasonably.

"Permitted Vendor's Liens" means any security held by any Third Party encumbering the Vendor's interest in and to the Acquired Securities in respect of which the Vendor delivers to the Purchaser at or prior to Closing, a release and discharge or no interest letter in a form and substance acceptable to the Purchaser, acting reasonably.

"Person" is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, a Governmental Authority, and the executors, administrators or other legal representatives of an individual in such capacity.

"Personal Information" means information about an identifiable individual and includes any information that constitutes personal information within the meaning of one or more Privacy Laws.

"Personal Property" means all machinery, equipment, furniture, motor vehicles and other chattels owned or leased by an Acquired Entity (including those in possession of suppliers, customers and other third parties).

"Personal Property Lease" means a chattel lease, equipment lease, conditional sales contract and other similar agreement to which an Acquired Entity is a party or under which it has rights to use Personal Property.

"Post-Closing Adjustment" means an amount, which may be positive or negative, equal to the Purchase Price *minus* the Estimated Purchase Price, and for the avoidance of doubt, the value of the Closing Share Consideration used for purposes of this calculation shall be the same amount for both the Purchase Price and Estimated Purchase Price.

"Pre-Closing Tax Period" means a taxation year or fiscal period of the Acquired Entities, as applicable, that begins before and ends on or before the Closing Time.

"Premises Lease" means a lease, an agreement to lease, a sublease, a licence agreement and an occupancy or other agreement under which an Acquired Entity has the right, or has granted another Person the right, to use or occupy any Leased Premises.

"Privacy Law" means the **Personal Information Protection Act** (Alberta) and any comparable applicable Law of any other province or territory of Canada.

"Purchase Price" has the meaning set out in Section 2.2.

"Purchaser" has the meaning set out in the recitals hereto.

"Purchaser Amendment" means the amendment to the articles of incorporation of the Purchaser in accordance with section 173(1) of the ABCA to be substantially in the form set forth in Exhibit A.

"Purchaser Amendment Resolution" means the special resolution of the Purchaser Shareholders to authorize and approve the Purchaser Amendment, which special resolution shall be voted on by the holders of the Purchaser Class A Shares and the Purchaser Class B Shares each as a separate class.

"Purchaser Class A Shares" means the Class A Non-Voting Shares of the Purchaser as constituted on the date hereof.

"Purchaser Class B Shares" means the Class B Common Shares of the Purchaser as constituted on the date hereof or as constituted on the Closing Date following the Purchaser Amendment, as the case may be.

"Purchaser Circular" means the notice of Purchaser Meeting and the management proxy circular of the Purchaser, together with any amendments thereto or supplements thereof in accordance with this Agreement, to be mailed or otherwise distributed by the Purchaser to the Purchaser Shareholders, or such other securityholders of the Purchaser as may be required by the TSX, in connection with the Purchaser Meeting.

"Purchaser Data Room Materials" means the materials disclosed or made available to the Vendor or its Representatives by or on behalf of the Purchaser on or before 5:00 p.m. Calgary Time on April 23, 2026 in the virtual data room established by the Purchaser.

"Purchaser Financial Statements" means the audited annual consolidated financial statements of the Purchaser as at and for the years ended December 31, 2024 and 2025, together with the notes thereto and the auditor's report thereon.

"Purchaser Indemnity Cap" has the meaning set out in Section 6.6(2)(c).

"Purchaser Material Adverse Change" means any event, circumstance, occurrence, fact, condition or change that is, or could reasonably be expected to become, individually or in the aggregate, materially adverse to: (a) the business, assets, results of operations or condition (financial or otherwise) of the Purchaser; or (b) the ability of the Purchaser to consummate the transactions contemplated hereby on a timely basis; provided that "Purchaser Material Adverse Change" shall not include any event, circumstance, occurrence, fact, condition or change, directly or indirectly, arising out of or attributable to:

- (a) general economic or political conditions;
- (b) conditions generally affecting the industries in which the Purchaser operates;

- (c) any changes in financial or securities markets in general;
- (d) acts of war (whether or not declared), armed hostilities or terrorism, or the escalation or worsening thereof;
- (e) emergencies, epidemics or pandemics;
- (f) any changes in Applicable Laws or accounting rules or principles, including GAAP;
- (g) any action required by this Agreement; or
- (h) the public announcement, pendency or completion of the transactions contemplated by this Agreement;

provided that any event, circumstance, occurrence, fact, condition or change referred to in clauses (a) through (f) shall be taken into account in determining whether a Purchaser Material Adverse Change has occurred or could reasonably be expected to occur to the extent that such event, circumstance, occurrence, fact, condition or change has a materially disproportionate effect on the Purchaser compared to other participants in the industries in which the Purchaser conducts its business.

"Purchaser Meeting" means the special meeting of Purchaser Shareholders to consider the Purchaser Amendment Resolution and, if required by the TSX, the Purchaser Share Issuance Resolution, and related matters, and any postponement or adjournments thereof.

"Purchaser Public Record" means all information filed by the Purchaser since January 1, 2024 with any securities commission or similar regulatory authority in compliance, or intended compliance, with Applicable Canadian Securities Laws and which is available for public viewing.

"Purchaser Share Issuance Resolution" means the written approval of the holders of more than 50% of the Purchaser Class B Shares or, if required by the TSX, an ordinary resolution of the holders of more than 50% of the Purchaser Class B Shares, or such other securityholders as required by the TSX, to authorize and approve the issuance by the Purchaser of the Closing Share Consideration to the Vendor pursuant to this Agreement in accordance with section 611(c) of the TSX Company Manual.

"Purchaser Shareholders" means the holders of Purchaser Class A Shares and/or Purchaser Class B Shares, as applicable.

"Purchaser Shares" means the Purchaser Class A Shares and the Purchaser Class B Shares.

"Purchaser Support Agreements" means the agreements between the Vendor and the Purchaser Support Shareholders, pursuant to which the Purchaser Support Shareholders have, among other things, irrevocably agreed to vote the Purchaser Shares beneficially owned or controlled or subsequently acquired by the Purchaser Support Shareholders in favour of the Purchaser Amendment Resolution and the Purchaser Share Issuance Resolution.

"Purchaser Support Shareholders" means the Purchaser Shareholders that have entered into Purchaser Support Agreements with the Vendor.

"Purchaser's Counsel" means Blake, Cassels & Graydon LLP.

"Purchaser's Fundamental Representations" means the representations and warranties set forth in Sections 3.3(1), 3.3(2), 3.3(3), 3.3(4), 3.3(5) and 3.3(24).

"Purchaser's Indemnified Parties" means the Purchaser, the Purchaser's Subsidiaries, the Acquired Entities and their respective Representatives.

"Receivables" means all accounts receivable, bills receivable, trade accounts, book debts and insurance claims of the Acquired Entities together with any unpaid interest accrued on such items and any security or collateral for such items, including recoverable deposits.

"Registrar" means the Registrar of Corporations for the Province of Alberta appointed under Section 263 of the ABCA.

"Regulatory Approval" means any approval, consent, ruling, authorization, notice, permit, waiver or acknowledgement that may be required from any Person pursuant to Applicable Law or under the terms of any Licence or the conditions of any Order in connection with the transactions contemplated by this Agreement or which is otherwise necessary to permit the Parties to perform their obligations under this Agreement.

"Release" includes an actual or potential discharge, deposit, spill, leak, pumping, pouring, emission, emptying, injection, escape, leaching, seepage, migration or disposal of a Hazardous Substance, including without limitation the movement of Hazardous Substances through air, soil, subsoil, ground or surface water.

"Releasees" has the meaning set out in Section 9.4(1).

"Releasor" has the meaning set out in Section 9.4(1).

"Representative" when used with respect to a Person means each director, officer, employee, consultant, financial adviser, legal counsel, accountant and other agent, adviser or representative of that Person.

"Rig Utilization Agreement" means the Rig Utilization Agreement between the Vendor and the Purchaser in the form attached hereto as Exhibit B.

"Salaried Employees" means those seven full-time salaried employees of the Acquired Entities disclosed in the Vendor Data Room Materials and excluding, for certainty, the President of the General Partner.

"Services Agreement" means the services agreement between the Vendor and the General Partner, a copy of which is included in the Vendor Data Room Materials.

"Straddle Period" means a taxation year or fiscal period of the Acquired Entities, as applicable, that begins before and ends after the Closing Time.

"Stub Period Returns" has the meaning set out in Section 7.11(1).

"Subsidiary" means, with respect to a specified entity, any: (a) body corporate of which more than 50% of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other class or classes shall or might be entitled to vote upon the happening of any event or contingency) are at the time owned directly or indirectly by such specified entity or indirectly by or for the benefit of such specified entity; (b) entity which is not a body corporate, of which more than 50% of the voting or equity interests of such entity (including, for a partnership other than a limited partnership, the voting or equity

interests in such partnership) are owned, directly or indirectly, by such specified entity or indirectly by or for the benefit of such specified entity and in the case of a partnership (including a limited partnership), of which such specified entity, or a subsidiary of such specified entity, is a general partner; or (c) any issuer that would constitute a subsidiary as defined in the **Securities Act** (Alberta).

"Taxes" means, with respect to any Person, all supranational, national, federal, provincial, state, local or other taxes, including income taxes, branch taxes, profits taxes, capital gains taxes, gross receipts taxes, digital services taxes, windfall profits taxes, value added taxes, severance taxes, **ad valorem** taxes, property taxes, capital taxes, net worth taxes, production taxes, sales taxes, use taxes, licence taxes, excise taxes, franchise taxes, carbon levy or taxes, environmental taxes, transfer taxes, withholding or similar taxes, payroll taxes, employment taxes, employer health taxes, government pension plan premiums and contributions, workers' compensation premiums, employment/unemployment insurance premiums and contributions, stamp taxes, occupation taxes, premium taxes, alternative or add-on minimum taxes, global minimum or "Pillar 2" taxes, GST/HST, customs duties or other taxes of any kind whatsoever imposed or charged by any Governmental Authority, any requirement to pay or repay any amount to a Governmental Authority in respect of a tax credit, refund, rebate, governmental grant or subsidy, overpayment, or similar adjustment of Taxes, and **"Tax"** means any one of such Taxes.

"Tax Claims" has the meaning set out in Section 7.12.

"Tax Indemnification Event" has the meaning set out in Section 6.11

"Tax Returns" means all returns, reports, declarations, elections, notices, filings, information returns, and statements in respect of Taxes that are filed or required to be filed with any applicable Governmental Authority, including all amendments, exhibits, attachments or supplements thereto and whether in tangible or electronic form.

"Third Party" means any Person other than the Vendor, the Purchaser and each of their respective Affiliates.

"Third Party Claim" has the meaning set out in Section 6.4.

"Threatened", when used in relation to a Legal Proceeding or other matter, means that a demand or statement (oral or written) has been made or a notice (oral or written) has been given that a Legal Proceeding or other matter is to be asserted, commenced, taken or otherwise pursued in the future or that, to the knowledge of the applicable Party, an event has occurred or circumstances exist that would lead a reasonable Person to conclude that a Legal Proceeding or other matter is likely to be asserted, commenced, taken or otherwise pursued in the future.

"Transaction Expenses" means the total of all amounts payable or reimbursable by the Acquired Entities in connection with the transactions contemplated by this Agreement that are not paid in full immediately prior to the Closing Time, together with any non-refundable Taxes payable thereon, including (a) change of control, special bonuses or any other similar payments owed to Employees, consultants, directors or officers of the Acquired Entities, conditional on, or payable pursuant to, the Closing, and any payroll related Taxes thereon, including Canada Pension Plan contributions, provincial pension plan contributions, employment insurance premiums and employer health taxes required to be paid by the Acquired Entities in connection with any such payments; and (b) fees and expenses payable to all lawyers, accountants, and other professionals, and bankers', brokers' or finders' fees

conditional on, or payable pursuant to, the Closing, except to the extent in each case amounts borne or paid by the Vendor.

"Transaction Personal Information" means any Personal Information in the possession, custody or control of the Acquired Entities or the Vendor at or before the Closing Time, including Personal Information about Employees, suppliers, customers, directors, officers or equityholders of the Acquired Entities that is disclosed to the Purchaser or any Representative of the Purchaser.

"TSX" means the Toronto Stock Exchange.

"Vendor" has the meaning set out in the recitals hereto.

"Vendor Data Room Materials" means the materials disclosed or made available to the Purchaser or its Representatives by or on behalf of the Vendor on or before 5:00 p.m. Calgary Time on April 23, 2026 in the virtual data room established by the Vendor.

"Vendor Indemnity Cap" has the meaning set out in Section 6.6(1)(c).

"Vendor Material Adverse Change" means any event, circumstance, occurrence, fact, condition or change that is, or could reasonably be expected to become, individually or in the aggregate, materially adverse to: (a) the business, assets, results of operations or condition (financial or otherwise) of the Acquired Entities; or (b) the ability of the Vendor to consummate the transactions contemplated hereby on a timely basis; provided that "Vendor Material Adverse Change" shall not include any event, circumstance, occurrence, fact, condition or change, directly or indirectly, arising out of or attributable to:

- (a) general economic or political conditions;
- (b) conditions generally affecting the industries in which the Acquired Entities operate;
- (c) any changes in financial or securities markets in general;
- (d) acts of war (whether or not declared), armed hostilities or terrorism, or the escalation or worsening thereof;
- (e) emergencies, epidemics or pandemics;
- (f) any changes in Applicable Laws or accounting rules or principles, including GAAP;
- (g) any action required by this Agreement; or
- (h) the public announcement, pendency or completion of the transactions contemplated by this Agreement;

provided that any event, circumstance, occurrence, fact, condition or change referred to in clauses (a) through (f) shall be taken into account in determining whether a Vendor Material Adverse Change has occurred or could reasonably be expected to occur to the extent that such event, circumstance, occurrence, fact, condition or change has a materially disproportionate effect on the Acquired Entities compared to other participants in the industries in which the Acquired Entities conduct their businesses.

"Vendor's Counsel" means Norton Rose Fulbright Canada LLP.

"Vendor's Fundamental Representations" means the representations and warranties set forth in Sections 3.1(1), 3.1(2), 3.1(3), 3.1(4), 3.1(5), 3.2(1), 3.2(2), 3.2(5), 3.2(27) and 3.2(33).

"Vendor's Indemnified Parties" means the Vendor, the Vendor's Subsidiaries, and their respective Representatives.

1.2 Accounting Principles. Whenever in this Agreement reference is made to generally accepted accounting principles, or to GAAP, such reference shall be deemed to be to international financial reporting standards adopted by the Chartered Professional Accountants of Canada, or any successor entity thereto, applicable as at December 31, 2025.

1.3 Actions on Non-Business Days. If any payment is required to be made or other action (including the giving of notice) is required to be taken pursuant to this Agreement on a day which is not a Business Day, then such payment or action shall be considered to have been made or taken in compliance with this Agreement if made or taken on the next succeeding Business Day.

1.4 Currency and Payment Obligations. Except as otherwise expressly provided in this Agreement:

- (a) all dollar amounts referred to in this Agreement are stated in Canadian Dollars;
- (b) any payment contemplated by this Agreement shall be made by wire transfer of immediately available funds to an account specified by the payee or by any other method that provides immediately available funds; and
- (c) except in the case of any payment due on the Closing Date, any payment due on a particular day must be received by and be available to the payee not later than 2:00 p.m. on the due date at the payee's address for notice under Section 9.3 or such other place as the payee may have specified in writing to the payor in respect of a particular payment and any payment made after that time shall be deemed to have been made and received on the next Business Day.

1.5 Calculation of Interest. In calculating interest payable under this Agreement for any period of time, the first day of such period shall be included and the last day of such period shall be excluded.

1.6 Calculation of Time. In this Agreement, a period of days shall be deemed to begin on the first day after the event which began the period and to end at 5:00 p.m. Calgary time on the last day of the period. If any period of time is to expire hereunder on any day that is not a Business Day, the period shall be deemed to expire at 5:00 p.m. Calgary time on the next succeeding Business Day.

1.7 Knowledge. Where any representation, warranty or other statement in this Agreement is expressed to be made by the Vendor to its knowledge or is otherwise expressed to be limited in scope to facts or matters known to the Vendor or the Acquired Entities or of which the Vendor or the Acquired Entities are aware, it shall mean the knowledge of Paul Kinvig, Rodrigo Sousa and Josh Berezay, after making reasonable due inquiry concerning the matter in question. Where any representation, warranty or other statement in this Agreement is expressed to be made by the Purchaser to its knowledge or is otherwise expressed to be limited in scope to facts or matters known to Purchaser or of which the Purchaser is aware, it shall mean the knowledge of Colin Dease and Darcy Reynolds, after making reasonable due inquiry concerning the matter in question.

1.8 Additional Rules of Interpretation.

(1) **Gender and Number.** In this Agreement, unless the context requires otherwise, words in one gender include all genders and words in the singular include the plural and vice versa.

(2) **Headings and Table of Contents.** The inclusion in this Agreement of headings of Articles and Sections and the provision of a table of contents are for convenience of reference only and are not intended to be full or precise descriptions of the text to which they refer.

(3) **Section References.** Unless the context requires otherwise, references in this Agreement to Articles, Sections or Exhibits are to Articles or Sections of this Agreement and Exhibits to this Agreement.

(4) **Words of Inclusion.** Wherever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation" and the words following "include", "includes" or "including" shall not be considered to set forth an exhaustive list.

(5) **References to this Agreement.** The words "hereof", "herein", "hereto", "hereunder", "hereby" and similar expressions shall be construed as referring to this Agreement in its entirety and not to any particular Section or portion of it.

(6) **Statute References.** Unless otherwise indicated, all references in this Agreement to any statute include the regulations thereunder, in each case as amended, re-enacted, consolidated or replaced from time to time and in the case of any such amendment, re-enactment, consolidation or replacement, reference herein to a particular provision shall be read as referring to such amended, re-enacted, consolidated or replaced provision and also include, unless the context otherwise requires, all applicable guidelines, bulletins or policies made in connection therewith.

(7) **Document References.** All references herein to any agreement (including this Agreement), document or instrument mean such agreement, document or instrument as amended, supplemented, modified, varied, restated or replaced from time to time in accordance with the terms thereof and, unless otherwise specified therein, includes all schedules and exhibits attached thereto.

(8) **Absence of Presumption.** The Parties acknowledge that each Party and its counsel have reviewed and revised this Agreement and that no rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall be employed in the interpretation of this Agreement or any amendments hereto.

1.9 Exhibits and Appendix. The following are the Exhibits and Appendix attached to and incorporated in this Agreement by reference and deemed to be a part hereof:

EXHIBITS

A	Form of Purchaser Amendment
B	Form of Rig Utilization Agreement
C	Terms of Master Daywork Agreement

APPENDIX

A	Post-Closing Board of Directors of the Purchaser
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Unless the context otherwise requires, words and expressions defined in this Agreement will have the same meanings in the Exhibits and the interpretation provisions set out in this Agreement apply to the Exhibits. Unless the context otherwise requires, or a contrary intention appears, references in the Exhibits to a designated Article, Section, or other subdivision refer to the Article, Section, or other subdivision, respectively, of this Agreement. The Exhibits and all information contained in them is confidential and may not be disclosed to any other Person except as permitted pursuant to this Agreement.

ARTICLE 2

PURCHASE OF ACQUIRED SECURITIES

2.1 Purchase and Sale. At the Closing Time, on and subject to the terms and conditions of this Agreement:

- (a) the Vendor shall sell to the Purchaser, and the Purchaser shall purchase from the Vendor all of the Partnership Interests owned by it directly, being 99% of the Partnership Interests; and
- (b) the Vendor shall sell to the Purchaser, and the Purchaser shall purchase from the Vendor, the GP Shares.

2.2 Purchase Price.

(1) The aggregate price payable by the Purchaser to the Vendor for the Acquired Securities shall be an amount equal to (a) the value of the Closing Share Consideration, calculated using the volume weighted average trading price of such shares on the TSX for the five trading days immediately prior to the Closing Date, plus (b) if the Final Adjustment Amount is positive, the Final Adjustment Amount, or minus (c) if the Final Adjustment Amount is negative, the absolute value of the Final Adjustment Amount (the "**Purchase Price**"). For the avoidance of doubt, all adjustments to the Purchase Price shall be payable solely in cash and the number of shares comprising the Closing Share Consideration shall not be subject to adjustment.

(2) The Purchase Price shall be allocated as between the Acquired Securities as follows: 99% of the Purchase Price shall be allocated to the Partnership Interests and 1% of the Purchase Price shall be allocated to the GP Shares. The Vendor and the Purchaser shall report the purchase and sale of the Acquired Securities for all Tax purposes in a manner entirely consistent with such allocation and shall not take any position inconsistent therewith in the filing of any Tax Returns or in the course of any audit by any Governmental Authority, Tax review or Tax proceeding relating to any Tax Returns.

2.3 Delivery of Estimated Closing Statements. No less than two Business Days prior to the Closing Date, the Vendor shall, acting reasonably, prepare in good faith and deliver to the Purchaser the following (collectively, the "**Estimated Closing Statements**"):

- (a) the estimated combined balance sheet of the Acquired Entities as of the Measurement Time;
- (b) a statement setting forth a calculation of the estimated Closing Cash;
- (c) a statement setting forth a calculation of the estimated Closing Working Capital;
- (d) a statement setting forth a calculation of the estimated Closing Indebtedness;

- (e) a statement setting forth a calculation of the estimated Transaction Expenses; and
- (f) a calculation of the Estimated Adjustment Amount based on the foregoing.

Each of the foregoing estimates shall be calculated as nearly as possible in the manner in which such amounts are to be determined pursuant to the provisions of Section 2.5. During the period following delivery of the Estimated Closing Statements until the Closing, the Vendor shall, and shall cause the Acquired Entities to, make their respective Representatives available to the Purchaser to respond to any questions or requests that Purchaser may have with respect to the Estimated Closing Statements.

2.4 Payment of Closing Share Consideration and Estimated Adjustment Amount.

(1) At the Closing Time, the Purchaser shall issue to the Vendor the Closing Share Consideration.

(2) If the Estimated Adjustment Amount is equal to zero, then no cash payment shall be made by either party at the Closing Time.

(3) If the Estimated Adjustment Amount is positive, then at the Closing Time, the Purchaser shall pay to the Vendor the Estimated Adjustment Amount by way of wire transfer of immediately available funds to the account designated by the Vendor.

(4) If the Estimated Adjustment Amount is negative, then at the Closing Time, the Vendor shall pay to the Purchaser the absolute value of the Estimated Adjustment Amount by way of wire transfer of immediately available funds to the account designated by the Purchaser.

(5) For the avoidance of doubt, the Estimated Adjustment Amount shall be payable solely in cash and shall not result in any adjustment to the Closing Share Consideration.

2.5 Delivery of Closing Statements.

(1) **Closing Statements.** No later than the 90th day following the last day of the month in which the Closing Date occurs, the Vendor shall prepare and deliver to the Purchaser the following (collectively, the "**Closing Statements**"):

- (a) the Closing Balance Sheet;
- (b) a statement setting forth a calculation of the Closing Cash;
- (c) a statement setting forth a calculation of the Closing Working Capital;
- (d) a statement setting forth a calculation of the Closing Indebtedness;
- (e) a statement setting forth a calculation of the Transaction Expenses; and
- (f) a calculation of the Final Adjustment Amount and Post-Closing Adjustment based on the foregoing.

(2) **Access to Records, etc.** During the period from the date of delivery of the Closing Statements until the date no later than 30 days after delivery of the Closing Statements, the Vendor shall give the Purchaser and its Representatives such assistance and access to the Books and Records as the Purchaser and its Representatives may reasonably request in order to enable them to reasonably assess the Closing Statements.

(3) **Deemed Acceptance.** If the Purchaser does not give a notice of objection in accordance with Section 2.6, the Purchaser shall be deemed to have accepted the Closing Statements, including the calculation of the Final Adjustment Amount and Post-Closing Adjustment set out therein, which shall be final and binding on the Parties and shall be conclusive for purposes of this Agreement immediately following the expiry date for the giving of such notice of objection.

2.6 Dispute Settlement. If the Purchaser objects to any matter in the Closing Statements, the Purchaser shall give notice to the Vendor no later than 30 days after the Vendor's delivery of the Closing Statements. Any notice given by the Purchaser shall set forth in detail the particulars of such objection. The Parties shall then use commercially reasonable efforts to resolve such objection for a period of 30 days following the giving of such notice. If the matter is not resolved by the end of such 30-day period, then the dispute with respect to such objection shall be submitted by the Parties to the Independent Accountant. The Independent Accountant shall, as promptly as practicable (but in any event within 15 days following its appointment), make a determination of any matter in dispute. The decision of the Independent Accountant as to any disputed matter shall be final and binding upon the Parties and shall be conclusive for purposes of this Agreement. The Purchaser and the Vendor shall each pay one-half of the fees and expenses of the Independent Accountant with respect to the resolution of the dispute.

2.7 Payment of Post-Closing Adjustment.

(1) If the Post-Closing Adjustment is equal to zero, then no further cash payment shall be made by either Party.

(2) If the Post-Closing Adjustment is positive, then on the Adjustment Date, the Purchaser shall pay to the Vendor the Post-Closing Adjustment by way of wire transfer of immediately available funds to the account designated by the Vendor.

(3) If the Post-Closing Adjustment is negative, then on the Adjustment Date, the Vendor shall pay to the Purchaser the absolute value of the Post-Closing Adjustment by way of wire transfer of immediately available funds to the account designated by the Purchaser.

(4) For the avoidance of doubt, the Post-Closing Adjustment shall be settled solely in cash and shall not result in any adjustment to the Closing Share Consideration.

2.8 Withholding Taxes and GST/HST. The Purchase Price shall not be subject to any withholding on account of Taxes or to GST/HST.

2.9 Vendor Closing Share Consideration Distribution.

(1) The Vendor shall, within five Business Days following the Closing, declare a dividend in kind to its shareholders of the Closing Share Consideration (the "**Distribution**") and thereafter pay the Distribution with a record date not later than 10 days following the declaration date and a payment date no later than 20 days following the declaration date. The Vendor shall promptly notify the Purchaser upon completion of the Distribution.

(2) Prior to the date the Distribution is completed, the Vendor shall not, directly or indirectly: (a) exercise or purport to exercise any voting rights attached to any Purchaser Shares comprising the Closing Share Consideration, whether at any meeting of shareholders of the Purchaser or in any written resolution or consent in lieu thereof, or grant any proxy, power of attorney or other authorization in respect of any such voting rights; (b) requisition or join in the

requisition of any meeting of shareholders of the Purchaser; or (c) submit or support any shareholder proposal in respect of the Purchaser.

(3) Prior to the date the Distribution is completed, the Vendor shall not sell or otherwise dispose or agree to sell or otherwise dispose of the Closing Share Consideration other than: (a) pursuant to a take-over bid, issuer bid (including a normal course issuer bid) or other offer to acquire Purchaser Shares or a transaction made available to Purchaser Shareholders generally; (b) to satisfy Tax withholding requirements applicable to shareholders of the Vendor in connection with the Distribution; or (c) with the prior written consent of the Purchaser.

(4) The Purchaser covenants and agrees to use its reasonable commercial efforts to maintain its status as a "reporting issuer" in each of the provinces in Canada in which it is a "reporting issuer" as of the date hereof until the date that is twelve months following the completion of the Distribution, provided that this Section 2.9(4) shall not restrict the Purchaser from entering into an agreement with respect to, or completing, a transaction pursuant to which all of the shares of the Purchaser are exchanged for cash or for securities of a Person which is, or which becomes as a result of the transaction, a "reporting issuer" in a Canadian jurisdiction.

(5) The Vendor shall use reasonable commercial efforts to complete the Distribution on: (a) a basis exempt from prospectus requirements under Applicable Canadian Securities Laws and (b) without subjecting the recipients of the Distribution to a "hold period" or "restricted period", other than that which might apply with respect to a "control distribution".

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Vendor. As a material inducement to the Purchaser entering into this Agreement and completing the transactions contemplated by this Agreement and acknowledging that the Purchaser is entering into this Agreement in reliance upon the representations and warranties of the Vendor set out in this Section 3.1, as of the date hereof the Vendor represents and warrants to the Purchaser as follows:

(1) ***Incorporation and Corporate Power of Vendor.*** The Vendor is a corporation incorporated, organized and validly subsisting under the laws of the Province of Alberta. The Vendor has the corporate power, authority and capacity to execute and deliver this Agreement and all other agreements and instruments to be executed by it as contemplated herein and to perform its other obligations hereunder and under all such other agreements and instruments. The Vendor has the corporate power, authority and capacity to own and dispose of the Acquired Securities to the Purchaser.

(2) ***Authorization by Vendor.*** The execution and delivery of this Agreement and all other agreements and instruments to be executed by it as contemplated herein and the completion of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action on the part of the Vendor. The board of directors of the Vendor has duly authorized and approved the Distribution, subject to Closing and to the satisfaction of the requirements of section 43 of the ABCA, and there are no outstanding conditions or other requirements to implementing the Distribution other than the Closing of the transactions contemplated by this Agreement and the satisfaction of the requirements of section 43 of the ABCA. The Vendor has no reason to believe that the requirements of section 43 of the ABCA will not be met in connection with the Distribution.

(3) ***Enforceability of Vendor's Obligations.*** This Agreement constitutes a valid and binding obligation of the Vendor enforceable against the Vendor in accordance with its terms. There is no Legal Proceeding in progress, pending, or, to the knowledge of the Vendor, Threatened against the Vendor affecting the title of the Vendor to any of the Acquired Securities at law or in equity or which might affect adversely the ability of the Vendor to enter into this Agreement or to perform its obligations hereunder. To the knowledge of the Vendor, there are no grounds on which any such Legal Proceeding might be commenced and there is no Order outstanding against or affecting the Vendor which, in any such case, affects adversely or might affect adversely the title of the Vendor to any of the Acquired Securities at law or in equity or the ability of the Vendor to enter into this Agreement or to perform its obligations hereunder.

(4) ***Ownership of GP Shares.*** The Vendor is the registered and beneficial holder of the GP Shares with good and marketable title thereto, free and clear of all Liens other than Permitted Vendor's Liens. As of the date hereof, 11 GP Shares are issued and outstanding and the GP Shares are the only equity interests of the General Partner that are issued and outstanding. No Person other than the Purchaser has, or has any right capable of becoming, any agreement, option, right or privilege for the purchase or other acquisition from the Vendor of any of the GP Shares or any equity interest in the General Partner. There are no restrictions of any kind on the transfer of the GP Shares except those set out in the articles of incorporation of the General Partner. The GP Shares have been validly issued in compliance with Applicable Law and are fully paid and non-assessable.

(5) ***Ownership of Partnership Interest.*** The Vendor is the registered and beneficial holder of 99% of the Partnership Interests with good and marketable title thereto, free and clear of all Liens other than Permitted Vendor's Liens. The General Partner is the registered and beneficial holder of 1% of the Partnership Interests with good and marketable title thereto, free and clear of all Liens other than Permitted Liens. No Person other than the Purchaser has, or has any right capable of becoming, any agreement, option, right or privilege for the purchase or other acquisition from the Vendor or the General Partner of any of the Partnership Interests. There are no restrictions of any kind on the transfer of the Partnership Interests except those set out in the Partnership Agreement or the Certificate of Limited Partnership.

3.2 Representations and Warranties of the Vendor relating to the Acquired Entities. As a material inducement to the Purchaser entering into this Agreement and completing the transactions contemplated by this Agreement and acknowledging that the Purchaser is entering into this Agreement in reliance upon the representations and warranties of the Vendor set out in this Section 3.2, as of the date hereof the Vendor represents and warrants to the Purchaser as follows:

(1) ***Incorporation and Formation of Acquired Entities.*** The General Partner is a corporation incorporated, organized and validly subsisting under the laws of the Province of Alberta. The Limited Partnership is a partnership formed and validly subsisting under the laws of the Province of Alberta.

(2) ***Shareholders Agreements and Other Rights.*** There are no shareholders' or other similar agreements governing the affairs of the Acquired Entities or the relationship, rights and duties of its equityholders, nor are there any voting trusts, pooling arrangements or other similar agreements with respect to the ownership or voting of any equity interests in the Acquired Entities. There are no rights, subscriptions, warrants, options, conversion rights, calls, commitments or plans or agreements of any kind outstanding which would enable any Person to purchase or otherwise acquire any equity interest or other securities of the Acquired Entities including, without limitation, any securities convertible into or exchangeable or exercisable for an equity interest of

the Acquired Entities. The Acquired Entities do not have a direct or indirect equity interest in any other Person or any Subsidiary.

(3) **Qualification to do Business.** The Acquired Entities are registered, licensed or otherwise qualified to do business under the laws of the Province of Alberta and neither the character nor the location of the properties and assets owned by the Acquired Entities nor the nature of the Business requires registration, licensing or other qualification under the laws of any other jurisdiction. The Acquired Entities have all necessary power and authority to own or lease the assets of the Acquired Entities and to carry on the Business as now being conducted by them.

(4) **Corporate Records.** The minute books of the Acquired Entities have been maintained in accordance with Applicable Law and contain true, correct and complete copies of the organizational documents of the Partnership, the articles and by-laws of the General Partner and, as applicable, all minutes of meetings of the board of directors and every committee thereof and of shareholders or partners and every written resolution of directors, shareholders or partners. All meetings of directors, shareholders and partners of each Acquired Entity have been duly called and held and all resolutions have been duly passed in accordance with Applicable Law at such meetings or by written resolution. The share certificate book, register of partners, register of shareholders, register of transfers and register of directors and officers of each Acquired Entity, as applicable, are complete and accurate in all material respects.

(5) **Bankruptcy, Insolvency and Reorganization.** None of the Acquired Entities is an insolvent person within the meaning of the **Bankruptcy and Insolvency Act** (Canada) nor has any Acquired Entity made an assignment in favour of its creditors nor a proposal in bankruptcy to its creditors or any class thereof nor had any petition for a receiving order presented in respect of it. None of the Acquired Entities has initiated proceedings with respect to a compromise or arrangement with its creditors or for its winding up, liquidation or dissolution. No receiver has been appointed in respect of any Acquired Entity or any of their respective property or assets and no execution or distress has been levied upon any of its property or assets of any Acquired Entity. No act or proceeding has been taken or authorized by or against any Acquired Entity with respect to any amalgamation, merger, consolidation, arrangement or reorganization of, or relating to, such Acquired Entity nor have any such proceedings been authorized by any other Person.

(6) **Financial Statements.** The Acquired Entities Financial Statements have been prepared in accordance with GAAP consistently applied throughout the periods to which they relate, except to the extent described in the accompanying notice to reader. The combined balance sheets contained in the Acquired Entities Financial Statements fairly present in all material respects the financial position of the Acquired Entities as of their respective dates and the combined statements of comprehensive income, cash flows and accumulated deficit contained in the Acquired Entities Financial Statements fairly present in all material respects the revenues, earnings and results of operations for the periods indicated. The Acquired Entities Financial Statements are consistent with the Books and Records in all material respects.

(7) **Books and Records.** The Vendor has made available to the Purchaser all Books and Records specifically requested by the Purchaser. All material transactions of the Acquired Entities have been accurately recorded in the Financial Records in accordance with sound business and financial practice and the Financial Records accurately reflect the basis for the financial condition and the revenues, expenses and results of operations of the Acquired Entities as of and to the date hereof.

(8) **Title to Assets.** Each Acquired Entity has good and marketable legal and beneficial title to all of its material property and assets, free and clear of any and all Liens, except for

Permitted Liens. There is no agreement, option or other right or privilege outstanding in favour of any Person for the purchase from an Acquired Entity of the Business or any part thereof or of any material property or assets of either Acquired Entity other than in the Ordinary Course of Business.

(9) **Drilling Rigs and Rig Inventory.** The Vendor Data Room Materials contain a listing of each drilling rig owned by the Acquired Entities and the tubular inventory associated therewith. Each drilling rig and the tubular inventory associated therewith, with the exception of Fox 1, is in good operating condition and repair, ordinary wear and tear excepted, and is suitable and adequate for the purpose for which it is being used.

(10) **Spare Parts.** The Vendor Data Room Materials contain a listing of the material spare parts owned by the Acquired Entities as of April 22, 2026 and the location thereof, and the Acquired Entities have not acquired any new material spare parts since such date. Except as disclosed in the Vendor Data Room Materials, each listed spare part is in good operating condition and repair, ordinary wear and tear excepted, and is suitable and adequate for the purpose for which it is being used or intended to be used. None of the listed spare parts are on consignment.

(11) **Real Property & Leased Premises.** Neither Acquired Entity owns any real property. The Vendor Data Room Materials include a full copy of each Premises Lease, with the exception that the Vendor Data Room Materials do not contain a copy of the lease dated January 1, 2021 with respect to the property located at 3710, 18th Avenue, Lethbridge, Alberta as such could not be located, the material terms of which have been disclosed by the Vendor to the Purchaser. Each Premises Lease is in full force and effect and has not been amended, and the Acquired Entities are entitled to the full benefit and advantage of each Premises Lease in accordance with its terms. Each Premises Lease is in good standing and there has not been any default by any party under any Premises Lease nor any dispute between an Acquired Entity and any other party under any Premises Lease. All Taxes with respect to the Leased Premises that are due have been paid in full. There is nothing owing by the Acquired Entities in respect of the supply to the Leased Premises or the use by them in respect of the Leased Premises of water, gas, electrical power or energy, steam or hot water or other utilities (except for current accounts the due dates of which have not yet passed).

(12) **Personal Property Leases.** The Vendor Data Room Materials include a full copy of each Personal Property Lease. Each Personal Property Lease is in full force and effect and has not been amended, and the Acquired Entities are entitled to the full benefit and advantage of each Personal Property Lease in accordance with its terms. Each Personal Property Lease is in good standing and there has not been any default by any party under any Personal Property Lease nor any dispute between an Acquired Entity and any other party under any Personal Property Lease.

(13) **Material Contracts.** The Vendor Data Room Materials include a copy of each Material Contract. There are no ongoing contractual negotiations, other than in the Ordinary Course of Business, that if they were completed would result in a Material Contract. Neither of the Acquired Entities is, nor, to the knowledge of the Vendor and the Acquired Entities, is any other party to any Material Contract in default under any Material Contract and there has not occurred any event which, with the lapse of time or giving of notice or both, would constitute a default under any Material Contract by an Acquired Entity or any other party to the Material Contract. Each Material Contract is in full force and effect, unamended by written or oral agreement, and the applicable Acquired Entity is entitled to the full benefit and advantage of each Material Contract in accordance with its terms. Neither of the Acquired Entities has received any notice of a default by it under any Material Contract or of a dispute between the Acquired Entity, as the case may be, and any other Person in respect of any Material Contract.

(14) **Receivables.** All Receivables are recorded in the Financial Records of the Acquired Entities, as the case may be, and the Receivables are valid obligations which arose in the Ordinary Course of Business and will be collected in the Ordinary Course of Business, in the aggregate, at their full face value and are not subject to any set-off or counterclaim.

(15) **Intellectual Property.** The Acquired Entities do not own any material Intellectual Property other than domain names and social media identities. Other than in connection with Material Contracts, the Acquired Entities do not have any agreements under which they license any material Intellectual Property from any Third Party.

(16) **Licences and Compliance with Applicable Law.** The Acquired Entities hold all Licences required for the operation of the Business. The Business has been and is being conducted by the Acquired Entities in accordance, in all material respects, with all terms and conditions of such Licences and in compliance with Applicable Law. All such Licences are valid and are in full force and effect, none of the Acquired Entities is in violation of any term or provision or requirement of any such Licence in any material respect, and no Person has Threatened to revoke, amend or impose any condition in respect of, or commenced proceedings to revoke, amend or impose conditions in respect of, any such Licence. No Regulatory Approval is required in connection with the transactions contemplated by this Agreement or in order to maintain any such Licence in full force and effect and in good standing after Closing.

(17) **Compliance with Anti-Corruption Laws.** None of the Acquired Entities or, to the knowledge of the Vendor, any of their respective Representatives or joint venture partners, in carrying out or representing the Business anywhere in the world, have violated the **Corruption of Foreign Public Officials Act** (Canada), the U.S. **Foreign Corrupt Practices Act**, the U.K. **Bribery Act 2010**, or the anti-corruption laws of any other jurisdiction where the Business is carried on.

(18) **Undisclosed Liabilities.** None of the Acquired Entities has any liabilities (which includes Indebtedness other than the Facility Guarantees and Security and Bonding Products Indemnity) or obligations of any nature (whether liquidated or unliquidated, due or to become due and whether absolute, accrued, contingent or otherwise) except for: (i) liabilities and obligations disclosed or provided for in the most recent annual Acquired Entities Financial Statements, (ii) current liabilities incurred in the Ordinary Course of Business since the date of such financial statements and (iii) intercompany debt as between the Acquired Entities. Without limiting the foregoing, except for the Facility Guarantees and Security and Bonding Products Indemnity, neither of the Acquired Entities is a party to or bound by any agreement, contract or commitment providing for the guarantee, indemnification, assumption or endorsement with respect to the obligations or liabilities (which includes Indebtedness), contingent or otherwise, of any other Person.

(19) **Banking Information.** The Vendor Data Room Materials contain a description of the name and location (including municipal address) of each bank, trust company or other institution in which the Acquired Entities have an account, money on deposit or a safety deposit box and the name of each Person authorized to draw thereon or to have access thereto.

(20) **Regulatory Approvals.** No Regulatory Approval or filing with, notice to, or waiver from any Governmental Authority is required to be obtained or made by the Vendor or the Acquired Entities in connection with the execution and delivery of, or performance by the Vendor of its obligations under, this Agreement or the consummation of the transactions contemplated hereby.

(21) ***Absence of Conflicting Agreements.*** The execution, delivery and performance of this Agreement by the Vendor and the completion (with any required Consents and Regulatory Approvals and the giving of any required notices) of the transactions contemplated by this Agreement do not and will not result in or constitute any of the following:

- (a) a default, breach or violation or an event that, with notice or lapse of time or both, would be a default, breach or violation of any of the terms, conditions or provisions of the articles or by-laws of the Vendor or the General Partner or of the Partnership Agreement or of any Material Contract;
- (b) an event which, pursuant to the terms of any Material Contract, would cause any right or interest of the Acquired Entities to come to an end or be amended in any way that is materially detrimental to the Business or entitle any other Person to terminate or amend any such right or interest or relieve any other Person of its obligations thereunder;
- (c) the creation or imposition of any Lien on any property or asset of the Acquired Entities other than a Permitted Lien; or
- (d) the violation of any Applicable Law.

(22) ***Legal Proceedings and Orders.*** There is no Legal Proceeding in progress, pending or, to the knowledge of the Vendor and the Acquired Entities, Threatened against or affecting any of the Acquired Entities, or any of their respective officers, directors or other individuals with managerial functions, in their capacity as such, or any of their respective properties or assets or title thereto, nor, to the knowledge of the Vendor and the Acquired Entities, is there any factual or legal basis on which any such Legal Proceeding might be commenced. There is no Order outstanding against or affecting any of the Acquired Entities or any of their respective properties or assets. There are no internal investigations or inquiries being conducted by the Acquired Entities or any third party at the request of any of the foregoing concerning any financial, accounting, Tax, conflict of interest, illegal activity, fraudulent or deceptive conduct or other misfeasance or malfeasance issues.

(23) ***Environmental Matters.***

- (a) The Business and the property and assets as carried on or used by the Acquired Entities and their respective predecessors have been carried on and used and are currently carried on and used in compliance in all material respects with all Environmental Laws.
- (b) The Acquired Entities and their respective predecessors have not used any of their property or assets, or permitted them to be used, to generate, manufacture, refine, treat, transport, store, handle, dispose of, transfer, produce or process any Hazardous Substance except in compliance in all material respects with all Environmental Laws. No part of the Leased Premises or other assets of the Acquired Entities nor any properties previously owned, leased or occupied as tenant by the Acquired Entities or their respective predecessors, contains a Hazardous Substance (i) other than in compliance in all material respects with Environmental Laws, or (ii) which exceeds an applicable soil, groundwater or other environmental, health or safety criterion or standard published or enacted by a Governmental Authority having jurisdiction over the Leased Premises or other assets of the Acquired Entities.

- (c) The Acquired Entities hold all Environmental Permits required for the operation of the Business or any of the property and assets used in the Business. Such Environmental Permits are valid and in full force and effect, and no violations thereof have been experienced, noted or recorded, and no Legal Proceedings are pending or, to the knowledge of the Vendor and the Acquired Entities, Threatened, to revoke or limit any of them.
- (d) The Acquired Entities and their respective predecessors have maintained all environmental and operating documents and records in the manner and for the time periods required by Environmental Law and have never conducted an environmental audit of the Business or any of the property or assets of the Acquired Entities, or any properties previously owned, leased or occupied by the Acquired Entities or their respective predecessors. For purposes of this paragraph (d), an environmental audit includes any evaluation, assessment, review or study performed at the request of or on behalf of any of the Acquired Entities, any of their respective predecessors, a prospective purchaser of the Business or the property or assets of the Acquired Entities or Governmental Authority, whether formally requisitioned or otherwise prepared.
- (e) There are no underground storage tanks, pits, lagoons, waste disposal sites or above-ground storage tanks located on the Leased Premises.
- (f) The Acquired Entities and their respective predecessors have not, by contract, assumed or retained any material liability or obligation pertaining to environmental matters as a result of the acquisition or disposition of any assets or real property.
- (24) ***Employment Matters.***
 - (a) The Vendor Data Room Materials contain lists of all the Employees, as of April 16, 2026, and the age, position, status, length of service, location of employment, compensation and benefits of each Employee, and there have been no material changes since such date. Other than the President of the General Partner, there are no Persons who are receiving remuneration for work or labour services provided to any of the Acquired Entities who are not Employees.
 - (b) Except as set out in the Vendor Data Room Materials, no Employee is on long-term disability leave, receiving benefits or otherwise an inactive Employee.
 - (c) None of the Acquired Entities is a party to or bound by any Contract in respect of any Employee or former Employee which provides such Employee or former Employee with termination or severance entitlements in excess of those required by Applicable Law.
 - (d) Neither of the Acquired Entities (i) has paid nor will it be required to pay any retention, bonus, fee, distribution, remuneration or other compensation to any Person (other than salaries, wages or bonuses paid or payable in the Ordinary Course of Business in accordance with current compensation levels and practices as set out in the Vendor Data Room Materials), (ii) has forgiven nor will it be required to forgive any Indebtedness of any Person, or (iii) has increased nor will it be required to increase any benefits otherwise payable by the Acquired Entities, in each case as a result of the transactions contemplated by this Agreement.

- (e) The Acquired Entities are in material compliance with all Applicable Laws respecting employment, employment practices and standards, terms and conditions of employment, wages and hours, occupational health and safety, human rights, accessibility, labour relations, employment equity, pay equity and workers' compensation.
- (f) None of the Acquired Entities is a party to any application, complaint or other Legal Proceeding under any Applicable Law relating to Employees or former Employees nor are the Vendor or the Acquired Entities aware of any factual or legal basis on which any such Legal Proceeding might be commenced.
- (g) Neither of the Acquired Entities is a party to or bound by, either directly or by operation of Applicable Law, any collective agreement, labour contract, letter of understanding, letter of intent, voluntary recognition agreement or legally binding commitment or written communication to any labour union, trade union or employee organization or group which may qualify as a trade union in respect of or affecting Employees or independent contractors nor, to the knowledge of the Vendor and the Acquired Entities, is any Acquired Entity subject to any union organization effort.
- (h) There is no strike, labour dispute, work slow down or stoppage pending or Threatened against either of the Acquired Entities nor has there been any such strike, labour dispute, work slow down or stoppage within the last three years. Neither of the Acquired Entities is currently engaged in any labour negotiation.
- (i) All current assessments under the **Workers' Compensation Act** (Alberta) that relate to any of the Acquired Entities have been paid or accrued, and neither of the Acquired Entities has been subject to any special or penalty assessment under such legislation which has not been paid.
- (j) Other than as disclosed in the Vendor Data Room Materials, there are no outstanding inspection orders made under the **Occupational Health and Safety Act** (Alberta) relating to the Acquired Entities or the Business. The Acquired Entities are operating in compliance with all occupational health and safety laws, including the Workplace Hazardous Materials Information System (WHMIS). There are no pending or Threatened charges against any of the Acquired Entities under occupational health and safety laws. There have been no fatal or critical accidents which have occurred in the course of the operation of the Business which might lead to charges under the **Occupational Health and Safety Act** (Alberta). The Acquired Entities have complied in all respects with any Orders issued under occupational health and safety laws.

(25) **Employee Plans.**

- (a) The Vendor Data Room Materials set forth an accurate summary of the benefits payable to Employees, the bonuses payable to the Salaried Employees under the Vendor's Cash Bonus and Restricted Share Unit Plan, the participation of certain Salaried Employees in an employee share purchase plan of the Vendor and the participation of Salaried Employees and certain Hourly Employees in a group RRSP (collectively the "**Employee Plans**"). Other than the Employee Plans, there are no agreements, arrangements or plans providing for benefits, bonuses or pensions of any nature in favour of any Employees.
- (b) The Vendor Data Room Materials contain true, correct, up-to-date and complete copies of booklets describing the benefit plans and group RRSP comprising a portion of the Employee Plans.
- (c) No amendments or improvements to any Employee Plan have been promised by either of the Acquired Entities and no amendments or improvements to any Employee Plan will be made or promised by the Acquired Entities prior to Closing.
- (d) Except as disclosed in the Vendor Data Room Materials, none of the Employee Plans provides post-retirement or post-employment benefits to or in respect of the Employees or any former Employees or to or in respect of the beneficiaries of such Employees and former Employees.
- (e) All contributions or premiums required to be made by the Acquired Entities under the terms of each Employee Plan have been made in a timely fashion in accordance with the terms of the Employee Plans.
- (f) No insurance policy or other contract or agreement affecting any Employee Plan requires or permits a retroactive increase in premiums or payments due thereunder.
- (g) There exists no liability in connection with any former benefit plan relating to the Employees or former Employees or their beneficiaries that has terminated.

(26) **Suppliers.** The Vendor Data Room Materials contain a list of the 10 largest suppliers to the Acquired Entities on a trailing 12 month basis to March 12, 2026 and the aggregate amount which each supplier was paid during such period. To the knowledge of the Vendor and the Acquired Entities, no such supplier has advised either of the Acquired Entities that it intends to cease doing business with the Acquired Entities or to modify or change in any material manner any existing arrangement with the Acquired Entities for the supply of any products or services.

(27) **Transactions with Affiliates et al.** Except with respect to the Bonding Products Indemnity and the Facility Guarantees and Security, neither of the Acquired Entities is liable in respect of any indebtedness or other obligations of any equityholder, shareholder, officer, director, manager, Employee or Affiliate of the Acquired Entities, or associates or relatives of any of the foregoing, or any other Person with whom any of the Acquired Entities does not deal at arm's length. Except as set forth in the Vendor Data Room Materials and pursuant to the Services Agreement, there are no intercompany services provided to the Acquired Entities by the Vendor or by any Affiliate of the Vendor.

(28) **Insurance.**

- (a) The Acquired Entities or the Vendor on behalf of the Acquired Entities maintain insurance with reputable and sound insurers covering the properties and assets of the Acquired Entities in such amounts and against such losses and claims as are generally maintained for comparable properties and assets. The Vendor Data Room Materials set forth and describe all insurance policies currently maintained directly by the Acquired Entities (the "**Insurance Policies**"). Each of the Insurance Policies is valid and subsisting and in good standing, there is no default thereunder and the applicable Acquired Entity is entitled to all rights and benefits thereunder.
- (b) There are no pending claims under any of the Insurance Policies. Neither of the Acquired Entities has failed to give any notice or present any claim under any of the Insurance Policies in a due and timely fashion. There are no circumstances which might entitle either of the Acquired Entities to make a claim under any of the Insurance Policies or which might be required under any of the Insurance Policies to be notified to the insurers.
- (c) No notice of cancellation or non-renewal with respect to, nor disallowance of any claim under, any of the Insurance Policies has been received by either of the Acquired Entities.

(29) **Tax Matters.**

- (a) The Vendor is not a non-resident of Canada for purposes of the ITA.
- (b) Each of the Acquired Entities has prepared and filed when due with each relevant Governmental Authority all Tax Returns required to be filed by or on behalf of it in respect of any Taxes. All such Tax Returns are correct and complete in all material respects, and no material fact has been omitted therefrom. No extension of time in which to file any such Tax Returns is in effect. Neither of the Acquired Entities has received written notice from any Governmental Authority asserting that the Acquired Entity is required to file Tax Returns or pay any Taxes in any jurisdiction where it does not do so.
- (c) The Acquired Entities have paid in full and when due all Taxes required to be paid by them, whether or not such Taxes are shown on a Tax Return or on any assessments or reassessments.
- (d) No assessments or reassessments of the Taxes of the Acquired Entities are currently the subject of an objection or appeal and, except as set forth in the Vendor Data Room Materials, no audit by any Governmental Authority of either of the Acquired Entities is currently ongoing. To the Vendor's knowledge, except as set forth in the Vendor Data Room Materials, there is no audit or reassessment of either of the Acquired Entities proposed by any Governmental Authority in respect of any Taxes, regardless of its merits. Neither of the Acquired Entities has executed or filed with any Governmental Authority any agreement or waiver extending the period for assessment, reassessment or collection of any Taxes.
- (e) The Acquired Entities have withheld from each payment made to any Person, including its present or former Employees, officers, managers and directors, and all Persons who are or are deemed to be non-residents of Canada for purposes of

the ITA, all amounts required by Applicable Law to be withheld, and have remitted such withheld amounts within the prescribed periods to the appropriate Governmental Authority. Each of the Acquired Entities has remitted all Canada Pension Plan contributions, provincial pension plan contributions, employment insurance premiums and other Taxes payable or required to be withheld and remitted by it in respect of the Employees to the appropriate Governmental Authority within the time required under Applicable Law. Each of the Acquired Entities has charged, collected and remitted on a timely basis all Taxes as required under Applicable Law on any sale, supply or delivery made by it.

- (f) Both of the Acquired Entities have maintained and continue to maintain at their place of business in Canada, or the Vendor's place of business in Canada, all records and books of account required to be maintained under the ITA, the **Excise Tax Act** (Canada) and any comparable Law of any province or territory in Canada, including Laws relating to sales and use taxes.
- (g) The terms and conditions made or imposed in respect of any transaction (or series of transactions) between the Acquired Entities and any Person that is (i) a non-resident of Canada for purposes of the ITA, and (ii) not dealing at arm's length with the Acquired Entity, as the case may be, for purposes of the ITA, did not differ materially from those that would have been made between Persons dealing at arm's length for purposes of the ITA.
- (h) None of the Acquired Entities is party to or bound by any tax sharing agreement, tax indemnity obligation in favour of any Person or similar agreement in favour of any Person with respect to Taxes (including any advance pricing agreement or other similar agreement relating to Taxes with any Governmental Authority). Without limiting the generality of the foregoing, none of the Acquired Entities has entered into an agreement contemplated in section 80.04 or 191.3, or subsection 18(2.3), 125(3), 127(13) to (17) or 127(20) of the ITA or any analogous provision of any comparable Law of any province or territory of Canada.
- (i) Other than the partner's share of the net income (loss) of the Limited Partnership for the Straddle Period allocable to the General Partner for such period, neither of the Acquired Entities will be required to include in a tax period ending after the Closing Time any amount of net taxable income (after taking into account deductions claimed for such period that relate to a prior period) attributable to income that accrued, or that was required to be reported for financial accounting purposes in a prior taxable period but that was not included in taxable income for that or another prior tax period.
- (j) There are no transactions or events that have resulted in the application to the Acquired Entities of sections 80, 80.01, 80.02, 80.03, 80.04 of the ITA or any analogous provision of any comparable Law of any province or territory of Canada.
- (k) Except for any unpaid amounts between the Acquired Entities, neither of the Acquired Entities has incurred any deductible outlay or expense owing to a Person not dealing at arm's length (for purposes of the ITA) with the Acquired Entity, as the case may be, the amount of which would, in the absence of an agreement filed under paragraph 78(1)(b) of the ITA, be included in the Acquired Entity's income for Canadian income tax purposes, as the case may be, for any taxation year or fiscal period beginning on or after the Closing Date under paragraph 78(1)(a) of

the ITA or any analogous provision of any comparable Law of any province or territory of Canada.

- (l) None of the Acquired Entities has any liability for the Taxes of any Person under subsection 160(1) of the ITA (or any corresponding or similar provision of any other Applicable Law), as a transferee, successor, by contract or otherwise.
- (m) Neither of the Acquired Entities has claimed or received an amount in respect of a Tax credit, refund, rebate overpayment or similar adjustment of Taxes, including any governmental assistance or subsidy, in each case to which such entity is not fully entitled, and each such entity has retained all documentation prescribed by Applicable Law to support any claims for such amounts. Neither of the Acquired Entities has received written notice from a Governmental Authority, regardless of its merits, that an Acquired Entity is or may be required to repay any such amounts received by such Acquired Entity.
- (n) Neither of the Acquired Entities has ever had an obligation to file an information return pursuant to sections 237.3, 237.4 or 237.5 of the ITA.

(30) ***Privacy and Data Security.***

- (a) The Acquired Entities have complied at all times with all Privacy Laws in all material respects in connection with their collection, use and disclosure of Personal Information.
- (b) To the knowledge of the Vendor and the Acquired Entities, neither of the Acquired Entities has experienced: (i) a loss or theft of, or unauthorized access, use or disclosure of, Personal information or material data, (ii) unauthorized access to or use of its information technology systems; (iii) complaints or claims regarding any of the Acquired Entities' collection, use or disclosure of Personal Information or the actual or alleged violation of any Privacy Law or Contract to which the Acquired Entities are subject; or (iv) an investigation, audit or other inquiry from a Governmental Authority regarding any of the Acquired Entities' collection, use, disclosure or protection of Personal Information.

(31) ***No Material Adverse Change.*** Since the date of the most recent annual Acquired Entities Financial Statements, there has been no Vendor Material Adverse Change and, to the knowledge of the Vendor and the Acquired Entities, no event has occurred nor do any circumstances exist which could result in a Vendor Material Adverse Change.

(32) ***Absence of Certain Changes or Events.*** Since the date of the most recent annual Acquired Entities Financial Statements, the Acquired Entities have carried on the Business in the Ordinary Course of Business.

(33) ***Commissions.*** Neither the Vendor nor either of the Acquired Entities has incurred any obligation or liability, contingent or otherwise, for brokers' or finders' fees in respect of this Agreement or the transactions to be effected by it for which the Purchaser or the Acquired Entities shall have any obligation or liability.

3.3 Representations and Warranties of the Purchaser. As a material inducement to the Vendor entering into this Agreement and completing the transactions contemplated by this Agreement and acknowledging that the Vendor is entering into this Agreement in reliance upon the representations and warranties of the Purchaser set out in this Section 3.3, as of the date hereof the Purchaser represents and warrants to the Vendor as follows:

(1) ***Incorporation and Corporate Power.*** The Purchaser is a corporation incorporated, organized and validly subsisting under the laws of the Province of Alberta. The Purchaser has the corporate power, authority and capacity to execute and deliver this Agreement and all other agreements and instruments to be executed by it as contemplated herein and to perform its obligations under this Agreement and under all such other agreements and instruments.

(2) ***Authorization by Purchaser.*** The execution and delivery of this Agreement and all other agreements and instruments to be executed by it as contemplated herein and, subject to obtaining the approval of the Purchaser Shareholders as described herein, the completion of the transactions contemplated by this Agreement and all such other agreements and instruments have been duly authorized by all necessary corporate action on the part of the Purchaser.

(3) ***Capitalization.*** As of the date hereof, the authorized capital of the Purchaser consists of an unlimited number of Purchaser Class A Shares, an unlimited number of Purchaser Class B Shares, an unlimited number of First Preferred Shares, an unlimited number of Second Preferred Shares and one Special Share. As of the date hereof, 36,766,441 Purchaser Class A Shares and 1,653,784 Purchaser Class B Shares are issued and outstanding. All outstanding Purchaser Class A Shares and Purchaser Class B Shares have been duly authorized and validly issued, are fully paid and non-assessable. The Closing Share Consideration, when issued at Closing, will be duly authorized and validly issued and fully paid and non-assessable.

(4) ***Shareholders Agreements and Other Rights.*** There are no shareholders' or other similar agreements governing the affairs of Purchaser or the relationship, rights and duties of its equityholders, nor are there any voting trusts, pooling arrangements or other similar agreements with respect to the ownership or voting of any equity interests in the Purchaser. Other than 3,018,500 outstanding options in respect of Purchaser Class A Shares, there are no rights, subscriptions, warrants, options, conversion rights, calls, commitments or plans or agreements of any kind outstanding which would enable any Person to purchase or otherwise acquire any equity interest or other securities of the Purchaser including, without limitation, any securities convertible into or exchangeable or exercisable for an equity interest of the Purchaser.

(5) ***Enforceability of Obligations.*** This Agreement constitutes a valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms. There is no Legal Proceeding in progress, pending, or, to the knowledge of the Purchaser, Threatened against Purchaser which might affect adversely the ability of the Purchaser to enter into this Agreement or to perform its obligations hereunder. To the knowledge of the Purchaser, there are no grounds on which any such Legal Proceeding might be commenced and there is no Order outstanding against or affecting the Purchaser which, in any such case, affects adversely or might affect adversely the ability of the Purchaser to enter into this Agreement or to perform its obligations hereunder.

(6) ***Corporate Records.*** The minute books of the Purchaser have been maintained in accordance with Applicable Law and contain true, correct and complete copies of its articles, by-laws, the minutes of every meeting of its board of directors and every committee thereof and of its shareholders and every written resolution of its directors and shareholders, as applicable. All meetings of directors and shareholders of the Purchaser have been duly called and held and all

resolutions have been duly passed in accordance with Applicable Law at such meetings or by written resolution. The share certificate book, register of shareholders, register of transfers and register of directors and officers of the Purchaser are complete and accurate in all material respects.

(7) ***Financial Statements.***

- (a) The Purchaser Financial Statements were prepared in accordance with GAAP consistently applied and in each case fairly present in all material respects the consolidated financial position, results of operations and cash flows of the Purchaser and its subsidiaries as of the dates thereof and for the periods indicated therein and reflect reserves required by GAAP in respect of all material contingent liabilities, if any, of the Purchaser and its subsidiaries on a consolidated basis. There have been no material changes in the Purchaser's accounting policies since December 31, 2025, except as disclosed in the Purchaser Financial Statements.
- (b) The Purchaser does not intend to correct or restate, nor, to the knowledge of the Purchaser, is there any basis for any correction or restatement of, any aspect of the Purchaser Financial Statements.

(8) ***Reporting Status and Securities Laws Matters.***

- (a) The Purchaser is a "reporting issuer" or has equivalent status in Alberta, British Columbia, Manitoba, New Brunswick, Nova Scotia, Ontario, Quebec and Saskatchewan, is not on the list of reporting issuers in default under Applicable Canadian Securities Laws in any province or territory of Canada, and is in compliance, in all material respects, with all Applicable Canadian Securities Laws. No delisting of, suspension of trading in or cease trading order with respect to any securities of the Purchaser and, to the knowledge of the Purchaser no inquiry or investigation (formal or informal) of any securities regulatory authority, or any enforcement action by any securities regulatory authority, is in effect or ongoing or, to the knowledge of the Purchaser, expected to be implemented or undertaken against the Purchaser. The Purchaser has provided copies of all material correspondence between any securities regulatory authority, on the one hand, and the Purchaser, on the other hand, since January 1, 2024.
- (b) The Purchaser Class A Shares and Purchaser Class B Shares are listed on the TSX and the Purchaser is in compliance in all material respects with the policies and requirements of the TSX.
- (c) Since January 1, 2024, the Purchaser has not received or otherwise had or obtained knowledge of any material complaint, allegation, assertion, expression of concern or claim from any source, whether written or oral, regarding the accounting, internal accounting controls or auditing practices, procedures, methodologies or methods of the Purchaser, including any material complaint, allegation, assertion, expression of concern or claim from any source that the Purchaser has engaged in questionable accounting or auditing practices.
- (d) No Person has reported evidence of a material violation of Applicable Canadian Securities Laws, breach of fiduciary duty or similar material violation by the Purchaser, or any of its Representatives, to an officer of the Purchaser, the audit

committee (or other committee designated for the purpose) of the board of directors of the Purchaser or the board of directors of the Purchaser.

(9) **Purchaser Public Record.** The documents comprising the Purchaser Public Record: (i) did not, at the time filed with securities regulatory authorities (or, if amended prior to the date hereof, as of the date of such amendment), contain any untrue statement of a material fact, omit any material fact required to be stated or omit to state a material fact necessary to be stated in order for a statement not to be misleading; and (ii) include all documents required to be filed in accordance with Applicable Canadian Securities Laws and comply, in all material respects, with Applicable Canadian Securities Laws. The Purchaser has timely filed with the applicable securities regulatory authorities all forms, reports, schedules, statements and other documents required to be filed by the Purchaser with the applicable securities regulatory authorities, and all such forms, reports, schedules, statements and other documents comply in all material respects with all Applicable Laws. The Purchaser has not filed any confidential material change report with any securities regulatory authority which remains confidential.

(10) **Books and Records.** The Purchaser has made available to the Vendor all Books and Records specifically requested by the Vendor. All material transactions of the Purchaser have been accurately recorded in the Financial Records in accordance with sound business and financial practice and the Financial Records accurately reflect the basis for the financial condition and the revenues, expenses and results of operations of the Purchaser as of and to the date hereof.

(11) **Title to Assets.** The Purchaser has good and marketable legal and beneficial title to all of its property and assets, free and clear of any and all Liens, except for Permitted Liens and Liens under the credit facility of the Purchaser. There is no agreement, option or other right or privilege outstanding in favour of any Person for the purchase from the Purchaser of its business or any part thereof or of any of the material property or assets of the Purchaser other than in the Ordinary Course of Business.

(12) **Compliance with Applicable Law.** The business of the Purchaser has been and is being conducted by the Purchaser in compliance, in all material respects, with Applicable Law.

(13) **Compliance with Anti-Corruption Laws.** None of the Purchaser or, to the knowledge of the Purchaser, any of its respective Representatives or joint venture partners, in carrying out or representing the business of the Purchaser anywhere in the world, have violated the **Corruption of Foreign Public Officials Act** (Canada), the U.S. **Foreign Corrupt Practices Act**, the U.K. **Bribery Act 2010**, or the anti-corruption laws of any other jurisdiction where the business of the Purchaser is carried on.

(14) **Undisclosed Liabilities.** The Purchaser does not have any liabilities (which includes Indebtedness) or obligations of any nature (whether liquidated or unliquidated, due or to become due and whether absolute, accrued, contingent or otherwise) except for liabilities and obligations disclosed or provided for in the most recent Purchaser Financial Statements and current liabilities incurred in the Ordinary Course of Business since the date of such Purchaser Financial Statements. Without limiting the foregoing, the Purchaser is not a party to or bound by any agreement, contract or commitment providing for the guarantee, indemnification, assumption or endorsement with respect to the obligations or liabilities (which includes Indebtedness), contingent or otherwise, of any other Person.

(15) **Regulatory Approvals.** Other than the conditional approval of the TSX of the issuance and the listing and posting for trading on the TSX of the Purchaser Class B Shares to

be issued as the Closing Share Consideration and of the Purchaser Amendment, no Regulatory Approval or filing with, notice to, or waiver from any Governmental Authority is required to be obtained or made by the Purchaser in connection with the execution and delivery of, or performance by the Purchaser of its obligations under, this Agreement or the consummation of the transactions contemplated hereby, and provided that the Vendor makes no representation with respect to the Distribution.

(16) ***Absence of Conflicting Agreements.*** The execution, delivery and performance of this Agreement by the Purchaser and the completion (with any required Consents and Regulatory Approvals and the giving of any required notices) of the transactions contemplated by this Agreement do not and will not result in or constitute any of the following:

- (a) a default, breach or violation or an event that, with notice or lapse of time or both, would be a default, breach or violation of any of the terms, conditions or provisions of the articles or by-laws of the Purchaser or any contract material to the business of the Purchaser;
- (b) an event which, pursuant to the terms of any contract or licence, would cause any right or interest of the Purchaser to come to an end or be amended in any way that is detrimental to the business of the Purchaser or entitle any other Person to terminate or amend any such right or interest or relieve any other Person of its obligations thereunder;
- (c) the creation or imposition of any Lien on any property or asset of the Purchaser; or
- (d) the violation of any Applicable Law, provided that the Vendor makes no representation with respect to the Distribution.

(17) ***Legal Proceedings and Orders.*** Except as set forth and described in the Purchaser Data Room Materials, there is no Legal Proceeding in progress, pending or, to the knowledge of the Purchaser, Threatened against or affecting the Purchaser, or any of its respective officers or directors, in their capacity as such, or any of its respective properties or assets or title thereto, nor, to the knowledge of Purchaser, is there any factual or legal basis on which any such Legal Proceeding might be commenced. Except as set forth and described in the Purchaser Data Room Materials, there is no Order outstanding against or affecting the Purchaser or any of its respective properties or assets. There are no internal investigations or inquiries being conducted by the Purchaser or any third party at the request of any of the foregoing concerning any financial, accounting, Tax, conflict of interest, illegal activity, fraudulent or deceptive conduct or other misfeasance or malfeasance issues.

(18) ***Environmental Matters.***

- (a) The business of the Purchaser and the property and assets as carried on or used by the Purchaser and its respective predecessors have been carried on and used and are currently carried on and used in compliance in all material respects with all Environmental Laws.
- (b) The Purchaser holds all Environmental Permits required for the operation of its business or any of the property and assets used in its business. Such Environmental Permits are valid and in full force and effect, and no violations thereof have been experienced, noted or recorded, and no Legal Proceedings are

pending or, to the knowledge of the Purchaser, Threatened, to revoke or limit any of them.

(19) ***Privacy and Data Security.***

- (a) The Purchaser has complied at all times with all Privacy Laws in all material respects in connection with its collection, use and disclosure of Personal Information.
- (b) To the knowledge of the Purchaser, it has not experienced: (i) a loss or theft of, or unauthorized access, use or disclosure of, Personal information or material data, (ii) unauthorized access to or use of its information technology systems; (iii) complaints or claims regarding any of its collection, use or disclosure of Personal Information or the actual or alleged violation of any Privacy Law or Contract to which it is subject; or (iv) investigation, audit or other inquiry from a Governmental Authority regarding its collection, use, disclosure or protection of Personal Information.

(20) ***Insurance.*** The Purchaser maintains insurance with reputable and sound insurers covering the properties and assets of the Purchaser in such amounts and against such losses and claims as are generally maintained for comparable properties and assets. No notice of cancellation or non-renewal with respect to, nor disallowance of any claim under, any of the insurance policies of the Purchaser has been received by the Purchaser.

(21) ***Tax Matters.*** The Purchaser is a taxable Canadian corporation and is not a non-resident of Canada for purposes of the ITA. The Purchaser is not exempt from tax under Section 149 of the ITA.

(22) ***No Material Adverse Change.*** Since the date of the most recent Purchaser Financial Statements, there has been no Purchaser Material Adverse Change and, to the knowledge of the Purchaser, no event has occurred nor do any circumstances exist which could result in a Purchaser Material Adverse Change.

(23) ***Absence of Certain Changes or Events.*** Since the date of the most recent Purchaser Financial Statements, the Purchaser has carried on its business in the Ordinary Course of Business.

(24) ***Commissions.*** The Purchaser has not incurred any obligation or liability, contingent or otherwise, for brokers' or finders' fees in respect of this Agreement or the transactions to be effected by it for which the Vendor shall have any obligation or liability.

3.4 No Other Representations and Warranties Made by the Vendor. The Vendor makes no representations or warranties with respect to the Acquired Entities, the Business, the Vendor's interests in the Acquired Entities or any other matter except as expressly contained in Sections 3.1 and 3.2. The Purchaser acknowledges that, except as expressly contained in Sections 3.1 and 3.2, neither the Vendor nor either of the Acquired Entities has made, and the Vendor hereby expressly disclaims and negates any liability or responsibility for, any representation or warranty that may have been made or alleged to have been made with respect to the Acquired Entities, the Business, the Vendor's interests in the Acquired Entities or any other matter, including any express or implied warranty contained in any document or statement made or communicated to the Purchaser in any form or manner.

3.5 No Waiver by Vendor. No investigations, inspections, surveys or tests made by or on behalf of the Vendor at any time, and no updates to information from the Purchaser to the Vendor pursuant to Section 7.10, shall, or shall be deemed to (a) affect, mitigate, modify, waive, diminish the scope of or otherwise affect any representation or warranty made by the Purchaser in or pursuant to this Agreement, (b) amend or supplement any of the Exhibits hereto, or (c) limit or otherwise affect any remedies available to the Vendor, unless in each case agreed to by the Vendor in writing.

3.6 No Other Representations and Warranties Made by the Purchaser. The Purchaser makes no representations or warranties with respect to the Purchaser, the business of the Purchaser or any other matter except as expressly contained in Section 3.3. The Vendor acknowledges that, except as expressly contained in Section 3.3, the Purchaser has not made, and the Purchaser hereby expressly disclaims and negates any liability or responsibility for, any representation or warranty that may have been made or alleged to have been made with respect to the Purchaser, the business of the Purchaser or any other matter, including any express or implied warranty contained in any document or statement made or communicated to the Vendor in any form or manner.

3.7 No Waiver by Purchaser. No investigations, inspections, surveys or tests (including pursuant to Section 7.5) made by or on behalf of the Purchaser at any time, and no updates to information from the Vendor to the Purchaser pursuant to Section 7.9, shall, or shall be deemed to (a) affect, mitigate, modify, waive, diminish the scope of or otherwise affect any representation or warranty made by the Vendor in or pursuant to this Agreement, (b) amend or supplement any of the Exhibits hereto, or (c) limit or otherwise affect any remedies available to the Purchaser, unless in each case agreed to by the Purchaser in writing.

ARTICLE 4 CLOSING ARRANGEMENTS

4.1 Closing. The Closing shall take place at 10:00 a.m. Calgary Time on the Closing Date, or at such other time on the Closing Date as may be agreed by the Vendor and the Purchaser.

4.2 Vendor's Closing Deliveries. At the Closing, the Vendor shall deliver or cause to be delivered to the Purchaser the following documents and other deliveries (in each case in a form and substance acceptable to the Purchaser, acting reasonably):

- (a) the Rig Utilization Agreement, duly executed by the Vendor;
- (b) the Master Daywork Agreement, duly executed by the Vendor;
- (c) a termination and release of the Services Agreement, duly executed by the Vendor and the General Partner;
- (d) the certificate or certificates representing the GP Shares;
- (e) a transfer of the GP Shares, duly executed by the Vendor;
- (f) a transfer of all of the Partnership Interests held by the Vendor, duly executed by the Vendor;

- (g) an amendment to the Certificate of Limited Partnership, substituting the Purchaser for the Vendor as limited partner, duly executed by the Vendor and the General Partner;
- (h) a certificate of status or other evidence from appropriate authorities, dated as of or about the Closing Date, as to the legal existence of each of the Acquired Entities;
- (i) the minute books, share certificate books and corporate seal, as applicable, of each Acquired Entity;
- (j) the officer's certificate required to be delivered pursuant to Sections 5.1(1)(c) and 5.1(2), duly executed by an officer of the Vendor;
- (k) a receipt for the Closing Share Consideration;
- (l) the written resignation of each director and officer of the General Partner;
- (m) a release of all claims against the General Partner by each director and officer of the General Partner in a form customary for a transaction of this nature;
- (n) a release and discharge of the Facility Guarantees and Security;
- (o) a written release of the obligations of the Acquired Entities under the Bonding Products Indemnity; and
- (p) all such other assurances, consents, agreements, documents and instruments as may be reasonably required by the Purchaser to complete the transactions provided for in this Agreement.

4.3 Purchaser's Closing Deliveries. At the Closing, the Purchaser shall deliver or cause to be delivered to the Vendor the following documents and other deliveries (in each case in a form and substance acceptable to the Vendor, acting reasonably):

- (a) the Rig Utilization Agreement, duly executed by the Purchaser;
- (b) the Master Daywork Agreement, duly executed by the Purchaser;
- (c) the officer's certificate required to be delivered pursuant to Sections 5.3(1)(c) and 5.3(2), duly executed by an officer of the Purchaser;
- (d) a direct registration statement in the name of the Vendor representing the Closing Share Consideration, which direct registration statement shall not provide for any legend restricting transfer of the Closing Share Consideration or for any hold period with respect thereto;
- (e) a release of all claims by the General Partner against each director and officer of the General Partner in a form customary for a transaction of this nature; and
- (f) all such other assurances, consents, agreements, documents and instruments as may be reasonably required by the Vendor to complete the transactions provided for in this Agreement.

ARTICLE 5 CONDITIONS OF CLOSING

5.1 Purchaser's Conditions. The Purchaser shall not be obligated to complete the transactions contemplated by this Agreement, unless, at or before the Closing Time, each of the conditions listed below in this Section 5.1 has been satisfied, it being understood that the said conditions are included for the exclusive benefit of the Purchaser.

(1) ***Representations and Warranties.***

- (a) The Vendor's Fundamental Representations shall be true and correct in all material respects as of the date of this Agreement and as of the Closing, provided and except that if any such Vendor's Fundamental Representation (or portions thereof) speaks only as of a specific date, then such Vendor's Fundamental Representation (or applicable portions thereof) shall be true and correct in all material respects as of that date.
- (b) The representations and warranties of the Vendor in Section 3.1 and 3.2, other than the Vendor's Fundamental Representations, shall be true and correct as of the date of this Agreement and as of the Closing, except where the failure of such representations and warranties to be so true and correct would not have a material adverse effect on the business, assets, results of operations or condition (financial or otherwise) of the Acquired Entities and further provided and except that:
 - (i) if any such representation or warranty (or portion thereof) speaks only as of a specific date, then such representation and warranty (or applicable portion thereof) shall be true and correct as of that date, except where the failure of such representation and warranty (or applicable portion thereof) to be true and correct as of that date would not have a material adverse effect on the business, assets, results of operations or condition (financial or otherwise) of the Acquired Entities; and
 - (ii) for the purposes of this Section 5.1(1)(b), where such representations and warranties contain a materiality, Vendor Material Adverse Change or similar qualification, they shall be interpreted without reference to those qualifications.
- (c) The Vendor shall have delivered a certificate of an officer of the Vendor (solely in such capacity and not in his or her personal capacity) addressed to the Purchaser to the foregoing effect dated as of the Closing Date.

(2) ***Vendor's Compliance with Covenants.*** The Vendor shall have performed in all material respects its covenants and agreements under this Agreement to be complied with or performed by it at or before the Closing, and the Vendor shall have delivered a certificate of an officer of the Vendor (solely in such capacity and not in his or her personal capacity) addressed to the Purchaser to that effect dated as of the Closing Date.

(3) ***Vendor's Deliverables.*** The Vendor shall have delivered to the Purchaser each of the deliverables set forth in Section 4.2.

(4) ***Material Adverse Change.*** During the Interim Period, there shall have been no Vendor Material Adverse Change.

(5) **No Litigation.** As of the Closing Date, there shall be no ongoing Legal Proceedings (excluding Legal Proceedings commenced by the Purchaser or its Affiliates) which have a reasonable prospect of success and which are commenced for the purpose of prohibiting or restraining, temporarily or permanently, the consummation of the transactions contemplated by this Agreement.

(6) **Illegality.** No Order shall have been made, issued or delivered by any Governmental Authority and no Law shall be in effect which prohibits, restrains or renders illegal the consummation of the transactions contemplated by this Agreement.

(7) **Purchaser Amendment Resolution.** The Purchaser Amendment Resolution shall have been approved by the applicable Purchaser Shareholders, in form and substance satisfactory to the Purchaser, acting reasonably.

(8) **Purchaser Share Issuance Resolution.** The Purchaser Share Issuance Resolution shall have been approved by the Purchaser Shareholders in the manner required by the TSX and in form and substance satisfactory to the Purchaser, acting reasonably.

(9) **Conditional TSX Approvals.** The TSX shall have conditionally approved the issuance and the listing and posting for trading on the TSX of the Purchaser Class B Shares to be issued as the Closing Share Consideration and conditionally approved the Purchaser Amendment.

(10) **Dissent Rights.** Purchaser Shareholders holding not more than 5% of the issued and outstanding Purchaser Shares (on a combined basis) shall have validly exercised, and not withdrawn, Dissent Rights.

(11) **Indebtedness.** As of the Closing Time, none of the Acquired Entities shall be subject to, or have outstanding, any Indebtedness of the type referred to in subsections (e), (f), (h) or (i) of the definition of Indebtedness and, to the extent related to any such items described in such subsections, any Indebtedness of the type referred to in subsection (j) of the definition of Indebtedness.

5.2 Condition Not Fulfilled. If any condition in Section 5.1 has not been fulfilled at or before the Outside Date or if any such condition is, or becomes, impossible to satisfy prior to the Outside Date, other than as a result of the failure of the Purchaser to comply with its obligations under this Agreement, then the Purchaser in its sole discretion may either:

- (a) terminate this Agreement by notice to the Vendor, as provided in Section 8.1; or
- (b) waive compliance with any such condition without prejudice to its right of termination in the event of non-fulfilment of any other condition.

5.3 Vendor's Conditions. The Vendor shall not be obligated to complete the transactions contemplated by this Agreement unless, at or before the Closing Time, each of the conditions listed below in this Section 5.3 has been satisfied, it being understood that the said conditions are included for the exclusive benefit of the Vendor.

(1) **Representations and Warranties.**

- (a) The Purchaser's Fundamental Representations shall be true and correct in all material respects as of the date of this Agreement and as of the Closing, provided

and except that if any such Purchaser's Fundamental Representation (or portions thereof) speaks only as of a specific date, then such Purchaser's Fundamental Representation (or applicable portions thereof) shall be true and correct in all material respects as of that date.

- (b) The representations and warranties of the Purchaser in Section 3.3, other than the Purchaser's Fundamental Representations, shall be true and correct as of the date of this Agreement and as of the Closing, except where the failure of such representations and warranties to be so true and correct would not have a material adverse effect on the business, assets, results of operations or condition (financial or otherwise) of the Purchaser and further provided and except that:

- (i) if any such representation or warranty (or portion thereof) speaks only as of a specific date, then such representation and warranty (or applicable portion thereof) shall be true and correct as of that date, except where the failure of such representation and warranty (or applicable portion thereof) to be true and correct as of that date would not have a material adverse effect on the business, assets, results of operations or condition (financial or otherwise) of the Purchaser; and
 - (ii) for the purposes of this Section 5.3(1)(b), where such representations and warranties contain a materiality, Purchaser Material Adverse Change or similar qualification, they shall be interpreted without reference to those qualifications.

- (c) The Purchaser shall have delivered a certificate of an officer of the Purchaser (solely in such capacity and not in his or her personal capacity) addressed to the Vendor to the foregoing effect dated as of the Closing Date.

(2) **Purchaser's Compliance with Covenants.** The Purchaser shall have performed in all material respects its covenants and agreements under this Agreement to be complied with or performed by the Purchaser at or before the Closing, and the Purchaser shall have delivered a certificate of an officer of the Purchaser (solely in such capacity and not in his or her personal capacity) addressed to the Vendor to that effect dated as of the Closing Date.

(3) **Purchaser's Deliverables.** The Purchaser shall have delivered to the Vendor each of the deliverables set forth in Section 4.3.

(4) **Material Adverse Change.** During the Interim Period, there shall have been no Purchaser Material Adverse Change.

(5) **No Litigation.** As of the Closing Date, there shall be no ongoing Legal Proceedings (excluding Legal Proceedings commenced by the Vendor or its Affiliates) which have a reasonable prospect of success and which are commenced for the purpose of prohibiting or restraining, temporarily or permanently, the consummation of the transactions contemplated by this Agreement.

(6) **Illegality.** No Order shall have been made, issued or delivered by any Governmental Authority and no Law shall be in effect which prohibits, restrains or renders illegal the consummation of the transactions contemplated by this Agreement.

(7) **Purchaser Amendment Resolution.** The Purchaser Amendment Resolution shall have been approved by the applicable Purchaser Shareholders, in form and substance satisfactory to the Vendor, acting reasonably.

(8) **Purchaser Amendment.** The articles of amendment giving effect to the Purchaser Amendment shall be filed with Registrar, in form and substance satisfactory to the Vendor, acting reasonably.

(9) **Purchaser Share Issuance Resolution.** The Purchaser Share Issuance Resolution shall have been approved by the Purchaser Shareholders in the manner required by the TSX and in form and substance satisfactory to the Vendor, acting reasonably.

(10) **Conditional TSX Approvals.** The TSX shall have conditionally approved the issuance and the listing and posting for trading on the TSX of the Purchaser Class B Shares to be issued as the Closing Share Consideration and conditionally approved the Purchaser Amendment.

(11) **Distribution.** The Vendor shall be satisfied, acting reasonably, that it can make the Distribution in compliance with section 43 of the ABCA.

(12) **Purchaser Board.** The board of directors of the Purchaser shall have been, or will be concurrently with the Closing, reconstituted to include the individuals set forth in Appendix A.

5.4 Condition Not Fulfilled. If any condition in Section 5.3 has not been fulfilled at or before the Outside Date or if any such condition is, or becomes, impossible to satisfy prior to the Outside Date, other than as a result of the failure of the Vendor to comply with its obligations under this Agreement, then the Vendor in its sole discretion may either:

- (a) terminate this Agreement by notice to the Purchaser as provided in Section 8.1; or
- (b) waive compliance with any such condition without prejudice to its right of termination in the event of non-fulfilment of any other condition.

5.5 Efforts to Fulfill Conditions. The Vendor and Purchaser shall each proceed diligently and in good faith and use commercially reasonable efforts to satisfy and comply with and assist in the satisfaction and compliance with the conditions precedent.

ARTICLE 6 INDEMNIFICATION

6.1 Survival. The representations and warranties of the Parties contained herein, and the right of the Parties to assert an indemnification claim under this Agreement with respect thereto by providing a Claim Notice, shall survive the Closing until, and shall expire and terminate upon:

(1) in the case of the Vendor's Fundamental Representations, the date that is ten years following the Closing Date;

(2) in the case of the representations and warranties of the Vendor in Section 3.2(29), the date that is 30 days after the date on which the relevant Governmental Authorities are no longer entitled to assess or reassess the applicable Acquired Entities in respect of a Pre-Closing Tax Period;

(3) in the case of the representations and warranties of the Vendor (excluding the Vendor's Fundamental Representations and the representations and warranties referenced in subsection 6.1(2)), the date that is twelve months following the Closing Date;

(4) in the case of Purchaser's Fundamental Representations, the date that is ten years following the Closing Date; and

(5) in the case of the representations and warranties of the Purchaser (excluding the Purchaser's Fundamental Representations), the date that is twelve months following the Closing Date,

and the date upon which each of the time periods set forth above expire for each type of representation and warranty shall hereinafter be referred to as the "**Survival Period**" of such representation and warranty.

6.2 Indemnity by the Vendor. From and after the Closing, the Vendor shall indemnify the Purchaser's Indemnified Parties and save them fully harmless against, and will reimburse them for, any Damages:

- (a) incurred as a result of a breach of any representation or warranty of the Vendor contained in this Agreement;
- (b) incurred as a result of a breach of any covenant or agreement on the part of the Vendor contained in this Agreement; and
- (c) incurred as a result of, or arising out of or in connection with or related in any manner whatever to any Taxes required to be paid by the Acquired Entities (and in each case any successor thereto) or the Purchaser:
 - (i) in respect of a Pre-Closing Tax Period of the Acquired Entities; and
 - (ii) in respect of the portion of a Straddle Period of the Acquired Entities ending immediately prior to the Closing Date (as determined under Section 7.11(3));

[Redacted:
monetary
threshold]

except, in each case, to the extent such Taxes were specifically taken into account in calculating the Purchase Price or except to the extent such Taxes do not exceed [REDACTED] (the "**Indemnified Taxes**").

6.3 Indemnity by the Purchaser. From and after the Closing, the Purchaser shall indemnify the Vendor's Indemnified Parties and save them fully harmless against, and will reimburse them for Damages:

- (a) incurred as a result of a breach of any representation or warranty of the Purchaser contained in this Agreement; and
- (b) incurred as a result of a breach of any covenant or agreement on the part of the Purchaser contained in this Agreement.

6.4 Claim Notice.

(1) If an Indemnified Party becomes aware of any act, omission or state of facts that may give rise to Damages in respect of which a right of indemnification is provided for under this

Article 6, the Indemnified Party shall promptly give written notice thereof (a "**Claim Notice**") to the Indemnifying Party. The Claim Notice shall specify whether the potential Damages arise as a result of a claim by a Person against the Indemnified Party (a "**Third Party Claim**") or whether the potential Damages arise as a result of a claim directly by the Indemnified Party against the Indemnifying Party (a "**Direct Claim**"), and shall also specify with reasonable particularity (to the extent that the information is available):

- (a) the factual basis for the Direct Claim or Third Party Claim, as the case may be; and
- (b) the amount of the potential Damages arising therefrom, if known.

(2) If, through the fault of the Indemnified Party, the Indemnifying Party does not receive a Claim Notice promptly, then the liability of the Indemnifying Party to the Indemnified Party under this Article 6 shall be reduced only to the extent that Damages are actually incurred by the Indemnifying Party resulting from the Indemnified Party's failure to give the Claim Notice on a timely basis. Nothing in this Section 6.4 shall be construed to affect the time within which a Claim Notice must be delivered pursuant to Section 6.5 in order to permit recovery pursuant to Section 6.2(a) or 6.3(a), as the case may be.

6.5 Time Limits for Claim Notice for Breach of Representations and Warranties. No Damages may be recovered from the Purchaser pursuant to Section 6.3(a), or from the Vendor pursuant to Section 6.2(a) unless a Claim Notice is delivered by the Vendor or the Purchaser, respectively, on or before expiry of the Survival Period of such representation and warranty. Unless a Claim Notice has been given on or before expiry of the applicable Survival Period with respect to each particular representation and warranty, the Vendor or the Purchaser, as the case may be, shall be released on the last day following the end of the Survival Period from all obligations in respect of that particular representation and warranty and from the obligation to indemnify the Purchaser's Indemnified Parties or the Vendor's Indemnified Parties, as applicable, in respect thereof. This Section 6.5 shall not be construed to impose any time limit on a Party's right to assert a claim to recover Damages to the extent caused by the fraud of the Indemnifying Party or its Representatives.

6.6 Limitations on Liability.

(1) ***Damages from Vendor.*** The liability of the Vendor for indemnification pursuant to this Agreement shall be limited as follows:

- (a) no Damages may be recovered from the Vendor pursuant to Section 6.2(a) unless the amount of Damages with respect to any claim (or series of related claims) exceeds [Redacted: Monetary threshold] (the "**De Minimis Threshold**"), it being understood that any such individual claim (or series of related claims) for amounts less than the De Minimis Threshold shall be ignored for all purposes of this Agreement, including determining whether the Aggregate Claim Threshold has been met or exceeded;
- (b) no Damages may be recovered from the Vendor pursuant to Section 6.2(a) unless and until the accumulated aggregate amount of Damages of the Purchaser's Indemnified Parties arising pursuant to Section 6.2(a) exceeds [Redacted: Monetary threshold] (the "**Aggregate Claim Threshold**"), in which event the accumulated aggregate amount of all such Damages may be recovered; and

- (c) the aggregate amount of all Damages, in excess of the Aggregate Claim Threshold, for which the Vendor shall be required to indemnify the Purchaser's Indemnified Parties pursuant to Section 6.2(a) shall not exceed [Redacted: Monetary threshold] in the case of Vendor's Fundamental Representations and [Redacted] in case of all other representations and warranties of the Vendor (the "**Vendor Indemnity Cap**");

provided that each of the Aggregate Claim Threshold and the Vendor Indemnity Cap shall have no application to any claim to recover Damages based on any breach of any representation or warranty of the Vendor in this Agreement resulting from fraud by the Vendor, nor shall the limitations be construed to apply to any of the indemnities in Sections 6.2(b) and Section 6.2(c).

(2) **Damages from Purchaser.** The liability of the Purchaser for indemnification pursuant to this Agreement shall be limited as follows:

- (a) no Damages may be recovered from the Purchaser pursuant to Section 6.3(a) unless the amount of Damages with respect to any claim (or series of related claims) exceeds the De Minimis Threshold, it being understood that any such individual claim (or series of related claims) for amounts less than the De Minimis Threshold shall be ignored for all purposes of this Agreement, including determining whether the Aggregate Claim Threshold has been met or exceeded;
- (b) no Damages may be recovered from the Purchaser pursuant to Section 6.3(a) unless and until the accumulated aggregate amount of Damages of the Vendor's Indemnified Parties arising pursuant to Section 6.3(a) exceeds the Aggregate Claim Threshold, in which event the accumulated aggregate amount of all such Damages may be recovered; and
- (c) the aggregate amount of all Damages, in excess of the Aggregate Claim Threshold, for which the Purchaser shall be required to indemnify the Vendor's Indemnified Parties pursuant to Section 6.3(a) shall not exceed [Redacted: Monetary threshold] in the case of Purchaser's Fundamental Representations and [Redacted] in case of all other representations and warranties of the Purchaser (the "**Purchaser Indemnity Cap**");

provided that the Aggregate Claim Threshold and the Purchaser Indemnity Cap shall have no application to any claim to recover Damages based on any breach of any representation or warranty of the Purchaser in this Agreement resulting from fraud by the Purchaser, nor shall the limitation be construed to apply to any of the indemnities in Sections 6.3(b).

6.7 Calculation of Damages and Knowledge Limitation.

(1) For the purpose of (a) determining whether any breach or inaccuracy of any representation or warranty has occurred and (b) calculating the amount of Damages under this Article 6, the representations and warranties of the Parties contained in this Agreement or in any other agreement, certificate or instrument executed and delivered pursuant to this Agreement shall be deemed to have been made without qualifications as to materiality where the words or phrases "material", "immaterial", "in all material respects", "Material Adverse Change" or words or phrases of similar import are used in or otherwise applicable to such representation and warranty.

(2) No Party shall be entitled to claim that any fact, circumstance or matter constitutes a breach of any other Party's representations or warranties contained in this Agreement to the extent that such fact, circumstance or matter is actually known by such Party as of the date of this Agreement.

6.8 Agency for Non-Parties. Notwithstanding Section 9.16, each Party hereby accepts each indemnity in favour of each of its Indemnified Parties who are not Parties as agent and trustee of that Indemnified Party. Each Party may enforce an indemnity in favour of any of that Party's Indemnified Parties on behalf of each such Indemnified Party.

6.9 Direct Claims. In the case of a Direct Claim, the Indemnifying Party shall have 60 days from receipt of a Claim Notice in respect thereof within which to make such investigation as the Indemnifying Party considers necessary or desirable. For the purpose of such investigation, the Indemnified Party shall make available to the Indemnifying Party the information relied upon by the Indemnified Party to substantiate its right to be indemnified under this Article 6, together with all such other information as the Indemnifying Party may reasonably request. If the Parties fail to agree at or before the expiration of such 60 day period (or any mutually agreed upon extension thereof), the Indemnified Party shall be free to pursue such remedies as may be available to it.

6.10 Third Party Claims. In the case of a Third Party Claim, subject to Section 6.11 and Section 7.12, this Section 6.10 shall apply:

(1) Upon receiving notice of a Third Party Claim, the Indemnifying Party may participate in the investigation and defence of the Third Party Claim and may also elect to assume the investigation and defence of the Third Party Claim as further set out herein.

(2) In order to assume the investigation and defence of a Third Party Claim as contemplated above, the Indemnifying Party must (i) give the Indemnified Party written notice of its election within 30 days of the Indemnifying Party's receipt of notice of the Third Party Claim; (ii) irrevocably acknowledge in writing complete responsibility for, and agree to indemnify, subject to the limits set forth in this Agreement, the Indemnified Party in respect of, the Third Party Claim; and (iii) furnish evidence to the Indemnified Party which is reasonably satisfactory to the Indemnified Party of its financial ability to indemnify the Indemnified Party in accordance with this Agreement.

(3) If the Indemnifying Party assumes the investigation and defence of a Third Party Claim:

- (a) the Indemnifying Party will pay for all costs and expenses of the investigation and defence of the Third Party Claim, except that the Indemnifying Party will not, so long as it diligently conducts such defence, be liable to the Indemnified Party for any fees of other counsel or any other expenses with respect to the defence of the Third Party Claim incurred by the Indemnified Party after the date the Indemnifying Party validly exercised its right to assume the investigation and defence of the Third Party Claim; and
- (b) the Indemnifying Party will reimburse the Indemnified Party for all reasonable costs and expenses incurred by the Indemnified Party in connection with the investigation and defence of the Third Party Claim prior to the date the Indemnifying Party validly exercised its right to assume the investigation and defence of the Third Party Claim.

(4) The Indemnified Party shall continue to have the right to participate in the negotiation, settlement or defence of such Third Party Claim and to retain counsel to act on its behalf, provided that the fees and disbursements of such counsel shall be paid by the Indemnified Party, unless the Indemnifying Party consents to the retention of such counsel at its expense. If the Indemnifying Party assumes the investigation and defence of a Third Party Claim, the Indemnified Party shall, at the request and expense of the Indemnifying Party, reasonably co-operate with the Indemnifying Party so as to permit the Indemnifying Party to conduct such negotiation, settlement and defence, and for this purpose shall preserve all relevant documents in relation to the Third Party Claim and allow the Indemnifying Party access on reasonable notice to inspect and take copies of all such documents and use its reasonable efforts to make available to the Indemnifying Party, on a timely basis, those directors, officers, consultants and employees whose assistance, testimony or presence is necessary to assist the Indemnifying Party in investigating and defending the Third Party Claim.

(5) If the Indemnified Party undertakes the defence of the Third Party Claim, the Indemnifying Party will not be bound by any determination of the Third Party Claim or any compromise or settlement of the Third Party Claim effected without the consent of the Indemnifying Party (which consent may not be unreasonably withheld, delayed or conditioned).

(6) The Indemnifying Party will not be permitted to compromise and settle or to cause a compromise and settlement of a Third Party Claim without the prior written consent of the Indemnified Party, which consent may not be unreasonably withheld, delayed or conditioned, provided that if:

- (a) the terms of the compromise and settlement require only the payment of money for which the Indemnified Party is entitled to full indemnification under this Agreement;
- (b) the Indemnified Party is not required to admit any wrongdoing, take or refrain from taking any action, acknowledge any rights of the Person making the Third Party Claim or waive any rights that the Indemnified Party may have against the Person making the Third Party Claim; and
- (c) the Indemnified Party receives, as part of the compromise and settlement, a legally binding and enforceable unconditional release from any and all Liabilities it may have with respect to the Third Party Claim,

the Indemnified Party will be deemed to have consented to the compromise or settlement of the Third Party Claim.

6.11 Tax Claims.

(1) In the case of a notice of assessment or reassessment, a notice of confirmation of an assessment or reassessment or a similar document in respect of any Indemnified Taxes (a "**Tax Indemnification Event**"), the Vendor shall, within fifteen (15) days of receipt of written notice of such claim, reimburse the applicable Purchaser's Indemnified Party for an amount equal to the lesser of (a) the full amount of such Indemnified Taxes in respect of which a Governmental Authority is permitted to take collection action, (b) the full amount that has been garnished and applied towards any Indemnified Taxes, and (c) the amount of any deposit or security required to be deposited with a Governmental Authority to defend a Tax Claim pursuant to Section 7.12, as applicable.

(2) Upon the occurrence of a Final Determination with respect to a Tax Indemnification Event, (i) to the extent that the total of the amounts previously reimbursed or paid by the Vendor in respect of the relevant Indemnified Taxes is less than the amount so determined to be the amount of the Indemnified Taxes, the Vendor shall forthwith (and, in any event, within fifteen (15) days of the time that the Purchaser's Indemnified Party notifies the Vendor of the occurrence of the Final Determination) reimburse to such Purchaser's Indemnified Party the amount of the Indemnified Taxes less the total of the amounts previously reimbursed or paid, and (ii) to the extent that the total of the amounts previously reimbursed or paid by the Vendor in respect of such Indemnified Taxes exceeds the amount so determined to be the amount of the Indemnified Taxes, such Purchaser's Indemnified Party shall forthwith upon receipt or confirmation of any refund, credit, or return of deposit or security (and, in any event, within fifteen (15) days of the receipt or confirmation of such refund, credit or return of deposit or security) pay to the Vendor the amount of such refund, credit, or return of deposit or security (including any interest paid or credited with respect thereto but net of any Taxes payable by the Purchaser's Indemnified Party in respect of such amount).

(3) To the extent the provisions of this Section 6.11 conflict with any other provision of Article 6, the provisions of this Section 6.11 shall prevail.

6.12 Cooperation. Each Indemnified Party and Indemnifying Party shall reasonably cooperate and assist each other in determining the validity of any claim for indemnity by an Indemnified Party and otherwise in resolving such matters. Such assistance and cooperation will include providing reasonable access to information, records and documents relating to such matters and furnishing employees to assist in the investigation, defence and resolution of such matters.

6.13 Exclusive Remedies. From and after the Closing, the rights of indemnity set forth in this Article 6 are the sole and exclusive remedy of each Party and its Indemnified Parties in respect of any breach of representation or warranty or breach of covenant by the other Party hereunder, whether occurring before or after Closing, and each Party waives, from and after the Closing, any and all rights, remedies and claims that such Party and its Indemnified Parties may have against the other Parties, whether at Law or otherwise, directly or indirectly, relating to the provisions of this Agreement or the transactions contemplated by this Agreement other than the rights of indemnity as expressly provided for in this Article 6.

6.14 Reductions and Subrogation. If the amount of Damages incurred by an Indemnified Party is, at any time subsequent to indemnification by the Indemnifying Party with respect to such Damages, reduced as a result of any insurance coverage, claim, recovery, settlement amount or payment by or against any other Person, the amount of such reduction shall, upon receipt, promptly be repaid by the Indemnified Party to the Indemnifying Party. Upon fully indemnifying an Indemnified Party with respect to Damages incurred by such Indemnified Party, the Indemnifying Party shall be subrogated to all rights of the Indemnified Party against any Third Party (other than the Indemnified Parties' insurers) in respect of such Damages.

6.15 Duty to Mitigate. An Indemnified Party shall take all reasonable measures to mitigate any Damages which are the subject matter of indemnification pursuant to Section 6.2 or 6.3.

6.16 Characterization of Indemnity Payments. All indemnity payments made pursuant to this Article 6 shall constitute adjustments to the Purchase Price, unless otherwise required by Applicable Law.

ARTICLE 7 COVENANTS

7.1 Vendor Action During Interim Period.

(1) ***Operate in Ordinary Course.*** During the Interim Period, the Vendor shall cause the Acquired Entities to operate the Business in the Ordinary Course of Business in compliance with Applicable Law and the terms and conditions of all Material Contracts, and in a manner that maintains relations with Employees and the suppliers of the Acquired Entities in accordance with past custom and practice.

(2) ***Negative Covenants.*** During the Interim Period, the Vendor shall ensure that neither of the Acquired Entities takes any of the following actions without the consent of the Purchaser:

- (a) amend its Partnership Agreement, articles or by-laws or similar document adopted or filed in connection with the creation, formation or organization of such Acquired Entity, as the case may be;
- (b) directly or indirectly, declare, set aside for payment or pay any distribution or dividend or make any other payment or distribution on or in respect of any of its partnership interests or shares, as applicable;
- (c) redeem, purchase, retire or otherwise acquire, directly or indirectly, any of its partnership interests or shares, as applicable;
- (d) issue or sell any partnership interests, shares or other securities or issue, sell or grant any option, warrant or right to purchase any of its partnership interests, shares or other securities or issue any security convertible into its partnership interests, shares, grant any registration rights or otherwise make any change to its outstanding partnership interests or authorized or issued share capital, as applicable;
- (e) dispose of any material assets reflected on the balance sheet forming part of the most recent annual Acquired Entities Financial Statements, except in the Ordinary Course of Business;
- (f) make any change in its accounting principles, policies, practices or methods;
- (g) cancel or waive any Indebtedness, claim or other right;
- (h) incur or assume any liabilities (including any Indebtedness) or obligations of any nature, whether absolute, accrued or otherwise, except unsecured current liabilities incurred in the Ordinary Course of Business and other than with respect to Indebtedness to the Vendor reflecting cash amounts funded to the Acquired Entities by the Vendor for working capital purposes;
- (i) mortgage, pledge, grant a security interest in or otherwise create a Lien (other than a Permitted Lien) on any of its property or assets, except in the Ordinary Course of Business and in amounts which, individually and in the aggregate are not material to the financial condition of the Acquired Entities, taken as a whole, or to the operation of the Business;

- (j) enter into any contract or any other transaction that is not in the Ordinary Course of Business;
- (k) terminate, cancel, modify or amend in any material respect any Material Contract or take or fail to take any action that would entitle any party to a Material Contract to terminate, modify, cancel or amend any Material Contract;
- (l) give or agree to give or become a party to or bound by any guarantee, surety or indemnity in respect of Indebtedness or other obligations or liabilities of any other Person or become a party to any other commitment by which such Acquired Entity, as the case may be, is, or is contingently, responsible for such Indebtedness or other liability or obligation, except with respect to any Permitted Liens or Permitted Vendor's Liens;
- (m) purchase or otherwise acquire any interest in any securities of any other Person;
- (n) make any capital expenditure or authorize any capital expenditure or make any commitment for the purchase, construction or improvement of any capital assets except in the Ordinary Course of Business;
- (o) discharge, settle or satisfy any Legal Proceedings, other than Legal Proceedings reflected in the most recent annual Acquired Entities Financial Statements and for amounts not in excess of the amount reserved against therein;
- (p) enter into any Contract or commitment to hire, or terminate the services of, any Salaried Employee;
- (q) (A) make, change or revoke any material Tax election (other than in the Ordinary Course of Business), (B) change any annual Tax accounting period, (C) adopt (other than in the Ordinary Course of Business) or make any material change to any material method of Tax accounting, (D) amend any material Tax Return, (E) surrender any claim for a material refund of Taxes, (F) settle or compromise any material claim, assessment or other dispute in respect of Taxes, or (G) enter into or make any voluntary disclosure with respect to any material amount of Taxes; or
- (r) agree, commit or enter into any understanding to take any actions enumerated in paragraphs (a) to (q) of this Section 7.1(2).

7.2 Purchaser Action During Interim Period.

(1) ***Operate in Ordinary Course.*** During the Interim Period, the Purchaser shall operate its business in the ordinary course of business in compliance with Applicable Law and in accordance with past custom and practice.

(2) ***Negative Covenants.*** During the Interim Period, the Purchaser shall not take any of the following actions without the consent of the Vendor:

- (a) other than pursuant to the Purchaser Amendment, amend its articles or by-laws or similar document adopted or filed in connection with the creation, formation or organization of the Purchaser;

- (b) other than pursuant to the Purchaser's normal course issuer bid or pursuant to the conversion or exchange of outstanding options and performance share units, redeem, purchase, retire or otherwise acquire, directly or indirectly, any of its shares;
- (c) other than pursuant to the conversion or exchange of outstanding options and performance share units, issue or sell any shares or other securities or issue, sell or grant any option, warrant or right to purchase any of its shares or other securities, issue any security convertible into its shares, grant any registration rights or otherwise make any change to its outstanding authorized or issued share capital;
- (d) accelerate the vesting or amend or alter the terms of any outstanding options, performance share units or other incentives;
- (e) declare or pay any dividend or other distribution with respect to any of its securities; or
- (f) enter into any agreement respecting, publicly announce or take any action to implement any arrangement, amalgamation or merger involving the Purchaser and a Third Party, any take-over bid by the Purchaser for a Third Party or any purchase or sale by the Purchaser of any material assets.

7.3 Purchaser Circular and Purchaser Meeting.

(1) Subject to compliance by the Vendor with Section 7.3(3), the Purchaser shall, as soon as practicable following the execution of this Agreement and in compliance with all Applicable Laws prepare the Purchaser Circular (including any supplement or amendment to the Purchaser Circular) and cause such materials to be mailed to the Purchaser Shareholders, or such other securityholders as may be required by the TSX, and filed with the applicable securities regulatory authorities and other Governmental Authorities in all jurisdictions where the same are required to be mailed and filed by no later than June 12, 2026. The Purchaser shall ensure that the Purchaser Circular complies in all respects with Applicable Canadian Securities Laws.

(2) The Purchaser shall call and give notice of the Purchaser Meeting, to be held as soon as practicable and, in any event, no later than July 8, 2026, in accordance with this Agreement, Applicable Canadian Securities Laws and the ABCA.

(3) The Vendor shall, in a timely manner, prepare and furnish the Purchaser with the Acquired Entity Information in order that the Purchaser can comply with the timeframe set forth in this Section 7.3. The Parties acknowledge and agree that the Acquired Entity Information shall be prepared on the basis that section 14.2 of NI 51-102F5 is not applicable. In the event that any applicable Governmental Authority, including the TSX, requires that the Acquired Entity Information be prepared on the basis that section 14.2 of NI 51-102F5 is applicable or otherwise requires the inclusion of prospectus level disclosure regarding the Acquired Entities:

- (a) the Vendor will prepare the Acquired Entity Information on that basis;
- (b) the Parties will agree, in good faith, to such extensions of the dates referenced in Sections 7.3(1) and 7.3(2) as are necessary to permit the preparation of the Acquired Entity Information on that basis, including the time necessary to complete any required audit of the Acquired Entity Financial Statements; and

- (c) the Parties will negotiate and agree, in good faith, upon customary terms and conditions respecting any required audit of the Acquired Entity Financial statements and their inclusion in the Purchaser Circular, including terms governing the provision of a management representation letter and auditor comfort letter and restrictions on the use any audit reports beyond their inclusion in the Purchaser Circular for the purposes of completing the transactions contemplated hereby.
- (4) Without limiting the generality of Section 7.3(3), the Vendor shall:
 - (a) ensure that the Acquired Entity Information shall not contain any misrepresentation (as defined in Applicable Canadian Securities Laws) and promptly notify the Purchaser of any change in any Acquired Entity Information that would reasonably be expected to result in any such information containing a misrepresentation; and
 - (b) cooperate with all reasonable requests of the Purchaser and its legal counsel in connection with the preparation of the Purchaser Circular, including by reviewing and commenting on drafts of the Purchaser Circular in a timely manner.
- (5) The Purchaser shall incorporate the Acquired Entity Information in the Purchaser Circular substantially in the form provided by the Vendor and the Purchaser shall provide the Vendor and its Representatives with a reasonable opportunity to review and comment on the Purchaser Circular and any other relevant documentation, including all materials to be filed by the Purchaser with any securities regulatory authority in connection with the transactions contemplated by this Agreement and shall give due consideration to all reasonable comments made by the Vendor.

7.4 TSX Approvals. The Purchaser shall apply to the TSX for conditional approval of the listing of the Closing Share Consideration issuable pursuant to this Agreement on the TSX and conditional approval of the Purchaser Amendment and shall use its reasonable commercial efforts to obtain such conditional approvals prior to the mailing of the Purchaser Circular.

7.5 Investigation. During the Interim Period, the Vendor shall give, or cause to be given, to the Purchaser and its Representatives full access during normal business hours to the Books and Records and the Material Contracts and, upon prior notice, shall co-operate with Purchaser to provide reasonable access to the drilling rigs owned by the Acquired Entities, Leased Premises and Employees.

7.6 Transaction Personal Information.

(1) The Purchaser shall collect Transaction Personal Information prior to Closing only as necessary for purposes related to the transactions contemplated by this Agreement, including in connection with its investigations of the Business, the Acquired Entities and their respective properties and assets, and shall not disclose Transaction Personal Information to any Person other than to its Representatives who are evaluating and advising on the transactions contemplated by this Agreement. If the Purchaser proceeds with the transactions contemplated by this Agreement, the Purchaser shall not, following the Closing, without the consent of the individuals to whom such Personal Information relates or as permitted or required by Applicable Law, use or disclose Transaction Personal Information for purposes other than those for which such Transaction Personal Information was collected by the Vendor or the Acquired Entities prior to the Closing, and shall give effect to any withdrawal of consent made in accordance with Privacy Law.

(2) The Purchaser shall protect and safeguard the Transaction Personal Information against unauthorized collection, use or disclosure, as provided by Privacy Law. The Purchaser shall cause its Representatives to observe the terms of this Section 7.6 and to protect and safeguard Transaction Personal Information in their possession. If the Vendor or the Purchaser terminates this Agreement as provided herein, the Purchaser shall promptly deliver to the Vendor all Transaction Personal Information in its possession or in the possession of any of its Representatives, including all copies, reproductions, summaries or extracts thereof.

7.7 Exclusive Dealings. During the Interim Period, neither the Vendor nor any of its Representatives shall directly or indirectly in any manner (nor permit the Acquired Entities to):

- (a) entertain, solicit or encourage;
- (b) furnish or cause to be furnished any information to any Persons (other than the Purchaser or its Representatives) in connection with; or
- (c) negotiate or otherwise pursue;

any Alternative Transaction.

7.8 Consents and Approvals. Commencing forthwith after the date hereof the Vendor shall use all commercially reasonable efforts to obtain, at or prior to the Closing Time, any required Consents or Regulatory Approvals.

7.9 Notice of Certain Matters and Updates to Information by Vendor. During the Interim Period, the Vendor shall promptly upon becoming aware, give written notice to the Purchaser of: (a) the occurrence of any event that causes any representation and warranty of the Vendor contained in this Agreement to be untrue or inaccurate in any material respect, and (b) any failure of the Vendor to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by it hereunder; provided, however, that the delivery of any notice pursuant to this Section 7.9 shall not limit or otherwise affect any remedies available to the Purchaser.

7.10 Notice of Certain Matters and Updates to Information by Purchaser. During the Interim Period, the Purchaser shall promptly upon becoming aware, give written notice to the Vendor of: (a) the occurrence of any event that causes any representation and warranty of the Purchaser contained in this Agreement to be untrue or inaccurate in any material respect, and (b) any failure of the Purchaser to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by it hereunder; provided, however, that the delivery of any notice pursuant to this Section 7.10 shall not limit or otherwise affect any remedies available to the Vendor.

7.11 Preparation of Tax Returns.

(1) The Purchaser shall cause to be prepared and filed on a timely basis all Tax Returns for the Acquired Entities for (a) any Pre-Closing Tax Period for which Tax Returns have not been filed as of the Closing Date, and (b) for any Straddle Period for which Tax Returns are required to be prepared and filed (all Tax Returns referred to in clause (a) and (b) above collectively being referred to herein as the "**Stub Period Returns**"). The Purchaser shall prepare each Stub Period Return on a basis consistent with (i) Applicable Law, (ii) the Closing Balance Sheet, (iii) the Partnership Agreement, and (iv) the past practices and procedures of the Acquired Entities, as applicable. In respect of the taxation year of the General Partner ending on the acquisition of control of it by the Purchaser: (i) the Purchaser may cause the General Partner to

make an election pursuant to subsection 256(9) of the ITA; and (ii) if net income for tax purposes of the General Partner is greater than \$1, to the extent possible, taxable income shall be reduced to \$1, including through the claim of all available discretionary deductions. The Purchaser shall provide to the Vendor for its review a draft of each Stub Period Return, including supporting working papers, no later than 30 days in the case of an income Tax Return or Partnership information return, and 20 days in the case of any other Tax Return, prior to the due date for filing such Tax Return with the appropriate Governmental Authorities. The Vendor shall notify the Purchaser in writing within 15 days, in the case of an income Tax Return or Partnership information return, and 10 days, in the case of any other Tax Return, after delivery of a Stub Period Return if it has any comments with respect to items set forth in such Stub Period Return. The Purchaser shall consider all such comments.

(2) The calculation of the Purchase Price in accordance with Section 2.5 shall include, without duplication, all Taxes due (a) with respect to all Tax Returns for the Acquired Entities for any Pre-Closing Tax Period and (b) with respect to all Tax Returns for the Acquired Entities for any Straddle Period, Taxes attributable to the portion of the Straddle Period ending immediately prior to the Closing Date, as determined under Section 7.11(3).

(3) The amount of Taxes attributable to the portion of the Straddle Period ending immediately prior to the Closing Date shall be:

- (a) in the case of Taxes imposed on a periodic basis (such as real or personal property Taxes), the amount of such Taxes for the entire Straddle Period (or, in the case of such Taxes determined on an arrears basis, the amount of such Taxes for the immediately preceding period) multiplied by a fraction, the numerator of which is the number of calendar days in the Straddle Period prior to the Closing Date and the denominator of which is the number of calendar days in the entire relevant period for which such Taxes are determined; and
- (b) in the case of Taxes not described in (a) above (such as franchise Taxes, Taxes that are based upon or related to income or receipts, or Taxes that are based upon occupancy or imposed in connection with any sale or other transfer or assignment of property), the amount of such Taxes determined as if such tax period ended immediately prior to the Closing Time.

(4) For purposes of Section 7.11(3), Taxes attributable to the portion of the Straddle Period ending immediately prior to the Closing Date shall exclude Taxes: (i) arising from transactions or events occurring after the Closing Time; and (ii) with respect to any amounts of income allocated to the Vendor pursuant to the Partnership Agreement.

7.12 Cooperation Respecting Tax Matters.

- (a) Each Party shall provide prompt notice to the other Party in writing upon it becoming aware of any proposed adjustment, assessment, reassessment, audit, examination or other proceeding or claim in respect of any Tax Return or Taxes of the Acquired Entities being asserted, commenced or initiated, as the case may be, by any Governmental Authority for any Pre-Closing Tax Period or the Straddle Period ("**Tax Claims**").
- (b) The Vendor shall be responsible to defend all Tax Claims relating to any Pre-Closing Tax Period. The Purchaser shall be responsible to defend all Tax Claims

relating to the Straddle Period. The Vendor shall have the right to participate in the defense of any Tax Claims relating to the Straddle Period.

- (c) Each Party shall promptly notify the other Party upon becoming aware of any communication being received from any Governmental Authority regarding a Tax Claim and provide the other Party with copies of all correspondence, filings or communications with such Governmental Authority.
- (d) The Vendor, the Purchaser and the Acquired Entities shall provide each other with draft copies of all filings, motions, applications, material correspondence and other documents the Party defending the Tax Claim intends to file with or deliver to any Governmental Authority in connection with a Tax Claim at least 10 Business Days prior to the earlier of the date on which such documents (i) are to be filed or delivered; and (ii) are due to any Governmental Authority, and considering the comments of the other Party and its counsel regarding such filings, motions, applications, correspondence and other documents.
- (e) Both Parties shall in all cases have the right to attend any meetings or participate in other discussions regarding a Tax Claim (or have their respective counsel attend or participate) with the staff of any Governmental Authority or such Governmental Authority's counsel.
- (f) The Parties shall keep each other apprised on an ongoing basis of the status of Tax Claims and any material changes or developments with respect thereto and promptly and fully respond to all requests for information, questions and comments of such other Party from time to time.
- (g) Each Party shall provide reasonable cooperation to the other Party and their counsel in respect of Tax matters arising under this Agreement. The Parties shall make available to each other in a prompt fashion such data, documents and other information as may reasonably be required for the preparation and filing of all Stub Period Returns, or for the defense of any Tax Claim, and preserve all such data, documents and information until the expiry of the limitation period under Applicable Law, or until a Final Determination has been made in respect of such Tax Claim, as the case may be.
- (h) For any Tax Return relating to a Pre-Closing Tax Period that has been filed on or before the Closing Date, neither the Purchaser nor the Acquired Entities shall, without the prior written consent of Vendor, (A) make, change or revoke any material Tax election, (B) amend any material Tax Return, (C) surrender any claim for a material refund of Taxes, or (D) compromise or settle a Tax Claim.
- (i) Without the prior written consent of Vendor, neither the Purchaser nor the Acquired Entities shall: (A) enter into or make any voluntary disclosure with respect to any material amount of Taxes in respect of any Pre-Closing Tax Period, or (B) take any action after the Closing Date that would result in an increase in any Tax or allocation of income in a Pre-Closing Tax Period.

7.13 Reportable Transactions. The Parties shall reasonably cooperate in good faith to determine whether any transaction contemplated by this Agreement, or any transaction that may be considered to be part of the same series of transactions as the transactions contemplated by this Agreement, is a "reportable transaction" (as defined in section 237.3 of the ITA), is a

"notifiable transaction" (as defined in section 237.4 of the ITA), or is otherwise required to be reported to any applicable Governmental Authority under any analogous provision of any comparable Law of any province or territory of Canada. If any Party determines that any such transaction is reportable then it shall so notify all other Parties and the Parties shall reasonably cooperate in good faith (including sharing of draft reporting forms) to make any such report on a timely basis. Notwithstanding the foregoing and for greater certainty, each Party shall be permitted to report any transaction to an applicable Governmental Authority to the extent that such Party determines, acting reasonably, that such reporting is required by Applicable Law.

7.14 Transition Matters.

- (a) The Parties agree to cooperate in good faith to complete the orderly transition of the Business and the Acquired Entities to the Purchaser from and after Closing, including as required for the Vendor to transition information systems, accounting, treasury and banking, employee payroll and benefits and such other matters reasonably requested by the Purchaser. Subject to and in connection with the foregoing, from and after Closing, at the Purchaser's sole cost and expense (provided that such costs shall in all cases reflect reasonable, documented out-of-pocket expenses consistent with arm's length market terms), the Vendor shall continue to provide the services to the Acquired Entities that it provided immediately prior to Closing pursuant to the Services Agreement and which are reasonably requested by the Purchaser (the "**Post Closing Services**"). The Vendor shall provide the Post Closing Services until such time as the Purchaser is able to assume responsibility for such Post Closing Services or the date that is 60 days following the Closing, whichever is earlier. For clarity, in no event shall the Post Closing Services include (i) the maintenance of any of the Vendor's insurance for the benefit of the Acquired Entities, which shall terminate at the Closing Time; or (ii) the continuation of any Employee Plans as it relates to the Employees for the period following the Closing Date.
- (b) The Purchaser ratifies and confirms all actions taken, or refrained from being taken, by the Vendor under this Section 7.14 hereof, except to the extent that the same constitute gross negligence or wilful misconduct of any of the Vendor's Indemnified Parties, and the Purchaser shall indemnify the Vendor's Indemnified Parties and save them fully harmless against all Damages arising as a consequence of the provisions of this Section 7.14, except to the extent caused by the gross negligence or wilful misconduct of the Vendor's Indemnified Parties. Acts or omissions taken by any of the Vendor's Indemnified Parties with the express written approval or concurrence of any of the Purchaser's Indemnified Parties shall not constitute gross negligence or wilful misconduct.

ARTICLE 8 TERMINATION

8.1 Grounds for Termination.

This Agreement may be terminated on or prior to the Closing Date:

- (a) by the mutual written agreement of the Vendor and the Purchaser;
- (b) by written notice from the Purchaser to the Vendor as permitted in Section 5.2; or
- (c) by written notice from the Vendor to the Purchaser as permitted in Section 5.4.

8.2 Effect of Termination. If this Agreement is terminated by the Vendor or by the Purchaser under Section 8.1, such termination shall be without liability of a Party to the other Party, or to any of their Representatives, and the Parties shall be released from all of their obligations under this Agreement except that:

- (a) neither Party shall be released from any liability to the other Party with respect to any breach of this Agreement that occurred prior to the termination of this Agreement; and
- (b) Sections 3.4 to 3.7 and Article 9 shall survive such termination and remain in effect and be binding and enforceable in accordance with their terms.

ARTICLE 9 GENERAL

9.1 Expenses. Except as otherwise expressly provided herein, each Party shall be responsible for all costs and expenses (including any Taxes imposed on such expenses) incurred by it in connection with the negotiation, preparation, execution, delivery and performance of this Agreement and the transactions contemplated by this Agreement (including the fees and disbursements of legal counsel, bankers, investment bankers, accountants, brokers and other advisers).

9.2 Public Announcements. The Parties agree that the Parties will issue a joint press release or individual press releases with respect to this Agreement and the transactions contemplated hereby immediately upon execution of this Agreement and a further joint press release or individual press releases following Closing. The Parties will co-operate with each other in drafting any joint press release. If either of the Parties issue any individual press release, that Party shall provide the other with a draft of the press release prior to its issuance and incorporate such reasonable comments on such disclosure as the other Party may provide. Except to the extent otherwise required by Applicable Law (including Applicable Canadian Securities Laws) or with the prior consent of the Purchaser (in the case of the Vendor) or the Vendor (in the case of the Purchaser), such consent not to be unreasonably held or delayed, no Party shall make any other public announcement regarding this Agreement or the transactions contemplated by this Agreement. In the event that this Agreement is determined by the Purchaser to constitute a "material contract" that must be publicly filed under Applicable Canadian Securities Laws, the Parties will co-operate with each other to redact such items of information therefrom as may permitted under section 12.2(3) of NI 51-102 prior to filing.

9.3 Notices.

(1) **Mode of Giving Notice.** Any notice, direction, certificate, consent, determination or other communication required or permitted to be given or made under this Agreement shall be in writing and shall be effectively given and made if (i) delivered personally, (ii) sent by prepaid courier service or mail, or (iii) sent by e-mail (return receipt requested) or other similar means of electronic communication, in each case to the applicable address set out below (or such other address as the Parties may, from time to time, advise to the other Parties hereto by notice in writing):

(a) if to the Vendor, to:

Paramount Resources Ltd.
Suite 4700, 888 3rd Street SW
Calgary, Alberta T2P 5C5

Attention: [Redacted]

Email: [Redacted]

[Redacted: Personal Information]

with a copy (which shall not constitute notice) to:

Norton Rose Fulbright Canada LLP
400 3rd Avenue SW, Suite 3700
Calgary, Alberta T2P 4H2

Attention: Marcus Archer

Email: marcus.archer@nortonrosefulbright.com

(b) if to the Purchaser, to:

AKITA Drilling Ltd.
1000, 333 7th Avenue SW
Calgary, Alberta T2P 2Z1

Attention: [Redacted]

Email: [Redacted]

[Redacted: Personal Information]

with a copy (which shall not constitute notice) to:

Blake, Cassels & Graydon LLP
855 – 2nd Street SW, Suite 3500
Calgary, Alberta T2P 4J8

Attention: Daniel McLeod; Jeff Bakker

Email: daniel.mcleod@blakes.com; jeff.bakker@blakes.com

(2) **Deemed Delivery of Notice.** Any such communication so given or made shall be deemed to have been given or made and to have been received on the day of delivery if delivered, or on the day of e-mailing or sending by other means of recorded electronic communication, provided that such day in either event is a Business Day and the communication is so delivered, e-mailed or sent before 5:00 p.m. on such day. Otherwise, such communication shall be deemed to have been given and made and to have been received on the next following Business Day. Any such communication sent by mail shall be deemed to have been given and made and to have

been received on the fifth Business Day following the mailing thereof; provided however that no such communication shall be mailed during any actual or apprehended disruption of postal services. Any such communication given or made in any other manner shall be deemed to have been given or made and to have been received only upon actual receipt.

9.4 Release.

(1) The Vendor, on its own behalf and its successors and assigns (herein referred to collectively as the "Releasor", which term includes any one or more of them), from and after Closing, releases and forever discharges (a) the Acquired Entities and their respective successors and assigns and (b) their respective present and former officers, directors, shareholders, servants, agents and employees and their respective predecessors, successors, personal representatives and assigns (collectively, the "**Releasees**") of and from all actions, causes of action, suits, debts, duties, demands, accounts, bonds, covenants, contracts, proceedings and claims for injuries, losses, damages, interest, costs, indemnity, fines, penalties, legal and professional fees and assessments or amounts of any kind whatsoever (including any loss or damage not yet ascertained) that the Releasor ever had, now has or can, shall or may hereafter have for or by reason of or in any way arising out of any cause, matter or thing whatsoever existing up to the present time (collectively, the "Claims"); provided, however that the foregoing shall not operate as a release, discharge or waiver of, or with respect to, any rights or entitlements of the Vendor or the Vendor's Indemnified Parties, any Claims of the Vendor or Vendor's Indemnified Parties or any obligations or liabilities of any Person, including the Purchaser, arising out of or created by this Agreement or the transactions contemplated hereby.

(2) The Releasor further covenants and agrees not to directly or indirectly, join, assist, aid or act in concert in any manner whatsoever with any other person in the making of any claim or demand or in the bringing of any proceeding or action in any manner whatsoever against the Releasees or any of them with respect to the matters released or discharged pursuant to this Section 9.4 or with respect to which the Releasor agrees not to make any claim or take any proceedings.

(3) The Releasor further covenants and agrees not to make or continue any claim or complaint or initiate or continue any proceeding against any person which might be entitled to claim, pursuant to the provisions of any applicable statute or otherwise, contribution, indemnity or other relief over against the Releasees or any of them arising out of or in relation to the matters released or discharged pursuant to this Section 9.4.

(4) The Releasor hereby represents, warrants and covenants that it has not assigned and will not assign to any other person any of the Claims that the Releasor is releasing herein. The Releasor confirms that no consideration given to it by any Releasee is an admission of liability or responsibility by any Releasee and any such liability or responsibility is expressly denied.

9.5 Time of Essence. Time shall be of the essence of this Agreement in all respects.

9.6 Further Assurances. Each Party shall from time to time promptly execute and deliver or cause to be executed and delivered all such further documents and instruments and shall do or cause to be done all such further acts and things in connection with this Agreement that the other Party may reasonably require as being necessary or desirable in order to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement or any provision hereof.

9.7 Entire Agreement. This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter of this Agreement and supersedes all prior agreements,

understandings, negotiations and discussions, whether oral or written. There are no conditions, representations, warranties, obligations or other agreements between the Parties in connection with the subject matter of this Agreement (whether oral or written, express or implied, statutory or otherwise) except as set out in this Agreement.

9.8 Amendment. No amendment of this Agreement shall be effective unless made in writing and signed by the Parties.

9.9 Waiver. A waiver of any default, breach or non-compliance under this Agreement shall not be effective unless in writing and signed by the Party to be bound by the waiver, and then only in the specific instance and for the specific purpose for which it has been given. No waiver shall be inferred from or implied by any failure to act or delay in acting by a Party in respect of any default, breach or non-observance or by anything done or omitted to be done by the other Party. The waiver by a Party of any default, breach or non-compliance under this Agreement will not operate as a waiver of that Party's rights under this Agreement in respect of any continuing or subsequent default, breach or non-observance (whether of the same or any other nature).

9.10 Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction will, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability and will be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

9.11 Remedies Cumulative. The rights, remedies, powers and privileges herein provided to a Party are cumulative and in addition to and not exclusive of or in substitution for any rights, remedies, powers and privileges otherwise available to that Party.

9.12 Equitable Remedies. Subject to Section 6.13, the Parties agree that irreparable harm would occur for which money damages would not be an adequate remedy at Law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties will be entitled to equitable remedies, including specific performance, a restraining order and interlocutory, preliminary and permanent injunctive relief and other equitable relief, to prevent breaches of this Agreement, any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief hereby being waived. All defenses to the strict enforcement of this Section 9.12 against a Party or any of its Affiliates (including that money damages would be an adequate remedy) are hereby waived.

9.13 Exclusive Jurisdiction. Each Party agrees (a) that any Legal Proceeding relating to this Agreement shall be brought in any court of competent jurisdiction in the Province of Alberta in Calgary, Alberta, and for that purpose now irrevocably and unconditionally attorns and submits to the jurisdiction of such Alberta court; (b) that it irrevocably waives any right to, and shall not, oppose any such Legal Proceeding in the Province of Alberta on any jurisdictional basis, including ***forum non conveniens***; and (c) not to oppose the enforcement against it in any other jurisdiction of any Order duly obtained from an Alberta court as contemplated by this Section 9.13.

9.14 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable in such Province and this Agreement shall be treated, in all respects, as an Alberta contract.

9.15 Successors and Assigns; Assignment. This Agreement shall enure to the benefit of, and be binding on, the Parties and their respective successors and permitted assigns. No Party

may assign or transfer, whether absolutely, by way of security or otherwise, all or any part of its respective rights or obligations under this Agreement without the prior written consent of the other Party.

9.16 Third Party Beneficiaries. This Agreement is for the sole benefit of the Parties, and except as specifically provided for in Section 6.8, nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

9.17 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original and both of which taken together shall be deemed to constitute one and the same instrument. To evidence its execution of an original counterpart of this Agreement, a Party may send a copy of its original signature on the execution page hereof to the other Parties by e-mail or by other electronic transmission and such transmission shall constitute delivery of an executed copy of this Agreement to the receiving Party.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

PARAMOUNT RESOURCES LTD.

By: (signed) ***"James Riddell"***_____
Name: James Riddell
Title: President and Chief Executive Officer

By: (signed) ***"Rodrigo Sousa"***_____
Name: Rodrigo Sousa
Title: Executive Vice President, Corporate
Development and Planning

AKITA DRILLING LTD.

By: (signed) ***"Colin A. Dease"***_____
Name: Colin A. Dease
Title: President and CEO

By: (signed) ***"Darcy Reynolds"***_____
Name: Darcy Reynolds
Title: Vice President Finance and CFO

EXHIBIT A
FORM OF PURCHASER AMENDMENT

[Attached]

Articles of Amendment

Business Corporations Act
Section 6

This information is collected in accordance with the **Business Corporations Act**. It is required to update an Alberta corporation's articles for the purpose of issuing a certificate of amendment. Collection is authorized under s. 33(a) of the **Freedom of Information and Protection of Privacy Act**. Questions about the collection can be directed to Service Alberta Contact Centre staff at cr@gov.ab.ca or 780-427-7013 (toll-free 310-0000) within Alberta).

1. Name of Corporation

2. Corporate Access Number

AKITA DRILLING LTD.

205446842

3. Item see below of the Articles of the above named corporation is/are amended in accordance with Section see below of the **Business Corporations Act** as follows:

The Articles of the above-named corporation are amended in accordance with the following sections of the **Business Corporations Act** (Alberta) (the "Act"):

- A. pursuant to Section 173(1)(f) of the Act, by changing the issued and outstanding Class A non-voting shares into Class B common shares, as set forth in the Share Exchange Schedule attached to these Articles of Amendment;
- B. pursuant to Section 173(1)(h) of the Act, by:
 - (i) cancelling the class of Class A non-voting shares, in its entirety, of which there shall be no outstanding shares after giving effect to the share exchange noted above;
 - (ii) cancelling the class of Special Share, in its entirety, of which there is no outstanding share;
 - (iii) cancelling the series of First Preferred Shares, Series 1, in its entirety, of which there are no outstanding shares, as set out in the attached Schedule re Cancellation of Series of Shares; and
 - (iv) cancelling the series of First Preferred Shares, Series 2, in its entirety, of which there are no outstanding shares, as set out in the attached Schedule re Cancellation of Series of Shares.
- C. pursuant to Section 173(1)(e) of the Act, by:
 - (i) redesignating the authorized Class B common shares as "Common Shares"; and
 - (ii) changing the rights, privileges, restrictions and conditions presently attached to the Class B common shares, the First Preferred Shares and the Second Preferred Shares to the rights, privileges, restrictions and conditions as set forth in Appendix I attached to these Articles of Amendment.

Authorized Signing Authority:

Name of Person Authorizing (*please print*)

Relationship to Corporation (*e.g. Director*)

n/a
Daytime Telephone Number

Date

Signature

SHARE EXCHANGE SCHEDULE

Pursuant to Section 173(1)(f) of the ***Business Corporations Act*** (Alberta), the Articles of AKITA Drilling Ltd. (the "**Corporation**") be amended by changing the Class A non-voting shares of the Corporation that are currently issued and outstanding into Class B common shares of the Corporation on the basis of one (1) Class B common share for each Class A non-voting share presently issued and outstanding.

SCHEDULE RE CANCELLATION OF SERIES OF SHARES

AKITA DRILLING LTD. (the "Corporation")

Pursuant to Section 173(1)(h) of the ***Business Corporations Act*** (Alberta), the articles of the Corporation are amended by:

- (i) cancelling the series of First Preferred Shares, Series 1, in its entirety, of which there are no outstanding shares; and
- (ii) cancelling the series of First Preferred Shares, Series 2, in its entirety, of which there are no outstanding shares.

**APPENDIX I
AUTHORIZED SHARE CAPITAL
OF
AKITA DRILLING LTD.**

The authorized capital of AKITA DRILLING LTD. (the "**Corporation**") shall consist of:

- (a) one class of shares, to be designated as "First Preferred Shares", issuable in series, to be unlimited in number;
- (b) one class of shares, to be designated as "Second Preferred Shares", issuable in series, to be unlimited in number; and
- (c) one class of shares, to be designated as "Common Shares", to be unlimited in number;

such shares having the following rights, restrictions, conditions and limitations attached thereto:

1. First Preferred Shares

The rights, privileges, restrictions, and conditions attaching to the First Preferred Shares, as a class, are as follows:

- (a) The First Preferred Shares may be issued from time to time in one or more series, each series to consist of such number of shares with such designation, rights, privileges, restrictions and conditions attached thereto as may be determined by the Board of Directors of the Corporation;
- (b) Notwithstanding anything in this Appendix I to the contrary, the Board of Directors of the Corporation may not issue any First Preferred Shares if, by doing so, the aggregate number of First Preferred Shares and Second Preferred Shares that would then be issued and outstanding would exceed 20 per cent of the aggregate number of Common Shares then issued and outstanding;
- (c) The First Preferred Shares of each series shall rank on a parity with the First Preferred Shares of every other series with respect to payment of dividends and with respect to the distribution of the assets of the Corporation in the event of the liquidation, dissolution or winding-up of the Corporation or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (d) The First Preferred Shares shall rank in priority to the Second Preferred Shares, the Common Shares and any class of shares ranking junior to the First Preferred Shares with respect to payment of dividends and with respect to the distribution of the assets of the Corporation in the event of the liquidation, dissolution or winding-up of the Corporation or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (e) Except as otherwise specifically provided by law and except as may be otherwise specifically provided in the provisions attaching to any series of the First Preferred

Shares, the holders of First Preferred Shares are not entitled to receive notice of or to attend or to vote at any meeting of shareholders;

- (f) In any instance where the holders of First Preferred Shares are entitled to vote, except as may be otherwise specifically provided in the provisions attaching to any series of the First Preferred Shares, each such holder shall have one vote for each First Preferred Share held by such holder; and
- (g) The class provisions attaching to the First Preferred Shares may be amended with the prior approval of the holders of the First Preferred Shares as a class given in writing by all the holders of the First Preferred Shares outstanding or by at least two-thirds of the votes cast at a meeting or adjourned meeting of the holders of such shares called for that purpose and at which a quorum is present.

2. Second Preferred Shares

The rights, privileges, restrictions and conditions attaching to the Second Preferred Shares, as a class, are as follows:

- (a) The Second Preferred Shares may be issued from time to time in one or more series, each series to consist of such number of shares with such designation, rights, privileges, restrictions and conditions attached thereto as may be determined by the Board of Directors of the Corporation;
- (b) Notwithstanding anything in this Appendix I to the contrary, the Board of Directors of the Corporation may not issue any Second Preferred Shares if, by doing so, the aggregate number of First Preferred Shares and Second Preferred Shares that would then be issued and outstanding would exceed 20 per cent of the aggregate number of Common Shares then issued and outstanding;
- (c) The Second Preferred Shares of each series shall rank on a parity with the Second Preferred Shares of every other series with respect to payment of dividends and with respect to the distribution of the assets of the Corporation in the event of the liquidation, dissolution or winding-up of the Corporation or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (d) The Second Preferred Shares shall rank in priority to the Common Shares and any class of shares ranking junior to the Second Preferred Shares with respect to payment of dividends and with respect to the distribution of the assets of the Corporation in the event of the liquidation, dissolution or winding-up of the Corporation or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding up its affairs;
- (e) Except as otherwise specifically provided by law and except as may be otherwise specifically provided in the provisions attaching to any series of the Second Preferred Shares, the holders of Second Preferred Shares are not entitled to receive notice of or to attend or to vote at any meeting of shareholders;
- (f) In any instance where the holders of Second Preferred Shares are entitled to vote, except as may be otherwise specifically provided in the provisions attaching to any

series of the Second Preferred Shares, each such holder shall have one vote for each Second Preferred Share held by such holder; and

- (g) The class provisions attaching to the Second Preferred Shares may be amended with the prior approval of the holders of the Second Preferred Shares as a class given in writing by all the holders of the Second Preferred Shares outstanding or by at least two-thirds of the votes cast at a meeting or adjourned meeting of the holders of such shares called for that purpose and at which a quorum is present.

3. Common Shares

An unlimited number of common shares without nominal or par value, designated the "Common Shares". The holders of the Common Shares are entitled:

- (a) to vote at all meetings of shareholders, except meetings at which only holders of another specified class or series of shares are entitled to vote; and
- (b) subject to the rights, privileges, restrictions and conditions attaching to the preferred shares of the Corporation, to receive dividends declared by the Corporation on the Common Shares and to receive the remaining property of the Corporation upon dissolution.

EXHIBIT B
FORM OF RIG UTILIZATION AGREEMENT

[Attached]

[Redacted: Commercially sensitive]

The first of these is the *Journal of the American Medical Association* (JAMA), which has been a leading voice in the medical profession for over a century. It is a weekly publication that covers a wide range of topics, from clinical medicine to public health. The second is the *New England Journal of Medicine* (NEJM), which is a leading journal in the field of internal medicine. The third is the *Lancet*, which is a leading journal in the field of general practice. The fourth is the *British Medical Journal* (BMJ), which is a leading journal in the field of general practice. The fifth is the *Medical Record*, which is a leading journal in the field of general practice. The sixth is the *Medical Record*, which is a leading journal in the field of general practice. The seventh is the *Medical Record*, which is a leading journal in the field of general practice. The eighth is the *Medical Record*, which is a leading journal in the field of general practice. The ninth is the *Medical Record*, which is a leading journal in the field of general practice. The tenth is the *Medical Record*, which is a leading journal in the field of general practice.

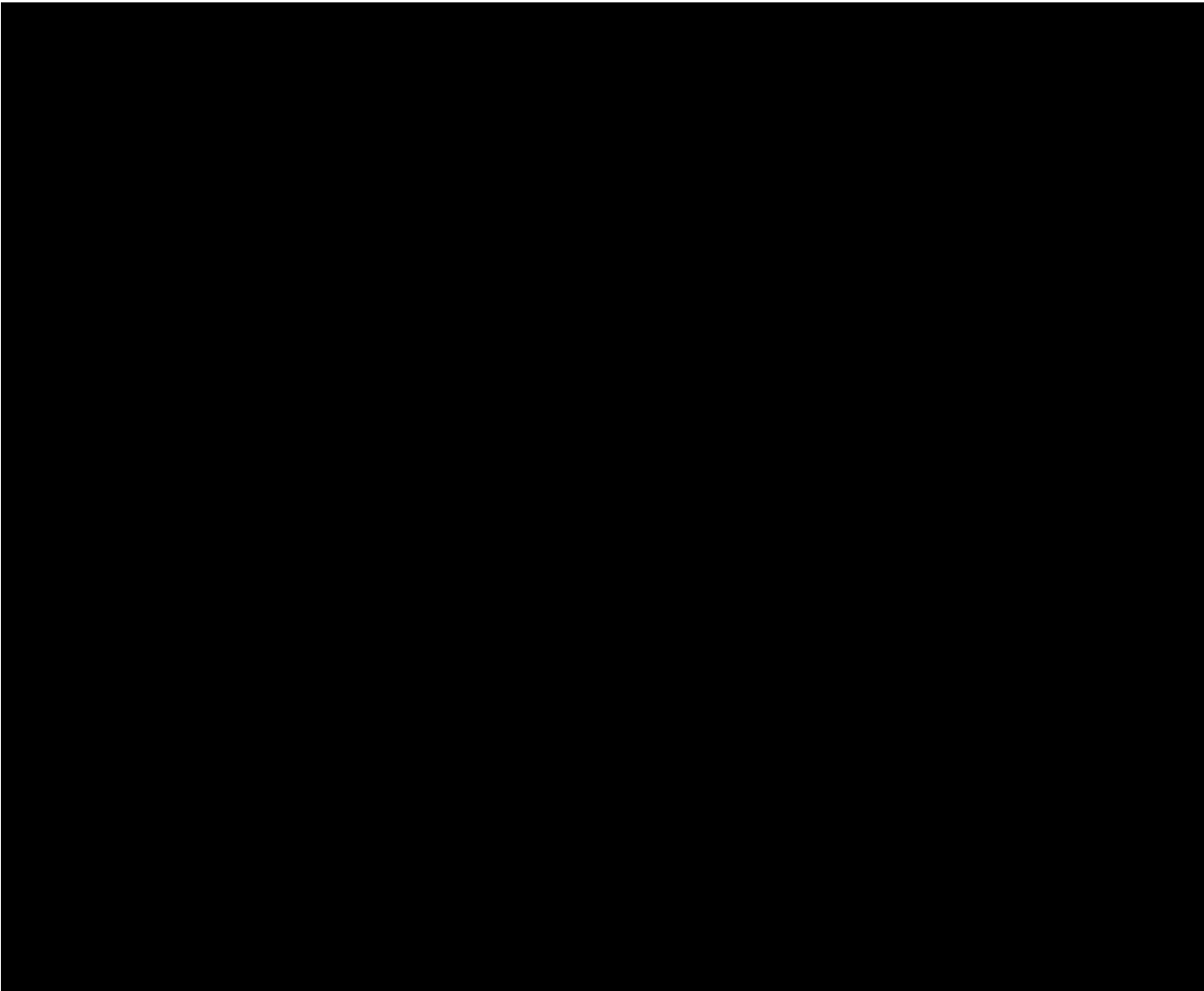
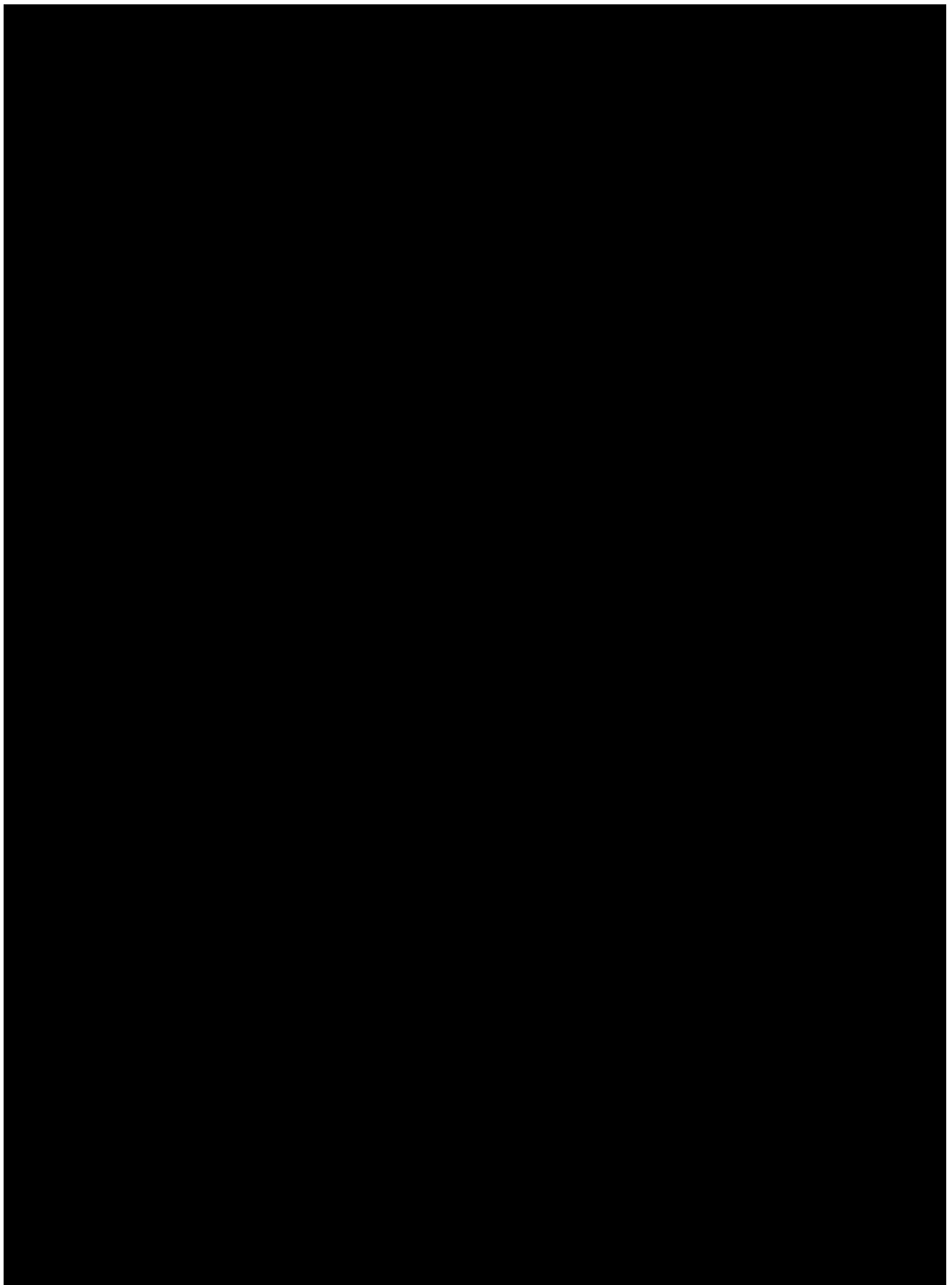
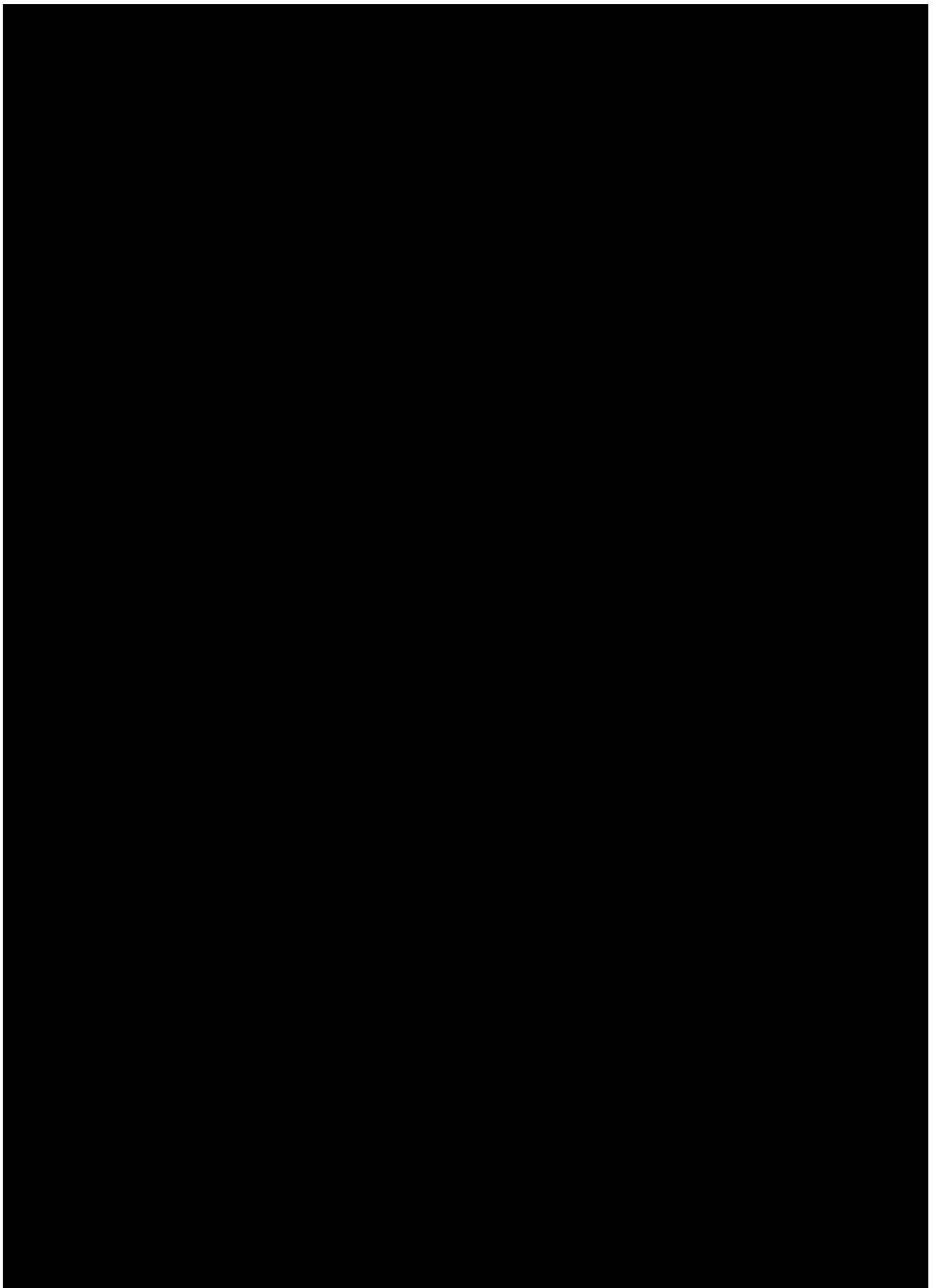


EXHIBIT C
TERMS OF MASTER DAYWORK AGREEMENT

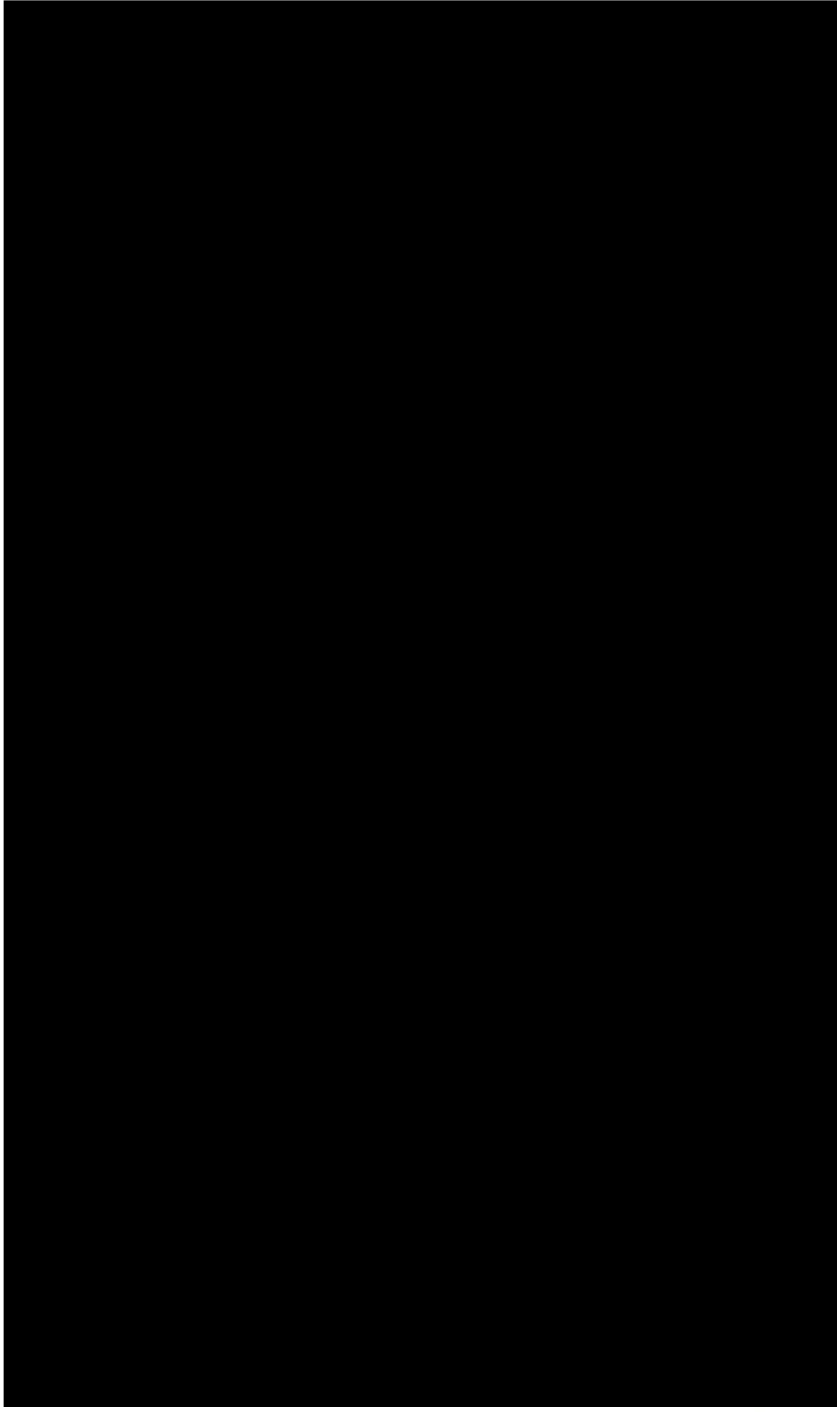
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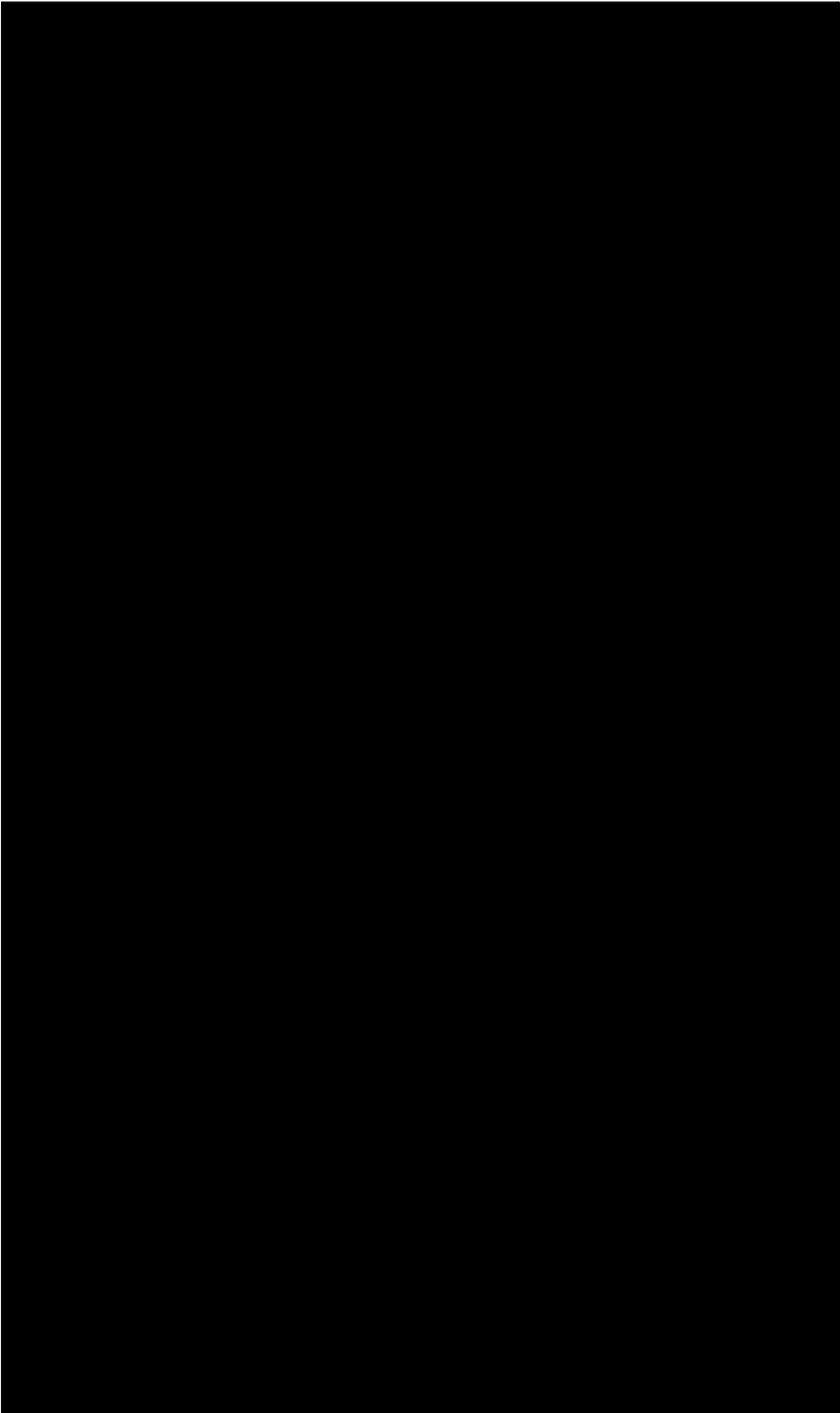
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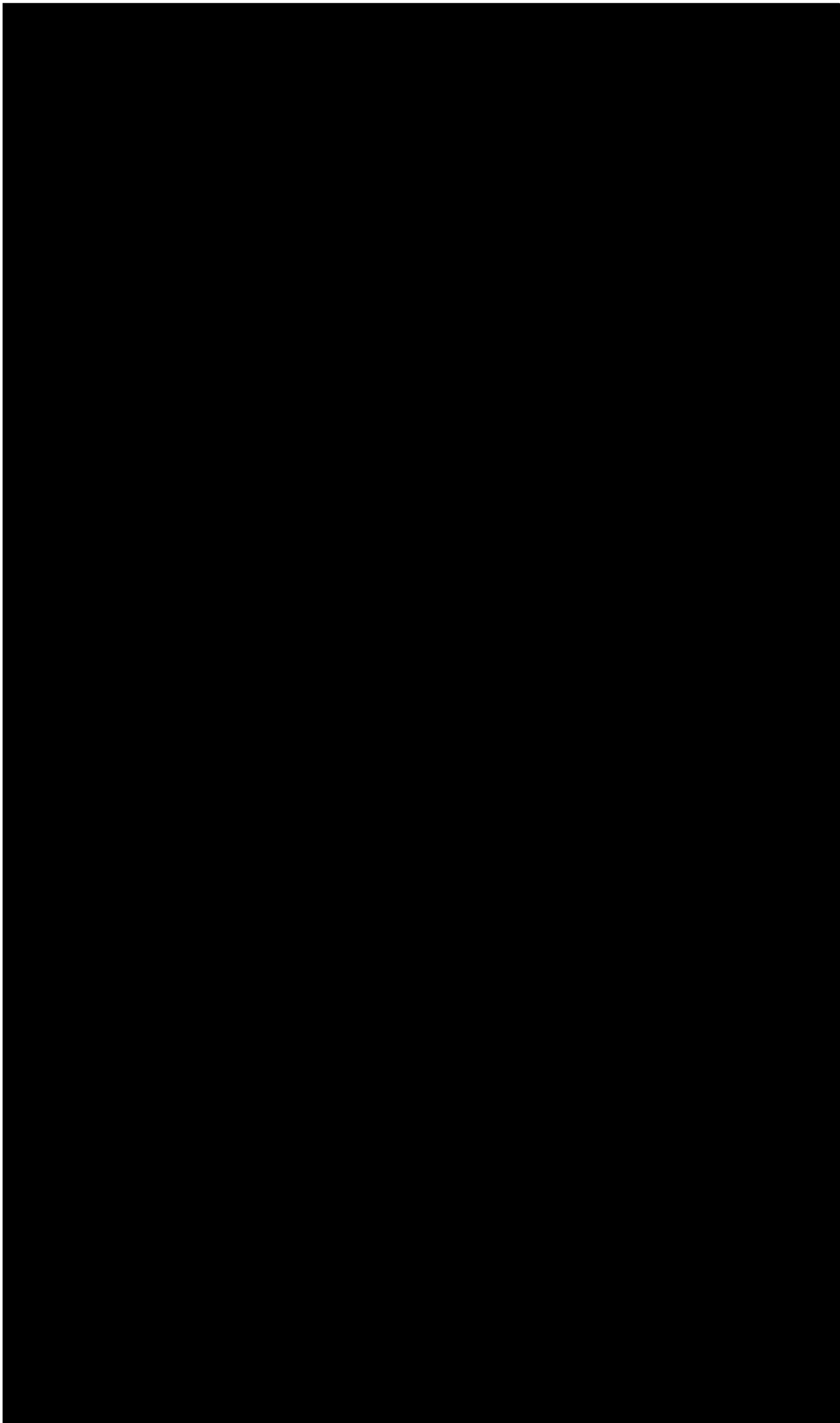


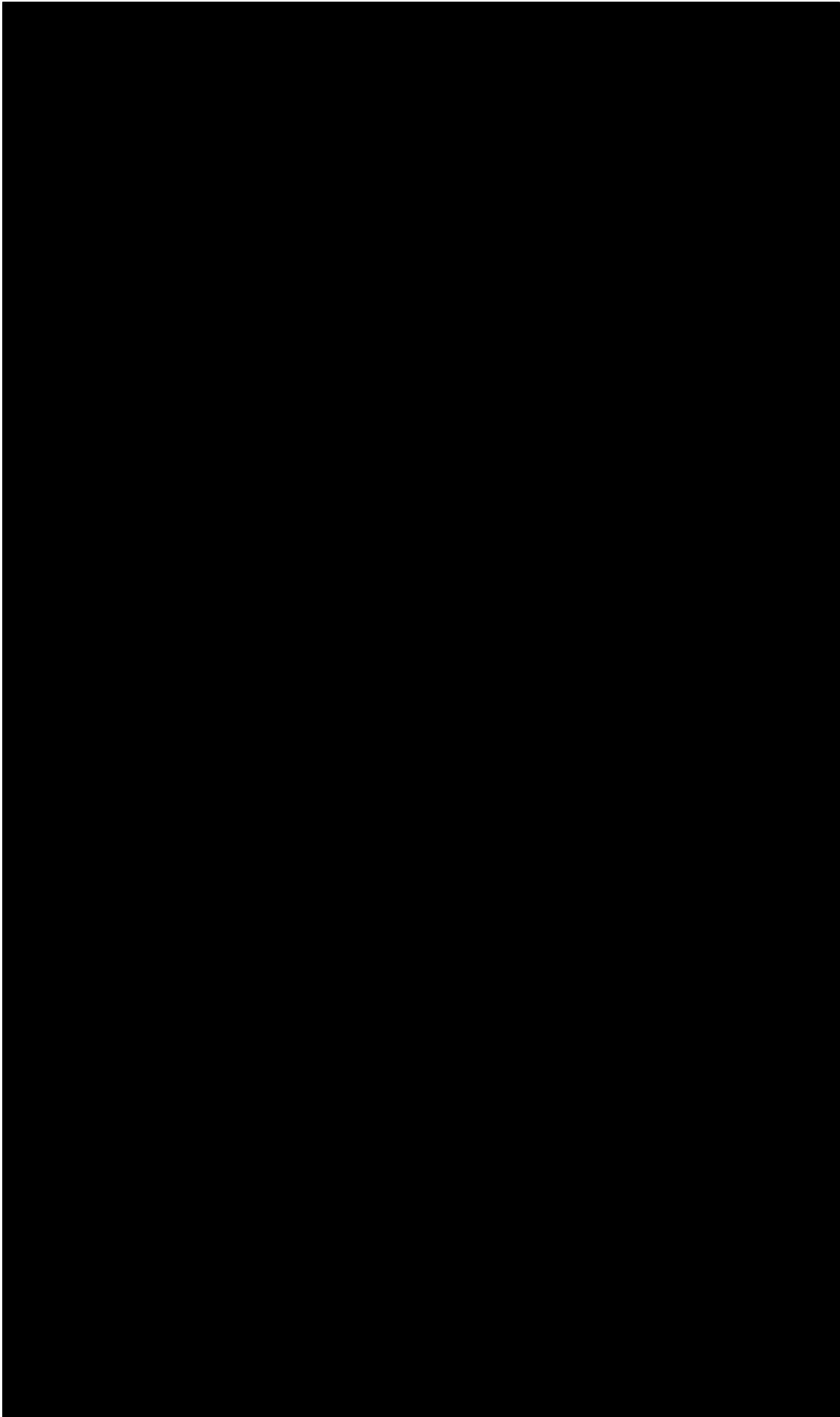


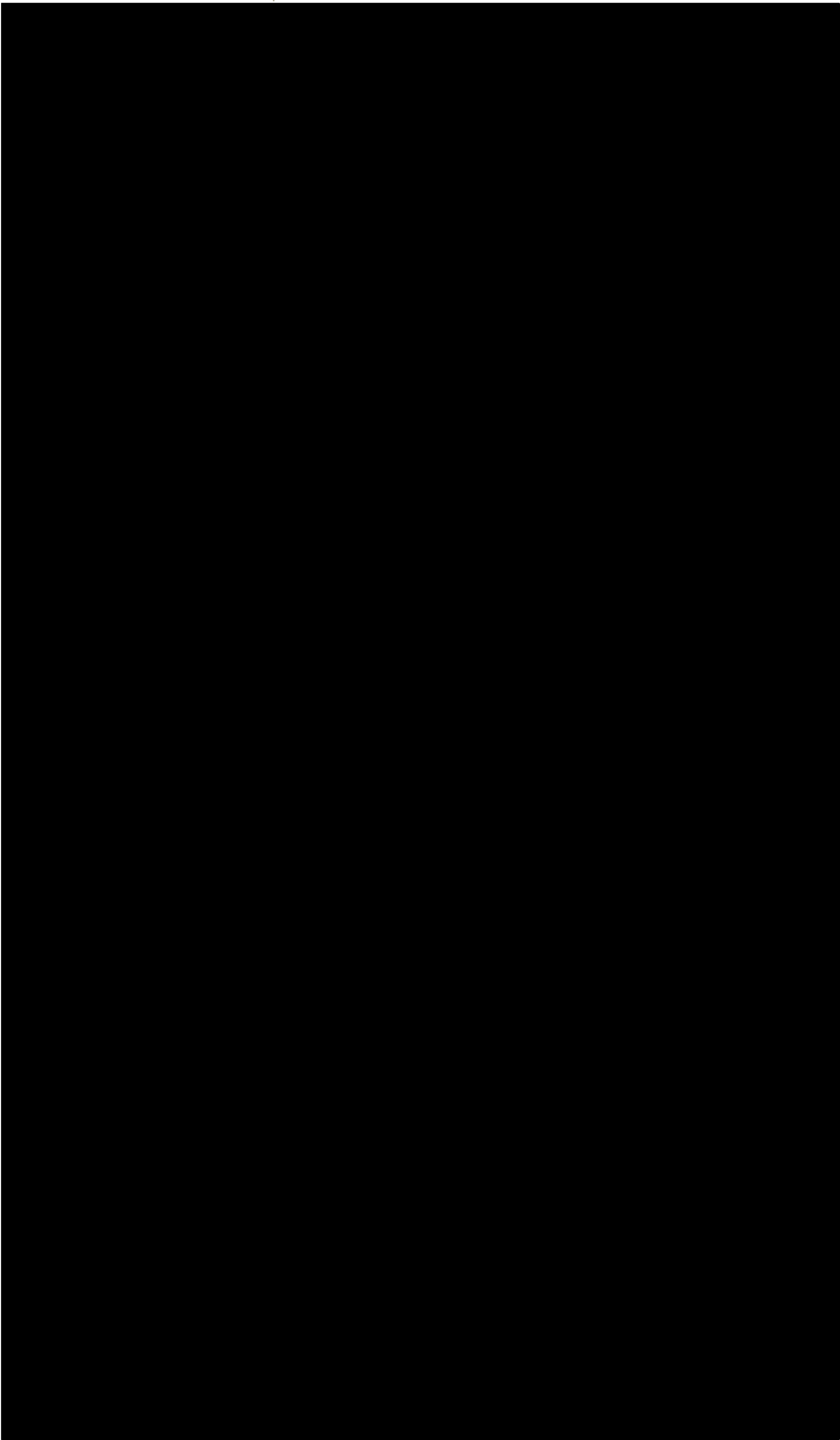


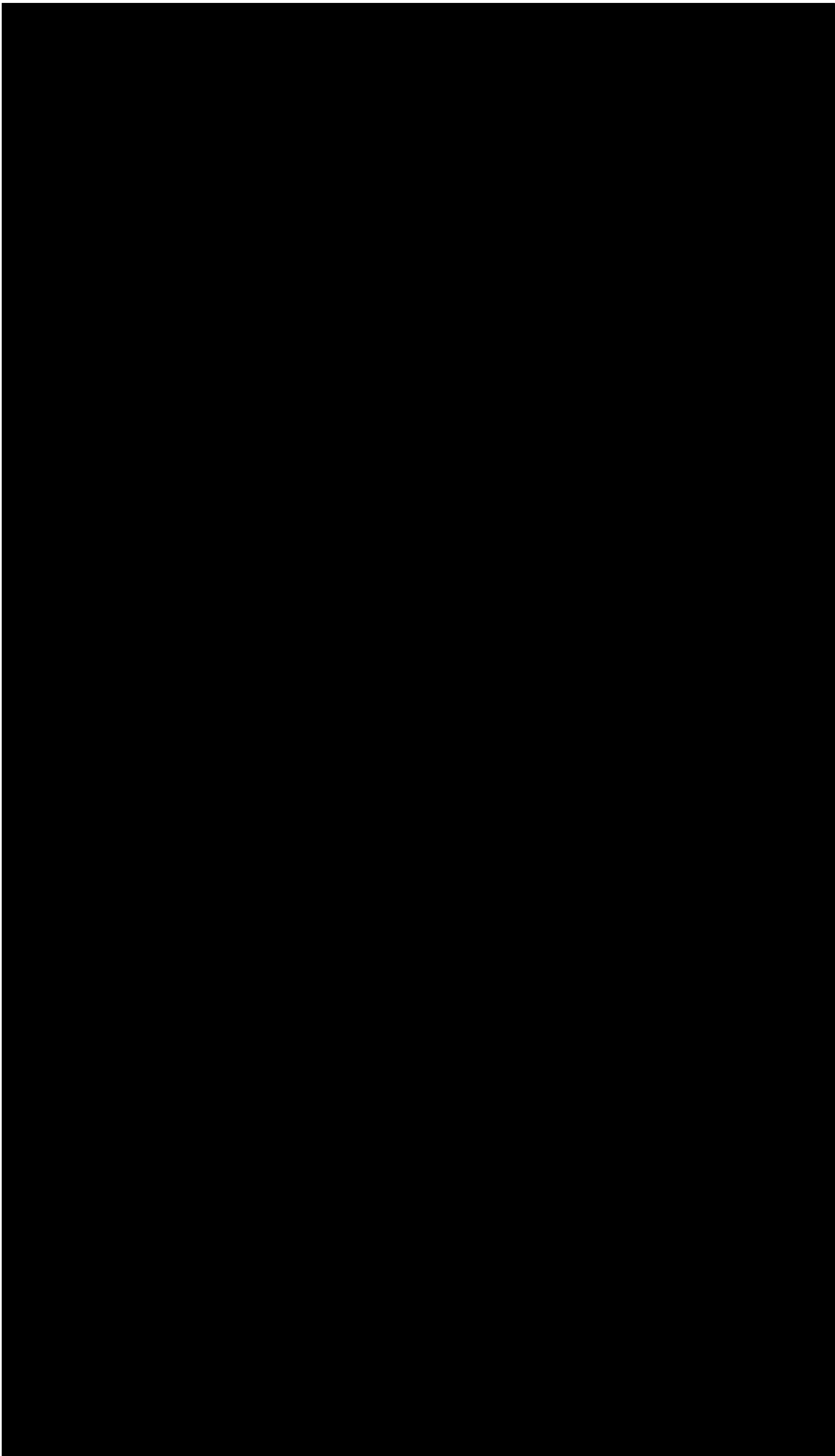


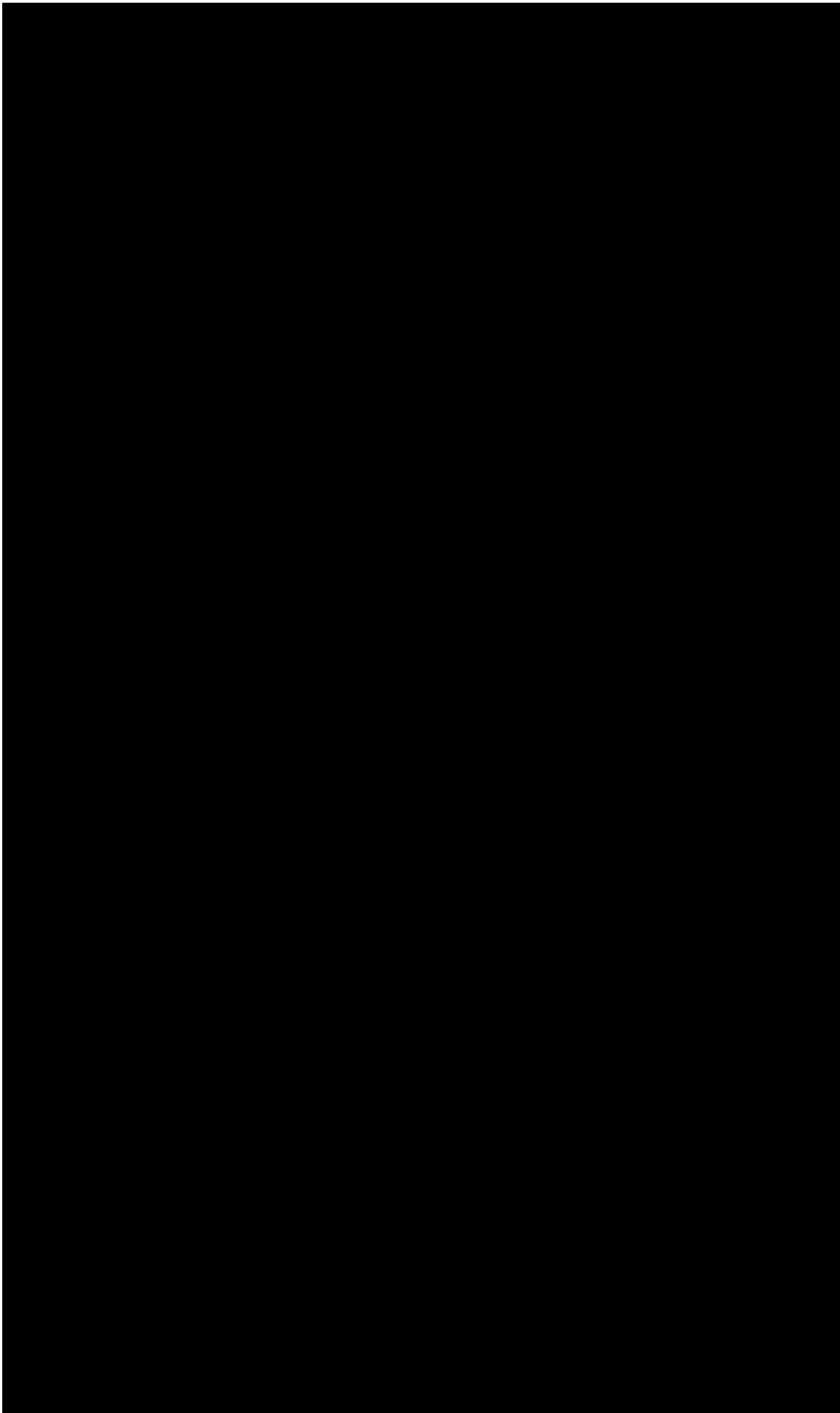


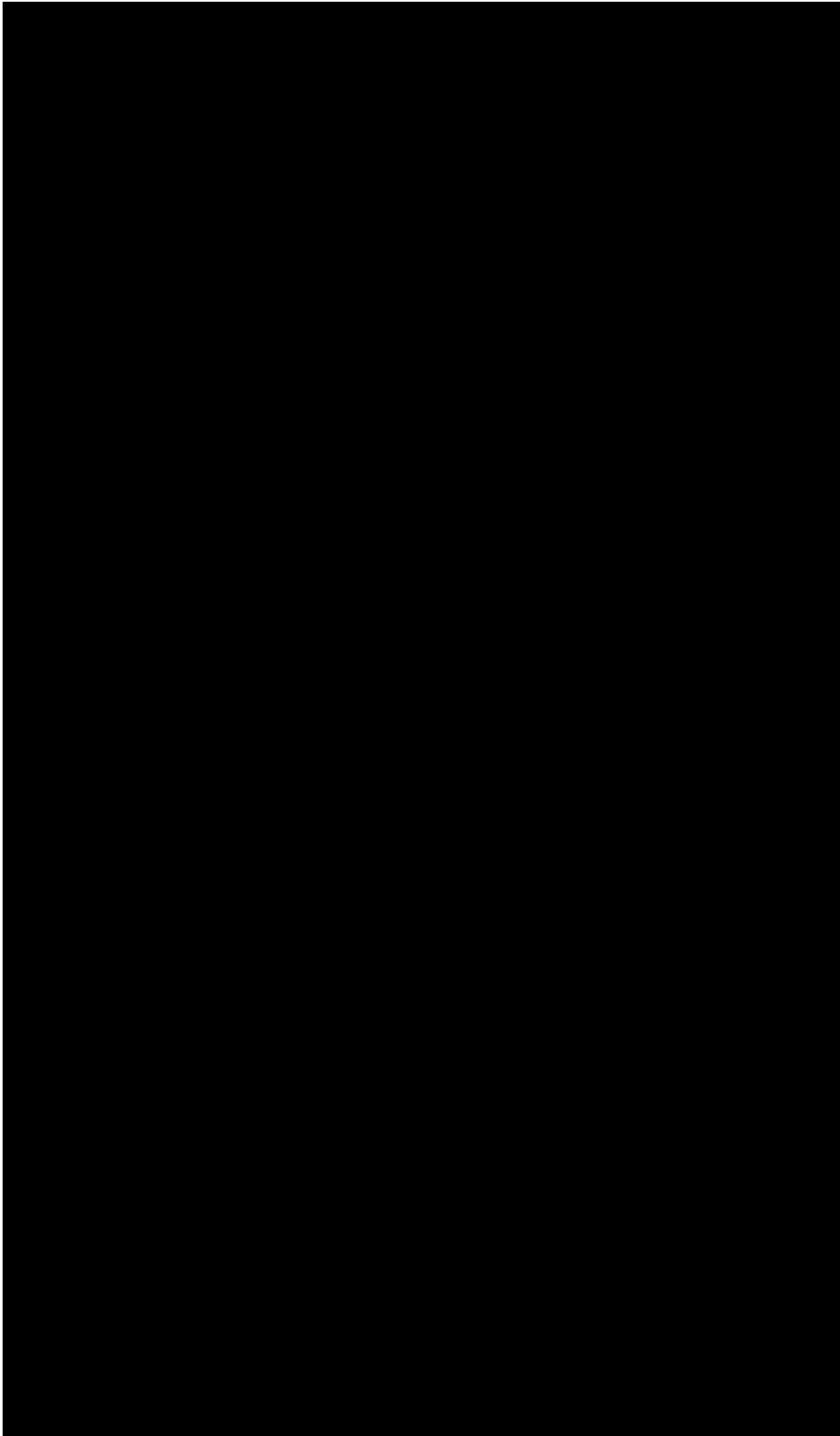


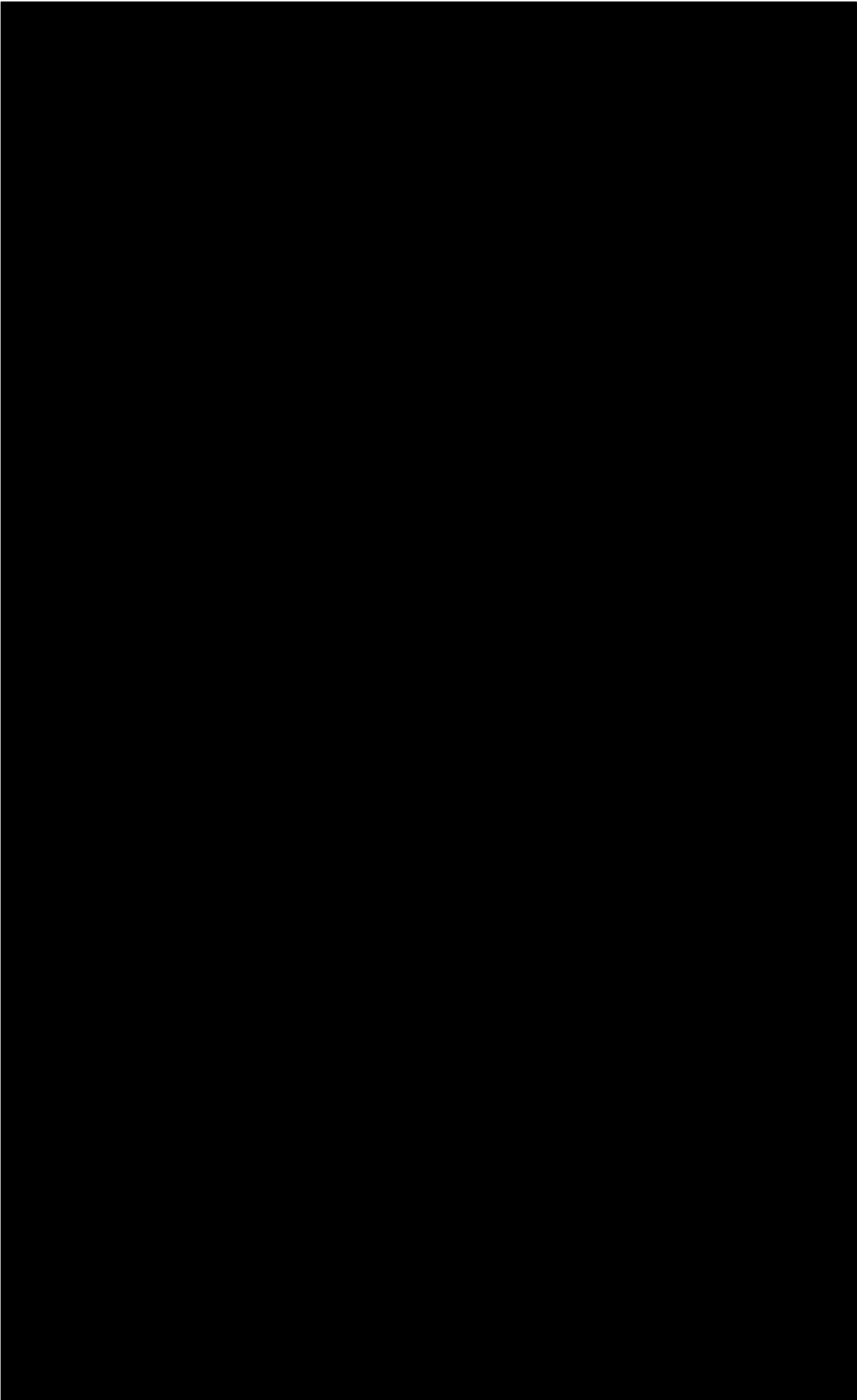


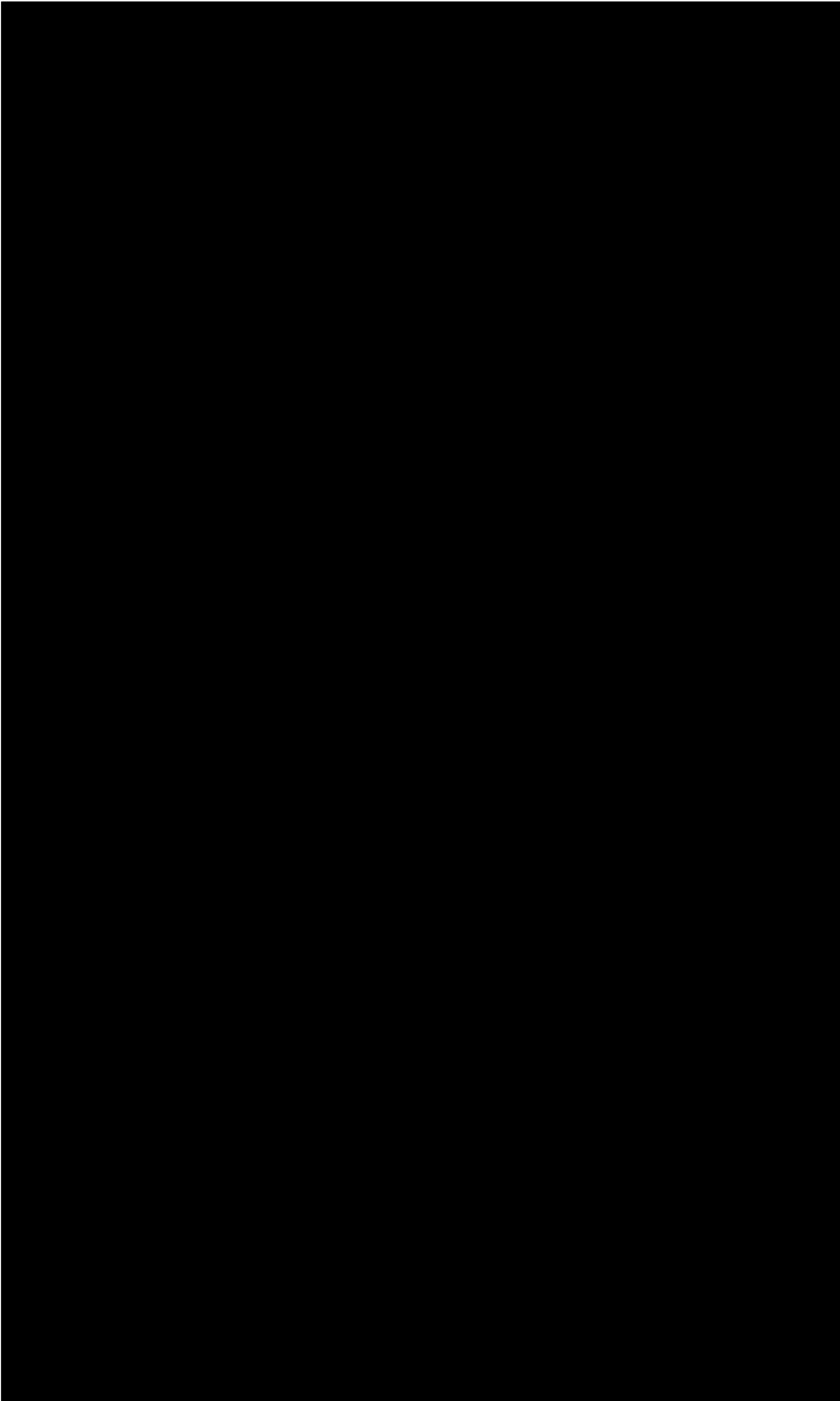












APPENDIX A
POST-CLOSING BOARD OF THE PURCHASER

[Redacted: Commercially sensitive]