

CORPORATE ACCESS NUMBER: 207627779

Alberta

BUSINESS CORPORATIONS ACT

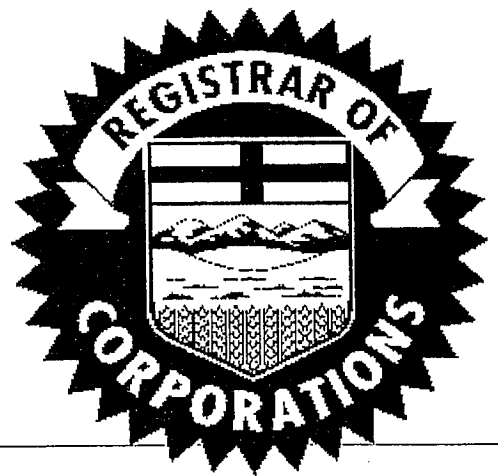
CERTIFICATE

OF

AMENDMENT AND REGISTRATION

OF RESTATED ARTICLES

**ALTACANADA ENERGY CORP.
AMENDED ITS ARTICLES ON 2011/02/09.**



BUSINESS CORPORATIONS ACT

Alberta

ARTICLES OF AMENDMENT

1. Name of Corporation

2. Corporate Access Number

ALTACANADA ENERGY CORP.

207627779

3. Pursuant to subsection 29(5) of the *Business Corporations Act* (Alberta), the Articles of the Corporation are hereby amended by the creation of the first series of First Preferred Shares, to be designated as "Series A Convertible First Preferred Shares", to be unlimited in number, and each such Series A Convertible First Preferred Share having attached thereto the rights, privileges, restrictions and conditions set out in the attached Schedule of Series Provisions.

| 4. DATE | SIGNATURE | TITLE |
|------------------|---------------------------|-----------------|
| February 8, 2011 | (signed) "Donald Foulkes" | President & CEO |

Name/Structure Change Alberta Corporation - Registration Statement

Alberta Amendment Date: 2011/02/09

Service Request Number: 15895735
Corporate Access Number: 207627779
Legal Entity Name: ALTACANADA ENERGY CORP.
French Equivalent Name:
Legal Entity Status: Active

Alberta Corporation Type: Named Alberta Corporation
New Legal Entity Name: ALTACANADA ENERGY CORP.
New French Equivalent Name:
Nuans Number: PRE-CONV
Nuans Date: 1997/11/12
French Nuans Number:
French Nuans Date:

Share Structure: THE ATTACHED SCHEDULE OF SHARE CAPITAL IS INCORPORATED INTO AND FORMS PART OF THIS FORM.

Share Transfers Restrictions: NONE

Number of Directors:

Min Number Of Directors: 3

Max Number Of Directors: 11

Business Restricted To: NONE.

Business Restricted From: NONE.

Other Provisions: THE ATTACHED SCHEDULE OF OTHER PROVISIONS IS INCORPORATED INTO AND FORMS PART OF THIS FORM.

BCA Section/Subsection: 29(5)

Professional Endorsement Provided:

Future Dating Required:

Annual returns are outstanding for the 2010 file year(s).

Annual Return

| File Year | Date Filed |
|-----------|------------|
| 2009 | 2010/03/16 |
| 2008 | 2008/10/28 |
| 2007 | 2007/10/30 |

Attachment

| Attachment Type | Microfilm Bar Code | Date Recorded |
|---------------------------|--------------------|---------------|
| Shares in Series | ELECTRONIC | 2011/02/09 |
| Other Rules or Provisions | ELECTRONIC | 2011/02/09 |
| Share Structure | ELECTRONIC | 2011/02/09 |

**Registration Authorized By: SANDRA MALCOLM
SOLICITOR**

SCHEDULE OF SHARE CAPITAL

The Corporation is authorized to issue:

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

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

A. Common Shares

The Common Shares shall have attached thereto the following rights, privileges, restrictions and conditions:

- (i) the holders of the Common Shares shall be entitled to receive notice of and to attend any meeting of the shareholders of the Corporation and shall be entitled to one vote for each Common Share held;
- (ii) subject to the prior rights and privileges attaching to any other class of shares of the Corporation, the right to receive any dividend declared by the Corporation; and
- (iii) subject to the prior rights and privileges attaching to any other class of shares of the Corporation, the right to receive the remaining property and assets of the Corporation upon dissolution.

B. First Preferred Shares

The First Preferred Shares shall have attached thereto the following rights, privileges, restrictions and conditions:

- (i) the First Preferred Shares may at any time and from time to time be issued in one or more series, each series to consist of such number of shares as may, before the issue thereof, be determined by resolution of the directors of the Corporation; and
- (ii) subject to the provisions of the Business Corporations Act (Alberta), the directors of the Corporation may by resolution fix from time to time before the issue thereof the designation, rights, privileges, restrictions and conditions attaching to each series of the First Preferred Shares.

C. Second Preferred Shares

The Second Preferred Shares shall have attached thereto the following rights, privileges, restrictions and conditions:

- (i) the Second Preferred Shares may at any time and from time to time be issued in one or more series, each series to consist of such number of shares as may, before the issue thereof, be determined

by resolution of the directors of the Corporation; and

(ii) subject to the provisions of the Business Corporations Act (Alberta), the directors of the Corporation may by resolution fix from time to time before the issue thereof the designation, rights, privileges, restrictions and conditions attaching to each series of the Second Preferred Shares.

SCHEDULE OF OTHER PROVISIONS

1. The directors may, between annual general meetings, appoint one or more additional directors of the Corporation to serve until the next annual general meeting, but the number of additional directors shall not at any time exceed 1/3 of the number of directors who held office at the expiration of the last annual meeting of the Corporation.

2. Subject to sections 126 and 127 of the Act, the annual meeting of shareholders shall be held at the registered office of the Corporation or at a place elsewhere within Alberta or in any city in Canada as determined by the directors on such day in each year and at such time as the directors may determine. The directors of the Corporation may at any time call a special meeting of shareholders to be held on such day and at such time and, subject to section 126 of the Act, at such place within Alberta or in any city in Canada as the directors may determine.

SCHEDULE OF SERIES PROVISIONS

Series A Convertible First Preferred Shares

The first series of First Preferred Shares shall be designated as the "Series A Convertible First Preferred Shares" (the "Series A Preferred Shares"), shall be unlimited in number and shall have attached thereto the following rights, privileges, restrictions and conditions (the "Series A Preferred Share Provisions"):

1. Definitions

(a) For purposes of these Series A Preferred Share Provisions, the following words and terms will have the indicated meanings and grammatical variations of such words and terms will have corresponding meanings:

(i) "Base Amount" means the product of the number of Series A Preferred Shares redeemed multiplied by \$0.05;

(ii) "Common Shares" shall mean the common shares of the Corporation as such shares are constituted and as subsequently consolidated or subdivided and any other shares resulting from reclassification or change of such common shares on any amalgamation, consolidation, merger, arrangement or sale referred to in Section 6(e) hereof;

(iii) "Deemed Interest Amount" means the product of the Base Amount multiplied by the Interest Rate multiplied by the number of calendar days in the Deemed Interest Period, divided by 365;

(iv) "Deemed Interest Period" means the period from the date of issuance of the Series A Preferred Shares to the date of surrender for redemption of the certificate or certificates representing the Series A Preferred Shares, inclusive;

(v) "Exchange Rate" at any time means the number of Units into which one Series A Convertible Preferred Share may be exchanged at such time in accordance with Section 6 and, until changed pursuant to Section 6(d) hereof, such exchange rate shall be one Unit for each Series A Preferred Share;

(vi) "Interest Rate" means the sum of: (A) the average Prime Rate over the Deemed Interest Period (calculated as the sum of the Prime Rate in effect on each day of the Deemed Interest Period divided by the number of days in the Deemed Interest Period) and (B) 2.5%;

(vii) "Prime Rate" means the rate of interest per annum established from time to time by the National Bank of Canada as the reference rate of interest for the determination of interest rates that the National Bank of Canada will charge to customers in Canada for Canadian dollar loans in Canada and designated as its "prime rate";

(viii) "Redemption Amount" means the sum of the Base Amount and the Deemed Interest Amount.

~~(ix) "Unit" means one fully paid and non-assessable Common Share and one Warrant;~~

(x) "Warrant" means a warrant entitling the holder thereof to purchase one additional Common Share at a price of \$0.08 with a term expiring on the date that is 24 months from the date the Series A Preferred Shares were issued.

2. Voting

(a) The holders of Series A Preferred Shares shall be entitled to receive written notice of, to attend and to vote, by person or by proxy, at all meetings of shareholders of the Corporation or in any written consent in lieu of a meeting, on all matters entitled to be voted on by holders of Common Shares and shall vote together with the holders of Common Shares.

(b) With respect to any vote, the holders of the Series A Preferred Shares shall be entitled to cast that number of votes as is equal to the number of votes that such holder would be entitled to cast had such holder converted its Series A Preferred Shares into Common Shares pursuant to Section 6 hereof.

3. Dividends

The holders of Series A Preferred Shares shall be entitled to receive dividends as and when declared by the Board of Directors of the Corporation on the Series A Preferred Shares as a class, provided that no dividend may be declared in respect of, or any other benefit conferred upon the holders of, Common Shares unless concurrently therewith the same dividend is declared in respect of, or the same benefit is conferred upon the holders of, Series A Preferred Shares and in such event each holder of Series A Preferred Shares shall be entitled to a dividend or other benefit equal to the dividend or other benefit that such holder would be entitled to had such holder converted its Series A Preferred Shares into Common Shares pursuant to Section 6 hereof.

4. Liquidation

The holders of Series A Preferred Shares shall be entitled, in the event of any liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs, and to share rateably, together with the holders of Common Shares and the holders of shares of any other class of shares of the Corporation ranking equally with the Series A Preferred Shares in respect of return of capital on dissolution, in such assets of the Corporation as are available for distribution and in such event each holder of Series A Preferred Shares shall be entitled to such portion of the assets of the Corporation as are available for distribution that such holder would be entitled to had such holder converted its Series A Preferred Shares into Common Shares pursuant to Section 6 hereof.

5. Redemption

Except upon the exercise of the rights of the holder pursuant to Section 7, or as provided in Section 8 hereof, the Series A Preferred Shares may not be redeemed by the Corporation.

6. Right of Exchange for Units

(a) A holder of Series A Preferred Shares shall have the right at any time to exchange, subject to the terms and provisions hereof, all or any portion of such Series A Preferred Shares into Units on the basis of the Exchange Rate then in effect.

(b) The exchange of Series A Preferred Shares shall be effected by the surrender of the certificate or certificates representing such shares, at any time during business hours, at the registered office of the Corporation, together with a written notice of exchange in the form of Schedule "A" hereto setting out the number of Series A Preferred Shares to be exchanged.

For the purposes of this Section 6, the exchange shall be deemed to have occurred at the close of business on the date the certificate or certificates for such Series A Preferred Shares are surrendered as aforesaid, and upon such surrender pursuant to this Section 6, the rights of the holder of such Series A Preferred Shares, as the holder thereof, shall cease at such time and such holder entitled to receive Units upon such exchange shall be treated for all purposes as having become the holder of record of the Common Shares and Warrants comprising the Units at such time and:

(i) if only part of the Series A Preferred Shares represented by such surrendered certificate(s) are converted, such holder shall be entitled to receive, at the expense of the Corporation, a new certificate representing the Series A Preferred Shares represented by such certificate or certificates which are not converted; and

(ii) as promptly as practicable after the surrender for conversion of any certificate(s) representing Series A Preferred Shares, the Corporation shall issue and deliver, or cause to be delivered to the holder of such Series A Preferred Shares so surrendered (or as such holder may otherwise direct in writing), (A) a certificate issued in the name of such holder, representing the number of Common Shares to which the holder is entitled and (B) a warrant certificate, in a form determined by the Corporation, acting reasonably, evidencing the number of Warrants to which the holder is entitled.

(c) The holder of any Series A Preferred Shares on any record date for the payment of dividends on the Series A Preferred Shares shall be entitled to such dividend notwithstanding that such shares are exchanged after such dividend record date and before the payment date of such dividend.

(d) If prior to the exchange of all of the Series A Preferred Shares the Corporation shall (i) subdivide, redivide or change its then outstanding Common Shares into a larger number of Common Shares, or (ii) reduce, combine or consolidate or change its then outstanding Common Shares into a smaller number of Common Shares (any of such events herein defined as a "Common Share Reorganization"), the Exchange Rate shall be adjusted (and any other appropriate actions shall be taken by the Corporation), effective immediately after the record date for such Common Share Reorganization (the "Reorganization Record Date"), by multiplying the defined as Exchange Rate in effect on such Reorganization Record Date by the quotient obtained when:

(i) the number of Common Shares outstanding determined on a

fully diluted basis (including, without limitation, taking into account the number of Common Shares reserved for issuance upon the exchange of Series A Preferred Shares in accordance with this Section 6) on such Reorganization Record Date after giving effect to the Common Share Reorganization,

is divided by

(ii) the number of Common Shares outstanding determined on a fully diluted basis (including, without limitation, taking into account the number of Common Shares reserved for issuance upon the exchange of Series A Preferred Shares in accordance with this Section 6) on such Reorganization Record Date before giving effect to the Common Share Reorganization.

(e) If there is a capital reorganization of the Corporation not otherwise provided for in this Section 6 or a consolidation, merger, arrangement or amalgamation (statutory or otherwise) involving the Corporation (any such event herein defined as "Capital Reorganization"), any holder of Series A Preferred Shares that has not exercised its right of exchange prior to the record date for such Capital Reorganization (the "Capital Reorganization Record Date") shall be entitled to receive upon the exercise of such right at any time after the Capital Reorganization Record Date, in lieu of the number of Common Shares to which it was theretofore entitled upon exchange, the same cash, property, number of shares or other securities of the Corporation, or of the corporation or body corporate resulting, surviving or continuing from the Capital Reorganization, that such holder would have been entitled to receive as a result of such Capital Reorganization if, on the Capital Reorganization Record Date, it had been the holder of the number of Common Shares to which it was theretofore entitled upon exchange, subject to adjustment thereafter in accordance with provisions the same, as nearly as may be possible, as those contained in these Series A Convertible Preferred Share Provisions and a corresponding change will be made to the Warrants such that in lieu of the number of Common Shares to which the holder was theretofore entitled upon exercise of the Warrants upon payment of the exercise price, the same cash, property, number of shares or other securities of the Corporation, or of the corporation or body corporate resulting, surviving or continuing from the Capital Reorganization, that such holder would have been entitled to receive as a result of such Capital Reorganization if, on the Capital Reorganization Record Date, it had been the registered holder of a number of Common Shares to which it was theretofore entitled upon exercise of the Warrants, subject to adjustment thereafter in accordance with provisions the same, as nearly as may be possible, as those contained in these Series A Convertible Preferred Share Provisions; provided that no such Capital Reorganization shall be carried into effect unless all necessary steps shall have been taken so that the holder of Series A Preferred Shares shall thereafter be entitled to receive such cash, property, number of shares or other securities of the Corporation or of the corporation or body corporate resulting, surviving or continuing from the Capital Reorganization.

(f) In the case of any reclassification of, or other change in, the outstanding Common Shares other than a Common Share ~~Reorganization or a Capital Reorganization, the Exchange Rate~~ shall be adjusted immediately after the applicable record date for

such reclassification or other change so that holders of Series A Preferred Shares shall be entitled to receive, upon the exercise of such exchange right at any time after the record date of such reclassification or other change, such shares, securities or rights as they would have received had such Series A Preferred Shares been exchanged into Common Shares immediately prior to such record date, and the Warrants to which each holder of Series A Preferred Shares shall be entitled to receive upon the exercise of such exchange right shall be amended after the record date of such reclassification or other change so that upon the exercise of such Warrants such holder shall receive such shares, securities or rights as they would have received had such Warrants been exercised for Common Shares immediately prior to such record date.

(g) Forthwith after any adjustment in the Exchange Rate, the Corporation shall mail, by prepaid first class mail to the registered holders of Series A Preferred Shares, a statement providing the particulars of such adjustment.

(h) Any question with respect to the Exchange Rate or any adjustment in the amount of the Exchange Rate shall be conclusively determined by a majority of the board of directors of the Corporation, acting in good faith and such determination shall be binding upon all shareholders.

(i) Notwithstanding any other provision herein, the Corporation shall not be required to issue fractional Common Shares upon exercise of such exchange right or exercise of Warrants or to distribute a certificate evidencing fractional Common Shares and the entitlement of any former holder of Series A Preferred Shares (and/or Warrants) to receive a fractional Common Share shall be rounded down to the nearest whole number of Common Shares.

7. Right to Redeem for Secured Convertible Debentures

(a) A holder of Series A Preferred Shares shall have the right at any time to require the Corporation to redeem, subject to the terms and provisions hereof, all or any portion of such Series A Preferred Shares for a redemption price equal to the Redemption Amount.

(b) The redemption of Series A Preferred Shares shall be effected by the surrender of the certificate or certificates representing such shares, at any time during business hours, at the registered office of the Corporation, together with a written notice of redemption in the form of Schedule "B" hereto providing the number of Series A Preferred Shares to be redeemed.

For the purposes of this Section 7, redemption shall be deemed to have occurred at the close of business on the date the certificate or certificates for such Series A Preferred Shares are surrendered as aforesaid, so that upon such event the rights of the holder of such Series A Preferred Shares, as the holder thereof, shall cease at such time and the Corporation shall be indebted to the former holder of the Series A Preferred Shares for an amount equal to the Redemption Amount, which shall be payable on demand and which shall be secured against all of the present and after acquired property (the "Security") of the Corporation (provided that such indebtedness and Security shall be subordinate in right of payment to the indebtedness of the Corporation to (A) the National Bank of Canada (or any lender or syndicate of lenders who provide(s) debt

financing to the Corporation to repay the indebtedness of the Corporation to National Bank of Canada (such lender(s) referred to as the "Replacement Bank Lender(s)") and (B) up to \$1,000,000 of other secured indebtedness of the Corporation, and:

(i) if only part of the Series A Preferred Shares represented by such certificate are redeemed, such holder shall be entitled to receive, at the expense of the Corporation, a new certificate representing the Series A Preferred Shares represented by such certificate or certificates which are not redeemed; and

(ii) as promptly as practicable after the surrender for redemption of any certificate(s) representing Series A Preferred Shares, the Corporation shall issue and deliver, or cause to be delivered to the holder of such Series A Preferred Shares so surrendered (or as such holder may otherwise direct in writing):

(i) a promissory note in a form determined by the Corporation, acting reasonably, evidencing such indebtedness; and

(ii) a form of security agreement for the purpose of granting the Security to the holder of the Series A Preferred Shares so surrendered, in a form determined by the Corporation, acting reasonably.

(c) The registered holder of any Series A Preferred Shares on any record date for the payment of dividends on the Series A Preferred Shares shall be entitled to such dividend notwithstanding that such shares are redeemed after such dividend record date and before the payment date of such dividend.

8. Deemed Redemption for Secured Convertible Debentures

If any Series A Preferred Shares remain outstanding on the date that is 18 months from the date of issuance of such Series A Preferred Shares, the outstanding Series A Preferred Shares shall be deemed to have been redeemed as of the close of business on such date for the Redemption Amount. Following such time the Corporation shall be indebted to the former holder of the Series A Preferred Shares for an amount equal to the Redemption Amount, which shall be payable in accordance with the provisions of Section 7 as though the holder of the Series A Preferred Shares elected to redeem its Series A Preferred Shares on such date pursuant thereto.

9. Reservation of Common Shares

The Corporation shall, at all times, reserve and keep available for issuance upon the exchange of the Series A Preferred Shares and the exercise of the Warrants issuable on such exchange, such number of authorized but unissued Common Shares as will from time to time be sufficient for the exchange of all of the Series A Preferred Shares and the exercise of such Warrants and shall, if necessary, authorize the issuance of further Common Shares to ensure that the exchange of all of the then issued and outstanding Series A Preferred Shares into Common Shares and the exercise of all such Warrants may take place at all times.

10. Currency

All references herein to currency are expressed and are to be

calculated with reference to Canadian dollars.

11. Withholding Taxes

The Corporation shall be entitled to deduct and withhold from any securities issuable pursuant hereto such amounts as the Corporation is required to deduct and withhold with respect to such payment under the Income Tax Act (Canada), the United States Internal Revenue Code of 1986 or any provision of federal, provincial, territorial, state, local or foreign tax law. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes hereof as having been paid to the holder of the Series A Preferred Shares, as applicable, in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority. The Corporation is hereby authorized to sell or otherwise dispose of the securities issuable pursuant hereto as is necessary to provide sufficient funds to the Corporation to enable it to comply with all deduction or withholding requirements.

12. Amendments

No amendment or change to the rights, privileges, restrictions and conditions attaching to the Series A Preferred Shares shall be made without the approval, by special resolution, of the holders of 66 2/3% of then outstanding Series A Preferred Shares, voting separately as a class, in attendance, in person or by proxy, at a meeting called for such purpose and which is passed by not less than 66 2/3% of the holders of the Series A Preferred Shares attending in person or by proxy at such meeting, or by a written resolution signed by the holders of at least 66 2/3% of the Series A Preferred Shares.

SCHEDULE "A"

EXCHANGE NOTICE

To: AltaCanada Energy Corp.

This notice is given pursuant to Section 6 of the rights, privileges, restrictions and conditions (the "Share Provisions") attaching to the Series A Convertible First Preferred Shares of AltaCanada Energy Corp. (the "Corporation") represented by the attached certificate(s) and all capitalized words and expressions used in this notice that are defined in the Share Provisions have the meanings ascribed to such words and expressions in such Share Provisions.

The undersigned hereby notifies the Corporation that the undersigned desires to have the Corporation exchange, in accordance with Section 6 of the Share Provisions:

___ all share(s) represented by the attached certificate(s); or
___ _____ share(s) of the shares represented by the
~~attached certificate(s).~~

for Units of the Corporation comprised of Common Shares and Warrants.

The undersigned acknowledges that the issuance of the Common Share and Warrants upon the exchange will be deemed to have occurred at the close of business on the date this notice and the attached share certificate(s) are surrendered to the Corporation.

The undersigned hereby represents and warrants to the Corporation that the undersigned:

is

(select one)

is not

a non-resident of Canada for purposes of the Income Tax Act (Canada). The undersigned acknowledges that in the absence of an indication that the undersigned is not a non-resident of Canada, withholding on account of Canadian tax may be made in connection with the exchange.

Date (Signature of Shareholder)

The securities resulting from the exchange will be held for pick-up by the shareholder from the Corporation at its principal place of business in Calgary unless the information below is completed, in which case the securities will be mailed to the address which appears below.

(Street Address)

City and Province/State

Postal Code/Zip Code

NOTE: If this exchange notice is for less than all of the shares represented by the attached certificate(s), a certificate representing the remaining share(s) of the Corporation represented by the ~~attached certificate(s) will be issued and registered in the name of~~ the shareholder as it appears on the register of the Corporation,

unless the Share Transfer Power on the share certificate is duly completed in respect of such share(s).

SCHEDULE "B"

NOTICE OF REDEMPTION FOR SECURED DEBENTURES

To: AltaCanada Energy Corp.

This notice is given pursuant to Section 7 of the rights, privileges, restrictions and conditions (the "Share Provisions") attaching to the Series A Convertible First Preferred Shares of AltaCanada Energy Corp. (the "Corporation") represented by the attached certificate(s) and all capitalized words and expressions used in this notice that are defined in the Share Provisions have the meanings ascribed to such words and expressions in such Share Provisions.

The undersigned hereby notifies the Corporation that the undersigned desires to have the Corporation redeem, in accordance with Section 7 of the Share Provisions:

all share(s) represented by the attached certificate(s); or
 _____ share(s) of the shares represented by the attached certificate(s),

for the Redemption Amount.

The undersigned acknowledges that the redemption will be deemed to have occurred at the close of business on the date this notice and the attached share certificate(s) are surrendered to the Corporation and the Corporation will be indebted to the former holder of the Series A Preferred Shares for the Redemption Amount at such time.

The undersigned hereby represents and warrants to the Corporation that the undersigned:

is
(select one)

is not

a non-resident of Canada for purposes of the Income Tax Act (Canada). The undersigned acknowledges that in the absence of an indication that the undersigned is not a non-resident of Canada, withholding may be made in connection with the redemption.

Date

(Signature of Shareholder)

The securities resulting from the redemption will be held for pick-up by the shareholder from the Corporation at its principal place of business in Calgary unless the information below is completed, in which case the securities will be mailed to the address which appears below.

(Street Address)

City and Province/State

Postal Code/Zip Code

NOTE: If this redemption notice is for less than all of the shares represented by the attached certificate(s), a certificate representing the remaining share(s) of the Corporation represented by the attached certificate(s) will be issued and registered in the name of the shareholder as it appears on the register of the Corporation, unless the Share Transfer Power on the share certificate is duly completed in respect of such share(s).