



HIGH ARCTIC ENERGY SERVICES INC.

**NOTICE OF THE ANNUAL GENERAL AND SPECIAL
MEETING OF SHAREHOLDERS
TO BE HELD ON THURSDAY, JUNE 19, 2025**

and

MANAGEMENT PROXY AND INFORMATION CIRCULAR

THIS NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF HIGH ARCTIC ENERGY SERVICES INC. OF PROXIES TO BE VOTED AT THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS OF HIGH ARCTIC ENERGY SERVICES INC.

TO BE HELD AT:

**Calgary Petroleum Club, Cardium Room
Calgary, Alberta
Thursday, June 19, 2025
At 3:00 p.m.**

DATED May 26, 2025



HIGH ARCTIC ENERGY SERVICES INC.

NOTICE OF THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT AN ANNUAL GENERAL AND SPECIAL MEETING (the “**Meeting**”) of holders (“**Shareholders**”) of common shares (“**Common Shares**”) of High Arctic Energy Services Inc. (“**High Arctic**” or the “**Corporation**”) will be held in the Cardium Room at the Calgary Petroleum Club, 319 5 Avenue SW, Calgary, AB, T2P 0L5 on Thursday, May June 19, 2025 at 3:00 p.m. for the following purposes:

1. to receive and consider the audited financial statements of the Corporation for the financial year ended December 31, 2024 and the report of the auditors thereon;
2. to fix the number of directors of the Corporation to be elected at the Meeting at four (4);
3. to elect the Board of Directors of the Corporation for the ensuing year;
4. to appoint the auditors of the Corporation for the ensuing year and to authorize the Board of Directors to fix the auditors’ remuneration;
5. to consider, and if thought fit, pass an ordinary resolution, as more particularly set forth in the accompanying information circular prepared for the purpose of the Meeting, approving the omnibus incentive plan of the Corporation (the “**Omnibus Plan Resolution**”);
6. in the event that the Omnibus Plan Resolution is not approved, to consider, and if thought fit, pass an ordinary resolution, as more particularly set forth in the accompanying information circular prepared for the purpose of the Meeting, approving of the grant of unallocated options under the stock option plan of the Corporation; and
7. to transact such other business as may be properly brought before the meeting or any adjournment thereof.

DATED this 26th day of May, 2025.

If you do not expect to attend the Meeting and would like your shares represented, please complete the enclosed instrument of proxy and return it as soon as possible through one of the following channels:

- Online: Visit the following website <https://login.odysseytrust.com/pxlogin> or
- By Mail: Please complete and sign the form of proxy enclosed and return it, in the envelope provided, to the Corporation’s transfer agent addressed;

Odyssey Trust Company
Trader’s Bank Building,
Suite 702, 67 Yonge St.
Toronto, ON M5E 1J8

Attn: Proxy Department

All votes must be received by 3:00 p.m. (Calgary time) on Tuesday June 17, 2025 (or at least 48 hours prior to the commencement of any reconvened Meeting in the event of any adjournment(s) or postponement(s) thereof).

If you hold your Common Shares in a brokerage account, you are a non-registered Shareholder or beneficial Shareholder. Beneficial Shareholders who hold their Common Shares through a bank, broker or other financial intermediary should carefully follow the instructions found on the form of proxy or voting instruction form provided to them by their intermediary, in order to cast their vote.

The Corporation reserves the right to take any additional pre-cautionary measures deemed to be appropriate, necessary or advisable in relation to the Meeting in response to future unforeseen developments, including: (i) making any changes at the Meeting as are required to meet any bylaws, public health edicts or advisories that are in place at the time; (ii) holding the Meeting virtually or by providing a webcast of the Meeting; (iii) hosting the Meeting solely by means of remote communication; (iv) changing the Meeting date and/or changing the means of holding the Meeting; and (v) such other measures as may be recommended by local authorities in connection with gatherings of persons for the Meeting.

Should any such changes to the Meeting format occur, the Corporation will announce any and all of these changes by way of news release, which will be filed under the Corporation's profile on SEDAR+ as well as on the Corporation's website at www.haes.ca. The Corporation strongly recommends that Shareholders check the Corporation's website prior to the Meeting for the most current information. In the event of any changes to the Meeting format, the Corporation will not prepare or mail amended Meeting Proxy Materials.

Your participation as a Shareholder is very important to the Corporation. Please ensure your Common Shares are represented at the Meeting.

**BY ORDER OF THE BOARD OF
DIRECTORS**

(Signed) "Michael J. Maguire"

Michael J. Maguire
Interim Chief Executive Officer

GENERAL PROXY MATTERS

Solicitation of Proxies

This management proxy and information circular ("**Circular**") is furnished in connection with the solicitation of proxies by the management of High Arctic Energy Services Inc. ("**High Arctic**" or the "**Corporation**") for use at the annual general and special meeting (the "**Meeting**") of the holders of common shares of the Corporation (the "**Common Shares**") to be held in the Cardium Room at the Calgary Petroleum Club, 315 5 Avenue SW, Calgary, AB, T2P 0L5 on Thursday, June 19, 2025 at 3:00 p.m. and at any adjournment thereof for the purposes set forth in the accompanying notice of meeting ("**Notice of Meeting**"). The cost of such solicitation will be borne by the Corporation.

Appointment of Proxies

The persons named (the "Management Designees") in the enclosed instrument of proxy ("Instrument of Proxy") have been selected by the directors of the Corporation and have indicated their willingness to represent as proxy the shareholder who appoints them. A shareholder has the right to designate a person (whom need not be a shareholder) other than the Management Designees to represent him or her at the Meeting. Such right may be exercised by inserting in the space provided for that purpose on the Instrument of Proxy the name of the person to be designated and by deleting there from the names of the Management Designees, or by completing another proper form of proxy and delivering the same to the transfer agent of the Corporation. Such shareholder should notify the nominee of the appointment, obtain the nominee's consent to act as proxy and should provide instructions on how the shareholder's shares are to be voted. The nominee should bring personal identification with him/her to the Meeting. In any case, the form of proxy should be dated and executed by the shareholder or an attorney authorized in writing, with proof of such authorization attached (where an attorney executed the proxy form). In addition, a proxy may be revoked by a shareholder personally attending at the Meeting and voting his/her shares.

A form of proxy will not be valid for the Meeting or any adjournment thereof unless it is completed and delivered to the Corporation's transfer agent, Odyssey Trust Company, Attn: Proxy Department, Trader's Bank Building, Suite 702, 67 Yonge St., Toronto, Ontario, M5E 1J8 at least forty-eight (48) hours, excluding Saturdays, Sundays and holidays, before the Meeting or any adjournment thereof. Late proxies may be accepted or rejected by the Chair of the Meeting in his discretion, and the Chair is under no obligation to accept or reject any particular late proxy.

Revocation of Proxies

A shareholder who has submitted a proxy may revoke it at any time prior to the exercise thereof. If a person who has given a proxy attends at the Meeting in person at which such proxy is to be voted, such person may revoke the proxy and vote in person. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the shareholder or his attorney authorized in writing or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized and deposited either at the head office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or with the Chair of the Meeting on the day of the Meeting, or any adjournment thereof, and upon either of such deposits, the proxy is revoked. A shareholder who revokes his or her proxy and does not replace it with another that is deposited with the Corporation's transfer agent, Odyssey Trust Company, at least forty-eight (48) hours (excluding Saturdays, Sundays, and holidays) before the Meeting may not vote his or her shares in any manner at the Meeting.

Persons Making the Solicitation

The solicitation is made on behalf of the Corporation by its management. The costs incurred in the preparation and mailing of the Instrument of Proxy, Notice of Meeting and this Circular will be borne by the Corporation.

In addition to solicitation by mail, proxies may be solicited by personal interviews, telephone or other means of communication and by directors, officers and employees of the Corporation, who may be remunerated therefore.

In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*, arrangements may be made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the share held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The costs thereof will be borne by the Corporation.

Exercise of Discretion by Proxy

The shares represented by proxy in favour of the Management Designees shall be voted on any ballot at the Meeting and, where the shareholder specifies a choice with respect to any matter to be acted upon, the shares shall be voted on any ballot in accordance with the specification so made.

In the absence of such specification, the shares will be voted in favour of the matters to be acted upon. The persons appointed under the Instrument of Proxy furnished by the Corporation are conferred with discretionary authority with respect to amendments or variations of those matters specified in the Instrument of Proxy and Notice of Meeting. At the time of printing this Circular, management knows of no such amendment, variation, or other matter.

Notice to Beneficial Shareholders

The information set forth in this section is of significant importance to many shareholders, as a substantial number of shareholders do not hold shares in their own name. Shareholders who hold shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold shares in their own name (referred to in this Circular as “**Beneficial Shareholders**”) should note that only proxies deposited by shareholders who appear on the records maintained by the Corporation's registrar and transfer agent as registered holders of shares will be recognized and acted upon at the Meeting. If shares of the Corporation are listed in an account statement provided to a Beneficial Shareholder by a broker, those shares will, in all likelihood, not be registered in the shareholder's name. Such shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their shares are voted at the meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the Instrument of Proxy provided directly to registered shareholders by the Corporation. However, its purpose is limited to instructing the registered shareholder (i.e. the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now

delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. (“**Broadridge**”) in Canada.

Broadridge typically prepares a machine-readable voting instruction form, mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example).

Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting.

Broadridge also provides an online proxy voting portal at <https://www.proxyvote.com> for certain brokerage firms. To determine if online proxy voting is available, Beneficial Shareholders should contact their broker and obtain a unique control number. Some brokers include the control number on postal and electronically mailed voting forms.

A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote shares of the Corporation directly at the Meeting. The voting instruction forms must be returned to Broadridge (or instructions respecting the voting of shares of the Corporation must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have shares of the Corporation voted. If you have any questions respecting the voting of shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting shares of the Corporation registered in the name of their broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their shares as proxyholder for the registered shareholder, should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

All reference to shareholders in this Circular and the accompanying Instrument of Proxy and Notice of Meeting are to registered shareholders unless specifically stated otherwise.

INFORMATION CONCERNING THE CORPORATION

Corporate Reorganization - Plan of Arrangement

On August 12, 2024, the Corporation completed a reorganization by way of a Plan of Arrangement (the “**Arrangement**”), which separated the North American and Papua New Guinea businesses, with the Corporation continuing to operate the North American Business, and High Arctic Overseas Holdings Corp. (“**SpinCo**”) operating the Papua New Guinea business.

Pursuant to the Arrangement:

- The Corporation transferred all of the outstanding ordinary shares of its wholly-owned subsidiary High Arctic Energy Services Cyprus Limited, which owns and operates the Papua New Guinea business, to SpinCo;
- Each shareholder of the Corporation received as consideration, in exchange for each pre-Arrangement common share of the Corporation, one quarter of one (1/4) common share of SpinCo and one quarter of one (1/4) post-Arrangement Common Share of the Corporation;
- SpinCo became a reporting issuer in Alberta, British Columbia, Manitoba, Ontario, and Saskatchewan and listed on the TSX Venture Exchange under the trading symbol “HOH”; and
- The Corporation retained its interest in the existing North American energy services business and remained listed on the Toronto Stock Exchange and continued trading under the trading symbol “HWO”.

In this Circular, when providing details surrounding equity incentive plan or other common share transactions prior to December 31, 2024, the Common Shares prior to the completion of the Arrangement are sometimes referred to as “**Pre-Arrangement Common Shares**”, and the Common Shares after the completion of the Arrangement (giving effect to the de facto four-to-one consolidation) are referred to as the “**Post-Arrangement Common Shares**”.

Voting Shares and Principal Holders of Voting Shares

The board of directors of the Corporation (the “**Board of Directors**” or “**Board**”) has fixed May 12, 2025 as the record date (the “**Record Date**”) for the Meeting. Shareholders at the close of business on the Record Date are entitled to receive notice of the Meeting and to vote thereat or at any adjournment or postponement thereof on the basis of one vote for each Common Share held, except to the extent that: (i) a registered shareholder has transferred the ownership of any Common Shares subsequent to the Record Date; and (ii) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he, she or it owns the Common Shares and demands, not later than ten (10) days before the Meeting, that the transferee's name be included in the list of shareholders entitled to vote at the Meeting, in which case the transferee will be entitled to vote such Common Shares at the Meeting.

The Corporation is authorized to issue an unlimited number of Common Shares and an unlimited number of preferred shares (“**Preferred Shares**”), issuable in series. As at the effective date of this Circular, which is May 26, 2025 (the “**Effective Date**”), 12,696,959 Common Shares and nil Preferred Shares were issued and outstanding.

To the knowledge of the directors and officers of the Corporation, no person or company beneficially owns, directly or indirectly, or exercises direction or control over voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Corporation other than FBC Holdings Sàrl, which owns 5,479,158 Common Shares representing 43.2% of the outstanding Common Shares as of the Effective Date. The information as to the Common Shares beneficially owned or which control or direction is exercised over is not within the knowledge of the Corporation and has been derived from public sources available to the Corporation.

Quorum for Meeting

At the Meeting, a quorum shall consist of two or more persons either present in person or represented by proxy and representing in the aggregate not less than 5% of the outstanding Common Shares of the Corporation.

If a quorum is not present at the Meeting within one-half hour after the time fixed for the holding of the Meeting, it shall stand adjourned to such day being not less than fourteen (14) days later and to such place and time as may be determined by the Chair of the Meeting. At such Meeting, the shareholders present either personally or by proxy shall form a quorum.

Approval Requirements

All matters to be considered at the Meeting are ordinary resolutions requiring approval by more than 50% of the votes cast in respect of the resolution by or on behalf of shareholders present in person or represented by proxy at the Meeting.

MATTERS TO BE ACTED UPON AT THE MEETING

To the knowledge of the Board, the only matters to be brought before the meeting are those matters set forth in the accompanying Notice of Meeting.

1. Report and Financial Statements

The Board has approved the audited financial statements of the Corporation for the year ended December 31, 2024 and the report of the auditors thereon.

2. Fix Number of Directors to be Elected at the Meeting

Shareholders of the Corporation will be asked to approve an ordinary resolution fixing the number of directors of the Corporation to be elected at the Meeting.

At the Meeting, it will be proposed that four (4) directors be elected to hold office until the next annual general meeting or until their successors are elected or appointed. **Unless otherwise directed, it is the intention of the Management Designees, if named as proxy, to vote in favour of the ordinary resolution fixing the number of directors to be elected at the Meeting at four (4).**

3. Election of Directors

The Corporation currently has four (4) directors, all of whom are being nominated for re-election. The following table sets forth the name of each of the persons proposed to be nominated for election as a director, all positions and offices in the Corporation presently held by such nominee, the nominee's municipality of residence, principal occupation at the present and during the preceding five (5) years, the period during which the nominee has served as a director, and the number and percentage of Common Shares that the nominee has advised are beneficially owned by the nominee, directly or indirectly, or over which control or direction is exercised, as of the Effective Date.

In accordance with policies of the Toronto Stock Exchange ("TSX"), the Board has adopted a majority voting policy in director elections that will apply at any meeting of the Corporation's shareholders where an uncontested election of directors is held. Pursuant to this policy, if the number of proxy votes withheld for a particular director nominee is greater than the votes for such director, the director nominee will be required to submit his or her resignation to the Board promptly following the applicable shareholders' meeting, with the resignation to take effect upon acceptance of the Board. The Governance, Nominating and Remuneration Committee will consider the director nominee's offer to resign and will make a recommendation to the Board as to whether or not to accept the resignation. In considering whether or not to accept the resignation, the Governance, Nominating and Remuneration Committee may consider the stated reasons why shareholders "withheld" votes from the election of that nominee, the existing board composition, the tenure and the qualifications of the director whose resignation has been tendered, the director's past meeting attendance and contributions to the Corporation, the Corporation's corporate governance policies and such other skills and qualities as the Governance, Nominating and Remuneration Committee deems to be relevant.

The Board will act on the recommendation of the Governance, Nominating and Remuneration Committee and make a decision as to whether to accept the director's offer to resign within 90 days of the Meeting. The Board of Directors will be expected to accept the director's offer of resignation unless it decides that there are exceptional circumstances which prevent the Board from accepting it and will publicly disclose its decision, including the reasons for the Board's decision if the director's resignation is not accepted.

No director who is required to tender his or her resignation shall participate in the deliberations or recommendations of the Governance, Nominating and Remuneration Committee or the Board. If a director's offer of resignation is accepted, the Board may fill the vacancy through the appointment of a new director whom the Board considers appropriate.

Unless otherwise directed, it is the intention of the Management Designees, if named as proxy, to vote for the election of the persons named in the following table to the Board of Directors. Management does not contemplate that any of such nominees will be unable to serve as directors; however, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, proxies held by Management Designees will be voted for another nominee in their discretion unless the shareholder has specified in his form of proxy that his shares are to be withheld from voting in the election of directors. Each director elected will hold office until the next annual general meeting of shareholders or until his/her successor is duly elected, unless his/her office is earlier vacated in accordance with the by-laws of the Corporation or the provisions of the *Business Corporations Act* (Alberta) to which the Corporation is subject.

Name, Municipality of Residence and Office Held	Director Since	Present Occupation and Positions Held During the Last Five Years	Common Shares Beneficially Owned or Controlled as of the Effective Date ⁽⁴⁾
Michael R. Binnion ⁽¹⁾⁽²⁾ Calgary, Alberta, Canada Director	June 2, 2005	Mr. Binnion is the President and Chief Executive Officer of Questerre Energy Corporation, a position held since November 2000.	553,281 (Approximately 4.4%)
Simon P.D. Batcup ⁽³⁾ Toronto, Ontario, Canada Director and Chairman	June 28, 2007	Mr. Batcup is the Chairman of the Corporation. He is an independent businessman. He was a Principal of Osborne Interim Management from November 2013 until October 2024 and was formerly a Director of Brauerei Fahr Incorporated.	79,821 (Less than 1%)
Douglas J. Strong ⁽¹⁾⁽²⁾⁽³⁾ Calgary, Alberta, Canada Director	December 12, 2018	Mr. Strong is a Chartered Professional Accountant, CPA, CA with 38 years of experience, having been with Precision Drilling Corporation for 21 years in several senior financial and operational roles, including Chief Financial Officer from 2005 to 2010 and as President of Completion & Production Services responsible for operations in Canada and the US from 2010 to 2015.	30,567 (Less than 1%)
Craig F. Nieboer ⁽¹⁾⁽²⁾ Calgary, Alberta, Canada Director	June 17, 2024	Mr. Nieboer is a Chartered Professional Accountant, CPA, CA and has his ICD.D designation. Mr. Nieboer is Executive Director, Varigate Technologies Inc. (October 2023 to present); Chief Financial Officer, Pipestone Energy Corp. (February 2019 to October 2023); Director, Element Technical Services Inc. (2011 to Present)	2,500 (Less than 1%)

(1) Member of Audit Committee.

(2) Member of Governance, Nominating and Remuneration Committee.

(3) Member of Quality, Health, Safety and Environmental Committee.

(4) The information as to the number of Common Shares beneficially owned or controlled is based upon information furnished to the Corporation by the respective nominees.

Cease Trade Orders

No proposed director, within 10 years before the date of this Circular, has been a director, chief executive officer or chief financial officer of any company that:

- a) was subject to: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (collectively, an “**Order**”) that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or

- b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Bankruptcies

No proposed director, within 10 years before the date of this Circular, has been a director or executive officer of any company that, while the proposed director was acting in that capacity, or within a year of the proposed director ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Personal Bankruptcies

No proposed director has, within 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such proposed director.

Penalties and Sanctions

No proposed director has been subject to:

- a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

4. Appointment and Remuneration of Auditors

The shareholders of the Corporation will be asked to pass an ordinary resolution appointing MNP LLP, Chartered Professional Accountants (“**MNP LLP**”), as auditors of the Corporation, to hold office until the next annual general meeting of shareholders or until the firm of MNP LLP is removed from office or resigns as provided by the Corporation's by-laws or law and to authorize the Board of Directors to fix the remuneration to be paid thereto. The foregoing resolution must be approved by a simple majority of the votes cast at the Meeting by the Shareholders voting in person or by proxy.

KPMG LLP resigned as the Corporation's auditors at the Corporation's request on May 12, 2025. MNP LLP was appointed as the Corporation's auditor on May 26, 2025 to succeed KPMG LLP subject to (i) completion by MNP LLP of its client acceptance procedures; and (ii) ratification by the shareholders of the Company. As required by section 4.11 of NI 51-102, a copy of the Corporation's reporting package prepared in connection with the resignation of KPMG LLP as the Corporation's auditors, consisting of: (a) the Corporation's Notice of Change of Auditor dated May 26, 2025; and (b) response letter dated May 26, 2025 from KPMG LLP as the former auditor, is attached as Exhibit III hereto. The reporting package required by NI 51-102 with respect to the formal appointment of MNP LLP will be filed on the Corporation's profile on SEDAR+ in due course and will be included in the next management information circular delivered to the Shareholders, in accordance with NI 51-102.

Unless otherwise directed, it is the intention of the Management Designees, if named as proxy, to vote in favour of the ordinary resolution appointing MNP LLP, Chartered Professional Accountants, as auditors of the Corporation for the next ensuing year and to authorize the Board to fix the remuneration of MNP LLP.

5. Approval of Omnibus Equity Incentive Plan

The Governance, Nominating and Remuneration Committee, together with the Board, reviewed the Corporation's compensation program and determined it was advisable to replace the Corporation's existing stock option plan ("**Legacy Option Plan**"), performance share unit plan ("**Legacy PSU Plan**"), and deferred share unit plan ("**Legacy DSU Plan**", and together with the Legacy Option Plan and Legacy PSU Plan, the "**Legacy Plans**") of the Corporation, with a single, omnibus equity incentive plan. The Board has approved an omnibus equity incentive plan (the "**Omnibus Plan**"), and at the Meeting, shareholders of the Corporation will be asked to consider, and if thought advisable, approve and adopt the Omnibus Plan. The principal features of the Omnibus Plan, which would provide for the issuance of stock options ("**Options**"), performance share units ("**PSUs**"), restricted share units ("**RSUs**") and deferred share units ("**DSUs**"), are described below. The summary of the Omnibus Plan is qualified in its entirety by reference to the full text of the Omnibus Plan, a copy of which is attached as Exhibit II to this Circular. The TSX has conditionally approved the Omnibus Plan, subject to receipt of, among other things, shareholders approving the Omnibus Incentive Plan Resolution (as defined below).

Subject to compliance with the rules of the TSX, all outstanding options granted under the Legacy Option Plan (the "**Legacy Options**") shall continue to be outstanding as awards granted under and subject to the terms of the Omnibus Plan, provided that all existing Legacy Options remain in force in accordance with their existing exercise price, vesting and expiry terms. If the Omnibus Plan Resolution is not approved the Legacy PSU Plan and Legacy DSU Plan will remain in force, the Legacy Options will continue to be governed by the terms of the Legacy Option Plan, and the Corporation will ask shareholders to approve the unallocated entitlements under the Legacy Option Plan. See, "*Matters to be Acted Upon at the Meeting – 6. Approval of Unallocated Options under the Corporation's Legacy Option Plan*".

Summary of Omnibus Plan

Overview of the Omnibus Plan

The Omnibus Plan is a long-term incentive plan that permits the grant of Awards (each, a "**Grant**") to directors, officers and employees of, and consultants to, the Corporation ("**Eligible Individuals**"). The purpose of the plan is to promote share ownership of the Eligible Individuals to align the interests of such individuals with the interest of our Shareholders. The Omnibus Plan streamlines the administration of long-term incentive grants as all Grants will be made under the Omnibus Plan (whether Options, RSUs, DSUs, or PSUs) and will be subject to the rules and restrictions of that plan.

The Omnibus Plan will be administered by the Board (or any committee established for that purpose by the Board), and the Board will have the authority to interpret the Omnibus Plan, including in respect of any Award granted thereunder. The Omnibus Plan will permit the Board to make future Awards of Options, PSUs, RSUs and DSUs to Eligible Individuals. Other than the Legacy Options (which, assuming the approval by the Shareholders of the Omnibus Plan, will be continued under the Omnibus Plan), no such entitlements under the Omnibus Plan are currently outstanding or will be outstanding as of the date of the Meeting.

Certain Defined Terms

As used in this summary, the following capitalized terms have the following meanings:

"**Fair Market Value**" of a Common Shares means: (i) where the Common Shares are not listed on a Stock Exchange, the fair market value as determined by the Board in its sole discretion and in good faith; and (ii) where the Common Shares are listed on a Stock Exchange, the Market Price.

"**Insiders**" has the meaning given in in the TSX Company Manual.

“Market Price” means the volume weighted average trading price per Common Share on the Stock Exchange for the five (5) consecutive trading days ending on the last trading day preceding the relevant date.

“Stock Exchange” means the TSX or such other stock exchange on which the Common Shares are listed.

Limitations under the Omnibus Plan

The aggregate number of Common Shares that may be reserved for issuance at any time under the Omnibus Plan, together with any Common Shares reserved for issuance under any other security-based compensation plans of the Corporation (including Common Shares reserved for issuance pursuant to Legacy Options which are continued under the Omnibus Plan), shall be equal to 10% of outstanding Common Shares from time to time. Any Common Shares underlying Options under the Omnibus Plan that have been exercised, or disposed of or that have expired or been terminated for any reason (without being exercised), shall become available for subsequent issuance under the Omnibus Plan. Any Common Shares underlying DSUs, RSUs or PSUs under the Corporation’s Omnibus Plan that have been settled, or disposed of or that have expired or been terminated for any reason (without being settled), shall become available for subsequent issuance under the Omnibus Plan. Accordingly, the Omnibus Plan is a “rolling plan” and as a result, any and all increases in the number of outstanding Common Shares will result in an increase to the number of Common Shares issuable pursuant to Grants available under the plan.

In addition, the number of Common Shares that are issuable pursuant to Grants shall be subject to the following participation limits:

- (a) the aggregate number of Common Shares issuable pursuant to Grants, together with awards under any other security-based compensation plan of the Corporation (which, for greater certainty, includes Common Shares reserved for issuance pursuant to the Legacy Options), granted to Insiders may not exceed 10% of the outstanding Common Shares at any time;
- (b) the aggregate number of Common Shares that are issued to Insiders pursuant to Grants, together with awards under any other security-based compensation plan of the Corporation (which, for greater certainty, includes Common Shares reserved for issuance pursuant to the Legacy Options), in any twelve (12) month period shall not exceed 10% of the outstanding Common Shares (items (a) and (b) are collectively referred to as the **“Insider Participation Limit”**);
- (c) the aggregate number of Common Shares reserved for issuance pursuant to Grants, together with awards granted under any other security-based compensation plan of the Corporation (which, for greater certainty, includes Common Shares reserved for issuance pursuant to the Legacy Options), granted to any one person in any twelve (12) month period may not exceed 10% of the outstanding Common Shares;

Description of Options issuable under the Omnibus Plan

Options may be granted by the Board to Eligible Individuals. An Option is an option granted to an Eligible Individual entitling such person to acquire a designated number of Common Shares from treasury. All Options granted under the Omnibus Plan will have an exercise price fixed by the Board when the Option is granted. Such price shall not be less than the Market Price. Options will vest in accordance with the conditions set forth in each participant’s Award agreement, as determined by the Board. The Board has the right to accelerate the date on which any portion of an Option becomes exercisable.

Exercise of Options

Participants may exercise vested Options by providing payment in full of the exercise price for the Common Shares which are the subject of the exercise. Provided that the Common Shares are listed on a Stock Exchange, and that the Corporation is in compliance with applicable stock exchange requirements, the

Corporation may permit a participant to elect that the Corporation satisfy any obligations to the participant in respect of any vested Options exercised by the participant by issuing an amount that is equal in value to the difference between: (a) the Fair Market Value of the Common Shares purchasable pursuant to the exercise; and (b) the aggregate exercise price of the vested Options being exercised. Such amount may be payable in cash, Common Shares or a combination thereof, as the Board may from time to time, in its sole discretion, determine.

In addition, the Corporation may permit a broker-assisted cashless exercise whereby the participant elects to receive: (a) an amount in cash equal to the cash proceeds realized upon the sale in the capital markets of the Common Shares underlying the vested Options by a securities dealer designated by the Corporation, less the aggregate exercise price, any applicable withholding taxes, and any transfer costs charged by the securities dealer to sell the Common Shares; (b) an aggregate number of Common Shares that is equal to the number of Common Shares underlying the vested Options minus the number of Common Shares sold in the capital markets by a securities dealer designated by the Corporation as required to realize cash proceeds equal to the aggregate exercise price, any applicable withholding taxes and any transfer costs charged by the securities dealer to sell the Common Shares; or (c) a combination of (a) and (b).

Ceasing to be an Eligible Person

Subject to the applicable Award agreement, if the holder of an Option ceases to be an Eligible Individual, for any reason other than termination for cause, or death, or disability, provided the holder was entitled to exercise the Option as of the date of cessation, then the holder may exercise such Option not later than 90 days after the date of cessation. If a holder is terminated for cause, all unvested Options and un-exercised Options will be cancelled and of no further effect.

If an Option holder's services cease due to a disability, subject to the applicable Award agreement, the Option will continue to vest according to the applicable Award agreement and may be exercised upon vesting until the expiry date. In the event of the death of an Option holder, Options will continue to vest for a period of one (1) year after the date of death and may be exercised upon vesting by a person or persons to whom the holder's rights pass in accordance with applicable law.

Description of RSUs and PSUs issuable under the Omnibus Plan

RSUs and PSUs (collectively, "**Share Units**") may be granted by the Board to any Eligible Individuals.

An RSU is a right to receive a Common Share issued from treasury upon settlement, subject to the terms of the Omnibus Plan and the applicable Award agreement, which generally becomes vested, if at all, following a period of continuous employment or engagement as specified in the Award agreement.

A PSU is a right to receive a Common Share issued from treasury upon settlement, subject to the terms of the Omnibus Plan and the applicable Award agreement, which generally becomes vested, if at all, subject to the attainment of performance criteria established by the Board in its discretion at the time of grant. The vesting period and performance criteria for any PSUs granted will be determined by the Board at the time of the grant, subject to the terms of the Omnibus Plan and as set forth in the Award agreement.

Settlement of Share Units

Vested Share Units may be settled by a participant at any time prior to their expiry date by the Corporation issuing to the participant such number of Common Shares that is equal to the number of vested Share Units (and related Dividend Equivalents, if any) being settled. The Corporation may, in its discretion, permit participants to elect to receive an amount in cash (net of applicable withholding taxes) equal to the vested Share Units (and related Dividend Equivalents, if any) being settled by the participant multiplied by the Fair Market Value prior to the applicable settlement date.

In lieu of this issuance from treasury of the Common Shares or cash payment in settlement of vested Share Units, the Corporation may acquire from an independent broker on behalf of the participant, that number of Common Shares (net of applicable withholding taxes) as is necessary to satisfy the settlement of the Share Units.

Share Units must be settled and paid out no later than December 31 of the third calendar year following the calendar year in which the services giving rise to the Grant were rendered.

Ceasing to be an Eligible Person

Subject to the applicable Award agreement, if a holder of a Share Unit resigns, or is terminated for cause, no Share Unit that was not vested prior to the date of resignation shall vest, and all such Share Unit shall be forfeited.

Subject to the applicable Award agreement, if a holder is terminated without cause, any Share Units that are not yet vested, but would be eligible for vesting during the notice period specified in such holder's employment or consulting agreement, shall vest on the date of termination.

If a holder is terminated due to death or disability, the Share Units of such holder will continue to vest (and be paid out) in the normal course for a period of twelve (12) months from the date of termination.

Description of DSUs issuable under the Omnibus Plan

DSUs may be granted by the Board to non-employee Directors of the Corporation. A DSU is a right to receive a Common Share issued from treasury upon settlement, subject to the terms of the Omnibus Plan and the applicable Award agreement. Participants are only entitled to redemption of a DSU, when the participant ceases to be a Director of the Corporation for any reason, including termination, retirement or death. An eligible Director may elect from time to time (but never during a blackout period) to receive all or a portion of the Director's annual remuneration (if any) in the form of DSUs.

Settlement of DSUs

Subject to the conditions and provisions of the Omnibus Plan and the applicable Award agreement, each DSU shall be settled for (i) one Common Share, or (ii) the cash equivalent of the Fair Market Value of one Common Share, net of applicable withholding taxes.

In lieu of the issuance from treasury of the Common Shares or cash payment in settlement of DSUs, the Corporation may, acquire from an independent broker on behalf of the participant, that number of Common Shares, net of applicable withholding taxes, as is necessary to satisfy the settlement of the DSU.

Death of a Holder

In the event of death of a holder of DSUs, the Corporation will pay cash equal to the Fair Market Value of the Common Shares multiplied by the number of DSUs credited to the deceased holder.

Dividend Equivalents

On any date on which a cash dividend is paid on the Common Shares, a participant holding RSUs, PSUs or DSUs will be credited with a dividend equivalent ("**Dividend Equivalent**") in the form of a number of RSUs, PSUs or DSUs calculated by multiplying the amount of the dividend per Common Share by the aggregate number of RSUs, PSUs or DSUs that were credited to the participant as of the record date for payment of the dividend, and dividing by the Fair Market Value on the date on which the dividend is paid. No Dividend Equivalents will be granted in connection with Options.

Change of Control

In the event of a Change of Control (as such term is defined in the Omnibus Plan) or a determination by the Board that a Change of Control is expected to occur, the Board shall have the authority to take all necessary steps so as to ensure the preservation of the economic interests of the Participants in, and to prevent the dilution or enlargement of any Grants, including, without limitation and subject to applicable law: (i) accelerate the vesting of any Grant; (ii) provide for deemed attainment of any performance conditions attached to a Grant; (iii) provide for a lapse of restrictions relating to a Grant; (iv) provide for the substitution or replacement of any Grant by a successor or surviving corporation with cash, securities rights or other property; (v) provide that a Grant shall terminate unless exercised or settled in full on or before a date fixed by the Board; or (vi) terminate any Grant in exchange for a cash payment, provided that the Board has determined that an amount would have been realized upon the exercise or settlement of the Grant.

Blackout Periods

The Omnibus Plan provides that the exercise or settlement of Options granted thereunder shall automatically be extended if the date on which such Option is scheduled to expire falls during a blackout period or within nine (9) business days following the expiration of a blackout period, then the expiry date of the Option will be extended to that date which is the tenth business day after the end of the blackout period. If on a release date for a PSU or RSU, a blackout period has been imposed, then the release date shall occur within ten business days following the expiry of the blackout period. An Director eligible to receive DSU, may not make election to receive all or a portion of the Director's annual remuneration (if any) in the form of DSUs, during a blackout period.

Non-Transferability of Awards

Unless otherwise provided in the Omnibus Plan or in the applicable Award agreement, no Grant may be transferred or assigned, other than by will or the laws of succession of the domicile of the deceased participant.

Amendment, Suspension and Termination

The Board may, without notice and without shareholder approval, amend, modify, change, suspend or terminate the Omnibus Plan or any Awards as it determines appropriate, provided, however, that no such amendment, modification, change, suspension or termination of the plan or any Awards may materially impair any outstanding rights of a participant without the consent of the participant or cause the Omnibus Plan to cease to be a "salary deferral arrangement" as defined in the *Income Tax Act* (Canada) (the "**Tax Act**").

No amendment of the Omnibus Plan may contravene the requirements of the Stock Exchange (including any shareholder approval requirement of the Stock Exchange) or any securities commission or regulatory body to which the Omnibus Plan or the Corporation is subject, or cause the Omnibus Plan or any Grants to cease to comply with applicable law.

The Board may by resolution, without shareholder approval, at any time or from time to time, amend the Omnibus Plan or award agreements for the purposes of, among other things:

- (i) changing the termination provisions of a Grant, provided that the change does not entail an extension beyond the original expiry date;
- (ii) determining the adjustment provisions pursuant to the Plan;
- (iii) altering, extending or accelerating the terms of vesting or the conditions to vesting applicable to any Grant;

- (iv) ensuring that Grants awarded under the Plan will comply with any provisions respecting share units or other security based compensation arrangements in the Tax Act or other applicable law;
- (v) making amendments of a procedural or "housekeeping" nature;
- (vi) amending or modifying the mechanics of exercising an entitlement pursuant to a Grant; and
- (vii) suspending or terminating the Plan.

The board may amend a Grant with the consent of the holder and the Stock Exchange, if required, including any shareholder approval required by the Stock Exchange.

Shareholder approval is required for any other amendments to the Omnibus Plan, including the following:

- (i) a reduction in the exercise price of an Option benefitting an Insider;
- (ii) an extension of a term of a Grant benefitting an Insider;
- (iii) any amendment to remove or exceed the Insider Participation Limit;
- (iv) an increase the maximum number of Common Shares issuable under the Omnibus Plan; and
- (v) amendment to any amendment provision of the Omnibus Plan.

Approval of the Omnibus Plan

In accordance with the requirements of the TSX, approval of the Omnibus Plan does not require disinterested shareholder approval since the Omnibus Plan contains the Insider Participation Limit. The Board of Directors has unanimously approved the Omnibus Plan.

At the Meeting, the shareholders will be asked to consider and if thought fit, approve an ordinary resolution approving the Corporation's Omnibus Plan. In order for the resolution approving the Omnibus Plan to be effective, it must be approved by the affirmative vote of a majority of the votes cast in respect thereof by shareholders present in person or by proxy at the Meeting.

As at the Effective date, the maximum number of Common Shares that may be issued under the Omnibus Plan and all other security-based compensation arrangements was 1,269,696, representing 10% of the number of issued and outstanding Common Shares on that date. Based on 575,000 Legacy Stock Options to potentially acquire Common Shares outstanding under the Legacy Option Plan, which, assuming the Omnibus Plan is approved by the shareholders, will become Stock Options under the Omnibus Plan, there are up to 694,696 Common Shares available for future grants under the Omnibus Plan and all other security-based arrangements of the Corporation, representing approximately 5.5% of the outstanding Common Shares.

The text of the ordinary resolution which management intends to place before the Meeting for the approval of the Omnibus Plan (the "**Omnibus Plan Resolution**") is as follows:

"BE IT RESOLVED as an ordinary resolution of the Corporation that:

1. the Omnibus Equity Incentive Plan (the "Omnibus Plan"), substantially in the form attached as Exhibit II to the Management Proxy and Information Circular of the Corporation dated May 26, 2025, be and is hereby authorized and approved;

2. all unallocated Stock Options, Performance Share Units, Restricted Share Units and Deferred Share Units issuable under the Omnibus Plan are approved and authorized until June 19, 2028;
3. any one (or more) director or officer of the Corporation is authorized and directed, on behalf of the Corporation, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal of the Corporation or otherwise) that may be necessary or desirable to give effect to this ordinary resolution; and
4. notwithstanding that this resolution has been duly passed by the shareholders of the Corporation, the directors of the Corporation are hereby authorized and empowered to revoke this resolution, without any further approval of the shareholders of the Corporation, at any time if such revocation is considered necessary or desirable by the directors.”
5. In order to be passed, the foregoing ordinary resolution must be approved by a majority of greater than 50% of votes cast by shareholders entitled to vote who are represented in person or by proxy at the Meeting. The Board unanimously recommends that shareholders vote FOR the foregoing resolution.

In absence of contrary direction, the Management Designees intend to vote proxies in the accompanying form in favour of this ordinary resolution.

6. Approval of Unallocated Options under the Corporation’s Legacy Option Plan

At the Meeting, in the event that the Omnibus Plan Resolution is not approved by the required majority of votes, shareholders of the Corporation will be asked to approve the unallocated options under the Legacy Stock Plan. The Legacy Option Plan provides that ten percent (10%) of the issued and outstanding Common Shares of the Corporation are issuable under the Legacy Option Plan, together with all other share based compensation awards, rather than a fixed maximum number of shares. The TSX requires a majority of the shareholders of the Corporation to approve, every three years, the unallocated options under the Legacy Option Plan. For a description of the Legacy Option plan see the section of this information circular titled “*Statement of Executive Compensation for High Arctic – Compensation Discussion and Analysis – Compensation Plans and Policies – Long-term Equity Incentive Plans – Legacy Option Plan*”.

The number of unallocated options is calculated by subtracting the number of outstanding options to acquire Common Shares at any given time from the number that represents 10% of the issued and outstanding Common Shares at the time, less the number of Common Shares reserved for issuance under any other security based compensation arrangement of the Corporation. As at May 26, 2025, options to purchase 575,000 Common Shares (equal to approximately 4.53% of the outstanding Common Shares) were outstanding under the Legacy Option Plan, leaving unallocated options to purchase 694,695 Common Shares (equal to approximately 5.47% of the outstanding Common Shares) available for future grants of Common Shares issuable on deferred share units under the Legacy DSU Plan and performance share units and restricted share units under the Legacy PSU Plan are also included in such calculation.

In the event that the Omnibus Plan Resolution is not approved at the Meeting, approval will be sought at the meeting to approve the grant of unallocated options under the Legacy Option Plan. If approval is obtained, the Corporation will not be required to seek further approval of the grant of unallocated options under the Legacy Option Plan until June 19, 2028. The current shareholder approval for the grant of unallocated options under the Legacy Option Plan expired on May 12, 2025. Options which were allocated as of May 12, 2025 and options which were outstanding as of May 12, 2025 and are subsequently cancelled, terminated or exercised will not be available for regrant under the Legacy Option Plan until shareholder approval is obtained. Previously allocated and outstanding options will continue to be unaffected by the approval or disapproval of the resolution.

In accordance with the requirements of the TSX, approval of the unallocated options under the Legacy Option Plan does not require disinterested shareholder approval since the Legacy Option Plan includes the Insider Participation Limit. The Board of Directors has unanimously approved the unallocated options under the Legacy Option Plan.

At the Meeting, in the event the Omnibus Plan Resolution is not approved by the shareholders, the shareholders will be asked to consider and, if thought fit, approve an ordinary resolution approving the unallocated options under the Legacy Option Plan. In order for the resolution to be effective, it must be approved by the affirmative vote of a majority of the votes cast in respect thereof by shareholders present in person or by proxy at the Meeting.

The text of the ordinary resolution which management intends to place before the Meeting for the approval of the unallocated options under the Legacy Option Plan is as follows:

“BE IT RESOLVED as an ordinary resolution of the Corporation that:

1. all unallocated options under the Legacy Option Plan of the Corporation, as amended from time to time, are hereby approved and authorized;
2. the Corporation shall have the ability to continue granting options under the Legacy Option Plan until June 19, 2028; and
3. any one (or more) director or officer of the Corporation is authorized and directed, on behalf of the Corporation, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal of the Corporation or otherwise) that may be necessary or desirable to give effect to this ordinary resolution.”

In order to be passed, the foregoing ordinary resolution must be approved by a majority of greater than 50% of votes cast by shareholders entitled to vote who are represented in person or by proxy at the Meeting. The Board unanimously recommends that shareholders vote FOR the foregoing resolution.

In absence of contrary direction, the Management Designees intend to vote proxies in the accompanying form in favour of this ordinary resolution.

OTHER MATTERS COMING BEFORE THE MEETING

Management knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the securities represented by proxy solicited hereby will be voted on such matters in accordance with the best judgment of the person voting such proxy.

STATEMENT OF EXECUTIVE COMPENSATION FOR HIGH ARCTIC

COMPENSATION DISCUSSION AND ANALYSIS

I. Overview of Compensation Program, Compensation Philosophy and Objectives

The Corporation has designed an executive compensation program to attract, motivate, reward, and retain the knowledgeable and skilled executives that are required to achieve the Corporation's objectives and increase shareholder value. The compensation program is geared towards fostering a culture of ownership by providing long-term equity-based incentives as a portion of executive compensation. This approach

assumes that the Corporation's share price performance over the long-term is an important indicator of long-term performance, aligning executive compensation with the generation of shareholder value.

The Corporation's executive compensation program is based on the following fundamental principles:

- the compensation program should result in the alignment of executive goals with shareholder interests, maximizing long-term shareholder value;
- compensation to executive officers should be performance sensitive, directly linking some elements of compensation to the Corporation's operating and market performance, both quantitatively and qualitatively; and
- total executive compensation should be in an amount that is competitive with other companies in the oilfield services industry and geographical area, consistent with the experience and responsibility level of the individual.

The main objectives of the Corporation's executive compensation program were developed based on the above-mentioned principles, with a goal to reward the contribution of executive officers based on evaluation of performance against key measurements selected by the Board and the Governance, Nominating and Remuneration Committee that correlate with shareholder value and align with the Corporation's strategic plan.

The compensation program of the Corporation provides incentives to achieve both short and long-term objectives.

The short-term incentives include salary and annual bonus payments to Named Executive Officers (as defined herein) ("**NEOs**") based on the financial performance of the Corporation and achievement of certain individual performance targets.

The Corporation has provided long-term incentives to its executives and directors through grants of Legacy Options under the Corporation's Legacy Option Plan and share units under the Corporation's Legacy PSU Plan and Legacy DSU Plan. The Board has determined to replace the Legacy Plans with a single Omnibus Plan. If the Omnibus Plan Resolution is approved by the Shareholders at the Meeting, the Legacy Plans will be replaced by the Omnibus Plan and no further grants will be issued under the Legacy Plans. See "*Matters to be Acted Upon at the Meeting – Approval of Omnibus Equity Incentive Plan*". The Corporation's long-term incentive plans link the interests of the executive officers and directors to shareholders of the Corporation as increasing the value of the Corporation will increase the amounts received by the individual NEO.

II. Role and Composition of the Governance, Nominating and Remuneration Committee

The Corporation's executive compensation program is administered by the Governance, Nominating and Remuneration Committee (the "**GNR Committee**") of the Board. In 2025, the separate Remuneration Committee and the Governance and Nominating Committee were combined into one GNR Committee, and the GNR Committee's mandate includes the mandates of both the predecessor committees. The GNR Committee is charged with reviewing and making recommendations to the Board in respect of the compensation matters relating to the Corporation's executive officers, employees, and directors, including the NEOs who are identified in the "*Summary Compensation Table*", below.

The members of the GNR Committee are appointed by the Board. For the year ended December 31, 2024, the Remuneration Committee was comprised of: Michael Binnion (Chair), Simon Batcup and Douglas Strong. The current composition of the GNR Committee is Craig Nieboer (Chair), Michael Binnion and Douglas Strong.

Although none of the members of the GNR Committee has a formal background or experience in executive compensation directly, all of the members of the GNR Committee are experienced participants in the business world and are well versed in the areas of corporate governance and compensation matters.

Mr. Nieboer has over 30 years of experience in the domestic and international oil and gas industries and currently sits on the boards of several private oilfield service companies. This board experience involves overseeing several compensation programs which qualifies him to chair the GNR Committee and lead the decision making on the suitability of the Corporation's compensation policies and practices.

Mr. Binnion is a seasoned entrepreneur with a history of starting, financing and managing companies and not-for-profits and has considerable experience with establishing and overseeing compensation programs. These skills and experiences help enable the GNR Committee to make decisions on the suitability of the Corporation's compensation policies and practices.

Mr. Strong has over 35 years of experience in the energy services space and was Chief Financial Officer for Precision Drilling Corporation from 2005 to 2010 and most recently as President of Completion & Production Services responsible for service rigs and snubbing in Canada and the US. His experience and involvement in routinely managing compensation programs inform his contributions to the GNR Committee enabling the GNR Committee to make informed decisions on the suitability of the Corporation's compensation policies and practices.

The GNR Committee operates under a written "Governance, Nominating and Remuneration Committee Terms of Reference" that details its composition, its duties and its reporting responsibilities. As they relate to compensation, the GNR Committee's primary duties and responsibilities are to:

- (1) Determine and agree with the Board framework or broad policy for the remuneration of the Corporation's Chief Executive Officer, Chair of the Board, Lead Director (if applicable), and such other members of the executive management as it is designated to consider (the "**Remuneration Policy**"). The GNR Committee shall also be responsible for making recommendations to the Board in regard to the remuneration of non-executive directors. No director or officer shall be involved in any decisions as to their own remuneration;
- (2) In determining the Remuneration Policy, take into account all factors which it deems necessary. The objective of the Remuneration Policy shall be to ensure that members of the executive management of the Corporation are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Corporation;
- (3) Review the ongoing appropriateness and relevance of the Remuneration Policy;
- (4) Approve the design of, and determine targets for, any performance-related pay arrangements operated by the Corporation and approve the total annual payments made under such arrangements;
- (5) Review the design of all securities-based compensation arrangements for approval by the Board and shareholders. For any such plans, determine each year whether awards will be made and, if so, the overall amount of such awards, the individual awards to directors, officers and other senior executives, the performance targets to be used and the form of agreement in respect of the grant of any securities-based compensation;
- (6) Review and recommend for approval, if the proposed remuneration is within the parameters of the Remuneration Policy, any written employment agreement of a member of the executive management;
- (7) Determine the policy for, and scope of, pension arrangements for each director, officer and other senior executives;

- (8) Review and recommend for approval any termination and severance arrangements in respect of officers of the Corporation;
- (9) Ensure that contractual terms on termination, and any payments made, are fair to the individual, and the Corporation, that failure is not rewarded and that the duty to mitigate loss is fully recognized;
- (10) Within the terms of the Remuneration Policy and in consultation with the Chair and/or Chief Executive Officer as appropriate, determine the total individual remuneration package of each director, officer and other senior executives including bonuses, incentive payments and share option or other share awards that comply with the legal requirements, the provisions and recommendations in National Policy 58-201 adopted by the Canadian Securities Administrators, the rules of the Toronto Stock Exchange and associated guidance;
- (11) Review and note annually the remuneration trends across the Corporation or group;
- (12) Oversee any major changes in employee benefits structures throughout the Corporation or group;
- (13) Review and recommend for approval the general terms of any annual bonus plans of for non-executive managers;
- (14) Determine the policy for authorizing claims for expenses from the Chief Executive Officer and Chairman;
- (15) Ensure that all provisions regarding disclosure of remuneration, including pensions, are fulfilled; (18) Review and recommend for approval disclosure provided in publicly circulated documents, including the Corporation's management information circular, in respect of executive compensation discussion and analysis;
- (16) Be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the committee; and
- (17) Obtain reliable, up-to-date information about remuneration in other comparable companies. The Committee shall have full authority to commission any reports or surveys which it deems necessary to help it fulfill its obligations.

The GNR Committee Chair is required to report to the Board on its proceedings after each meeting and to make whatever recommendations it deems appropriate on any area within its mandate where action or improvement is needed. In addition to attendance at formal meetings, individual committee members also periodically reviewed the Corporation's approach to executive compensation with the Chief Executive Officer.

In 2024, after the Corporation completed the corporate re-organization and return of capital to its shareholders, the Remuneration Committee, as it was then constituted, recommended to the Board the granting of options to both NEOs and Directors as share based compensation awards. No NEO compensation increases were considered in 2024.

The GNR Committee will continue to periodically review the Remuneration Policy, with a goal to ensuring the Corporation's compensation program and offering is effective and competitive and is aligned with the above-noted principles.

At the time of this review, the Corporation selected the following peer group as measured by market capitalization and operational sector:

Akita Drilling Ltd.

McCoy Global Inc.

Stampede Drilling Inc.

Total Energy Services Inc.

Zedcor Inc.

Step Energy Services Ltd.

The Corporation believes the peer group list is comprised of companies that have characteristics in common with the Corporation and that would compete for similar executive talent and as such, provides a good basis for assessing the competitiveness of the Corporation's compensation.

Compensation Risks

While the GNR Committee does not formally consider the implications of the risks associated with the Corporation's compensation policies and practices, the GNR Committee does take into consideration the various components of the Corporation's compensation program when assessing whether the program supports the Corporation's principles and objectives and reviews the Corporation's compensation policies on a regular basis. The GNR Committee also considers the implication of the risks associated with the Corporation's compensation program, including: (i) the risk of executive officers taking inappropriate or excessive risks; (ii) the risk of inappropriate focus on achieving short-term goals at the expense of long-term return to shareholders; (iii) the risk of encouraging aggressive accounting practices; and (iv) the risk of excessive focus on financial returns and operational goals at the expense of regulatory, environmental and health and safety considerations.

The nature of the business in which the Corporation operates requires some level of risk-taking in order to achieve desired growth and outcomes in the best interests of the shareholders. While the Corporation recognizes that no compensation program can fully mitigate these risks, the GNR Committee and Board believe that many of these risks can be mitigated by: (i) weighting long-term incentives towards share ownership and vesting long-term incentives over a number of years; (ii) avoiding narrowly focused performance goals which may encourage loss of focus on providing long-term shareholder return; (iii) retaining adequate discretion over the application and implementation of the compensation program to insure that the GNR Committee and Board retain their business judgment in assessing actual performance; and (iv) discourage executive participation in transactions that are designed to hedge or offset a decrease in market value of securities of the Corporation as discussed below under the heading "Short Selling and Restrictions".

Short Selling and Restrictions

Executive officers and directors are prohibited from knowingly selling, directly or indirectly, any of the Corporation's securities that he or she does not own or has not fully paid for.

Although the NEOs are permitted to purchase financial instruments that are designed to hedge or offset a decrease in market value of equity securities granted as compensation, the Corporation is not aware of any market for such financial instruments or the acquisition of any such financial instruments by a NEO.

III. Compensation Plan and Policies

The GNR Committee has adopted a compensation program that covers the following key short-term and long-term elements: (i) a base fixed amount of salary and benefits; (ii) a performance-based cash bonus; and (iii) long-term equity incentive plans.

The Corporation's compensation policies are designed to recognize and reward individual performance as well as to provide a competitive level of compensation to executive officers.

A description of each element and its purpose is described below, following disclosure of the NEO of the Corporation as at December 31, 2024.

Named Executive Officers (“NEOs”)

Individuals who are acting in a capacity similar to a Chief Executive Officer (“**CEO**”), Chief Financial Officer (“**CFO**”) and the three most highly compensated executive officers or individuals whose total compensation exceeds \$150,000 per annum are the NEOs, which total five individuals. For the year ended December 31, 2024, the NEOs of the Corporation were Michael J. Maguire⁽¹⁾ (Interim CEO), Lonn Bate (CFO), Stephen Lambert⁽²⁾ (COO), Trevor Barker (VP Operations), and Justin Morrical (VP Sales & Marketing).

Base Salaries

The purpose of the base salary is to attract and retain NEOs by providing a competitive base compensation amount. The level of base salary for each NEO is determined by the level of responsibility and the importance of the position to the Corporation, within competitive industry ranges. The

GNR Committee makes annual recommendations to the Board regarding base salaries for each of the NEO.

Annual Incentive Bonuses

Annual incentive bonuses are a short-term variable compensation element designed to reward executives on an annual basis for their assistance in achieving the Corporation’s business objectives for that year. Generally, such bonuses are of a discretionary nature based on a plan established at the start of each year. The Corporation’s financial objectives are reviewed each year after the Board has considered and approved the annual operating and capital expenditure budgets for that year. The amount of bonus awarded to NEOs is calculated as a percentage of a maximum bonus pool directly tied to the profitability of the Corporation and is awarded only if threshold performance levels are met.

The purpose of the annual incentive bonuses is to pay for performance, align the executive’s economic interest with the Corporation’s short-term business objectives and to motivate and retain the executives. As with other years, the terms of the incentive plan for all employees and executive for 2024 were established through discussions among management, the Remuneration Committee, and the Board.

Corporate Performance Bonuses

The purpose of the Corporate Performance Bonus Plan is to provide certain executives and employees with a specified incentive to achieve key corporate milestones of the Corporation related to the 2024 corporate re-organization. The eligible participants in the Corporate Performance Bonus Plan for 2024 included two NEOs, Mr. Maguire (Interim CEO) and Mr. Bate (CFO).

The Board awarded Corporate Performance Bonuses to both Mr. Maguire and Mr. Bate of \$25,000 each, representing approximately 9% and 25% of their salaries received in 2024 respectively under this plan.

PNG Related Performance Bonuses

In prior years certain NEOs participated in a Papua New Guinea (“**PNG**”) Performance Bonus Plan, the purpose of which was to incentivize management and

⁽¹⁾ Mr. Maguire’s employment has been through a foreign subsidiary of the Corporation since he joined in 2013. Mr. Maguire remains employed by the same subsidiary and effective as of the completion of the Arrangement, Mr. Maguire became an employee of SpinCo, and provides services to the Corporation in the capacity of Interim CEO through a Transitional Services Agreement between the Corporation and SpinCo. Mr. Maguire is also the CEO of SpinCo. All of the cost and obligations associated with the employment of Mr. Maguire transferred to SpinCo as a result of the Arrangement.

⁽²⁾ Mr. Lambert ceased being an employee of the Corporation on August 12, 2024 as part of the Arrangement. Mr. Lambert is the COO of SpinCo.

employees responsible for contributing to the Corporation's business operations in PNG profitably with strong safety and operational performance.

In connection with the Arrangement all of the Corporation's responsibilities and obligations under the PNG Performance Bonus Plan were transferred to SpinCo on August 12, 2024.

No bonuses were paid to NEOs for 2024 related to the PNG Performance Bonus Plan.

**Canadian
Performance
Bonuses**

The purpose of the Canadian Performance Bonus Plan is to provide business managers with a specified incentive to achieve the financial, safety and operational goals for the Canadian operations. The eligible participants in the Canadian Performance Bonus Plan for 2024 included two NEOs, Trevor Barker (VP Operations) and Justin Morrical (VP Sales & Marketing).

The Canadian Performance Bonus plan is funded through the contribution of a percentage of certain financial earnings for the Corporation's Canadian business operations and payout will not occur unless certain budgeted targets are achieved and are subject to adjustments for factors such as operational and safety performance of the remaining Canadian business.

**Retention
Bonus**

On July 1, 2024, Mr. Bate became a full-time salaried employee and was named Chief Financial Officer of the Corporation. As part of his employment contract a retention bonus of \$40,000 became due on March 14, 2025 provided that he remained employed with the Corporation.

Long-term Equity Incentive Plans

In addition to recognizing the achievement of the Corporation's immediate objectives through the Corporation's Annual Incentive Plans, the Corporation recognizes the need to also incentivize its executives, directors, and certain eligible employees to achieving sustained long-term performance that will lead to growth in shareholder value. The Corporation believes that tying a portion of an executive's, director's or employee's compensation to the growth in the Corporation's equity value is an effective way to achieving this focus on long-term shareholder value creation.

The Corporation currently has three elements of long-term incentive compensation for executives and directors in its long-term incentive program: (1) the Legacy Option Plan, (2) the Legacy PSU Plan, and (3) the Legacy DSU Plan. The Board has determined to replace the Legacy Plans with a single Omnibus Plan. If the Omnibus Plan Resolution is approved by the Shareholders at the Meeting, the Legacy Plans will be replaced by the Omnibus Plan and no further grants will be issued under the Legacy Plans. There are currently 575,000 Legacy Options outstanding under the Legacy Option Plan, which will continue under the Omnibus Plan, assuming approval of the Omnibus Plan Resolution. There are no grants outstanding under the Legacy PSU Plan or the Legacy DSU Plan. For a summary of the Omnibus Plan see, "*Matters to be Acted Upon at the Meeting – Approval of Omnibus Equity Incentive Plan*". The full text of the Omnibus Plan is attached hereto as Appendix II.

The Legacy Plans, as well as the Omnibus Plan, all contain the following limitations on the number of Common Shares subject to the Equity Plans: (i) the number of Common Shares issuable to insiders at any time, pursuant to the Equity Plans or any other share based compensation arrangements, shall not exceed 10% of the issued and outstanding Common Shares; (ii) the number of Common Shares issued to insiders pursuant to the Equity Plans or any other share based compensation arrangements within a 12 month period, shall not exceed 10% of the issued and outstanding Common Shares; and (iii) the aggregate number of Common Shares reserved for issuance to non-employee directors under the Equity Plans and

all other security based compensation arrangements shall not exceed 1% of the issued and outstanding Common Shares from time to time.

A. Legacy Option Plan

The Corporation adopted the Legacy Option Plan at the annual general and special meeting of shareholders held on June 28, 2007 with subsequent amendments to the Legacy Option Plan being approved by the shareholders at the annual general and special meetings held on June 29, 2010, June 1, 2011, May 13, 2014, May 13, 2016, May 10, 2017, May 9, 2019 and May 12, 2022.

The Corporation's Legacy Option Plan is designed to attract and retain key individuals and to provide an incentive for the directors, officers, key employees and consultants to contribute to the future success and prosperity of the Corporation. Option based awards are designed to align executive and shareholder interests, focus executives on long-term value creation and also to support the retention of key executives. Directors, officers, key employees and consultants may be issued options to purchase Common Shares as recommended by the Remuneration Committee (now the GNR Committee) and authorized by the Board of Directors. NEOs are excluded from the decision-making process regarding option-based compensation awarded to them. Previous grants of equity-based awards are taken into account when considering new grants of options to the NEOs. The material terms of the Legacy Option Plan are described below.

The exercise price of the options shall be determined by the Board of Directors, subject to applicable exchange and regulatory approval, at the time the options are granted, provided that such exercise price shall not be less than the weighted average trading price of the Common Shares for the five trading days immediately prior to the date of grant.

The Legacy Option Plan also provides that the options will have a term fixed by the Board of Directors, not to exceed the maximum term permitted by any applicable exchange or other regulatory body and will have the vesting conditions fixed by the Board of Directors, subject to applicable exchange and regulatory approvals. Generally, the options vest over a three-year period.

The Board may permit an option holder to acquire Common Shares to be surrendered, unexercised, to the Corporation in consideration of the receipt by the option holder of an amount equal to the difference, if any, between the aggregate fair market value of the Common Shares purchasable pursuant to the exercisable portion of such option, on the date of the surrender, (as determined by the Board) and the aggregate exercise price with respect to such Common Shares pursuant to such option.

An option is personal to the holder of the options and is non-assignable. If an option holder ceases to be a director, officer, employee or consultant of the Corporation or its subsidiaries, for any reason (other than death), such option holder may exercise its option to the extent that the optionee was entitled to exercise it at the date of such cessation, provided that such exercise must occur within 90 days after the optionee ceases to be a director, officer, employee or consultant. In the event of the death of an option holder, if and to the extent that the optionee was entitled to exercise its options at the date of his or her death, the option holder's estate has twelve (12) months in which to exercise the outstanding options. In the event that an option holder is terminated for "Cause" (as such term is defined in the Legacy Option Plan), all unvested options and any vested options that have not yet been exercised, shall be cancelled as of the option holder's date of termination. For a further description of the treatment of options in the case of the termination of an option holder's employment or certain transactions involving the Corporation, see "*Termination and Change of Control Benefits*".

The Legacy Option Plan also includes a black-out provision. Pursuant to the policies of the Corporation respecting restrictions on trading, there are a number of periods each year during which directors, officers and certain employees are precluded from trading in the Corporation's securities. These periods are referred to as "black-out periods". A black-out period is designed to prevent a person from trading while in possession of material information that is not yet available to other shareholders. The TSX recognizes these black-out periods might result in an unintended penalty to employees who are prohibited from exercising their options during that period because of their company's internal trading policies. As a result, the TSX

provides a framework for extending options that would otherwise expire during a black out period. The Legacy Option Plan includes a provision that should an option expiration date fall within a black out period or immediately following a black out period, the expiration date will automatically be extended for 10 business days following the end of the black out period.

Pursuant to the Legacy Option Plan, the Board shall have the power, in the event of: (i) any disposition of all or substantially all of the assets of the Corporation, on the dissolution, merger, amalgamation or consolidation of the Corporation, with or into any other person, or the merger, amalgamation or consolidation of any other person into the Corporation; or (ii) any change of control of the Corporation, to amend any option agreement to permit the exercise of any or all of the remaining options prior to completion of any such transaction.

If the Board shall exercise that power, the options shall be deemed to have been amended to permit the exercise thereof in whole or in part by the optionee at any time or from time-to-time as determined by the Board prior to the completion of such transaction.

The Legacy Option Plan provides that if the outstanding Common Shares are increased, decreased, changed into or exchanged for a different number or kind of Common Shares or securities of the Corporation through reorganization, merger, re-capitalization, re-classification, stock dividend, subdivision or consolidation, an appropriate and proportionate adjustment shall be made by the Board in its discretion in the number or kind of Common Shares or securities optioned and the exercise price per Common Share or security, as regards to previously granted and unexercised Options or portions thereof, and as regards to options that may be granted subsequent to any such change in the Corporation's capital.

The Legacy Option Plan allows the Board of Directors to terminate or discontinue the Legacy Option Plan at any time without the consent of the option holders provided that such termination or discontinuance shall not alter or impair any option previously granted under the Legacy Option Plan.

In addition, the Board of Directors may by resolution amend the Legacy Option Plan and any options granted under it without further shareholder approval, to the extent that such amendments relate to among other things:

- (i) altering, extending, or accelerating the terms of vesting applicable to any option or group of options;
- (ii) altering the terms and conditions of vesting applicable to any option or groups of options;
- (iii) changing the termination provisions of an option, provided that the change does not entail an extension beyond the original expiry date of such option;
- (iv) accelerating the expiry date in respect of an option;
- (v) determining the adjustment provisions pursuant to the Legacy Option Plan;
- (vi) amending the definitions contained within the Legacy Option Plan and other amendments of a "housekeeping" nature; and
- (vii) amending or modifying the mechanics of exercise of the options.

However, the Board will not be entitled in the absence of shareholder and TSX approval to: (i) reduce the exercise price of an option held by an insider of the Corporation; (ii) unless otherwise extended under the Legacy Option Plan, extend the expiry date of an Option held by an insider of the Corporation; (iii) increase the maximum number of Common Shares issuable pursuant to the Legacy Option Plan; (iv) amend the amendment provisions of the Legacy Option Plan; or (v) remove or exceed the Insider Participation Limit.

During the previous two financial years ended December 31, 2024 and 2023, Legacy Options to acquire Post-Arrangement Common Shares under the Legacy Option Plan were granted to the NEOs as follows:

Named Executive Officer	Number of Options Granted	Date of Grant	Exercise Price
Michael Maguire, Interim CEO	50,000	November 18, 2024	\$1.19
Lonn Bate, CFO	250,000	November 18, 2024	\$1.19
Trevor Barker, VP Operations	150,000	November 18, 2024	\$1.19
Justin Morrical, VP Sales & Marketing	25,000	November 18, 2024	\$1.19

As at December 31, 2023, there were 117,000 Legacy Options to acquire Pre-Arrangement Common Shares outstanding. On March 14, 2024, 76,500 Legacy Options were settled for cash consideration in anticipation of the corporate re-organization Arrangement and on April 15, 2024, 40,500 Legacy Options naturally expired following an employee departure leaving no Legacy Options outstanding. Of the 76,500 Legacy Options that were settled for cash consideration, one NEO, Trevor Barker, received cash consideration of \$2,937 on March 14, 2024 in exchange for the termination of his 16,500 Legacy Options.

As at December 31, 2024, there were 575,000 Legacy Options outstanding, representing approximately 4.6% of the issued and outstanding Common Shares, leaving 669,817 Common Shares (equal to approximately 5.4% of the issued and outstanding Common Shares on that date) reserved and available for issuance upon the exercise of Legacy Options that may be granted in the future if Common Shares issuable on Legacy PSU Plan and Legacy DSU Plan are not included in such calculation.

B. Legacy PSU Plan

The Corporation adopted the Legacy PSU Plan at the annual general and special meeting of the shareholders held on May 10, 2017. The Legacy PSU Plan permits the grant of Legacy PSUs and Legacy RSUs (in this section “**Units**”) to Executive Officers (as defined below) and consultants of the Corporation and its subsidiaries, partnerships, trusts or other controlled entities (each, a “**High Arctic Entity**”).

For purposes of the Legacy PSU Plan, “**Executive Officer**” means any individual who is an employee of the Corporation or any High Arctic Entity who is (i) the President and/or Chief Executive Officer of the Corporation; (ii) Chief Financial Officer a vice-president of the Corporation; or (iii) any other employee or consultant which the Board determines, in its sole discretion, is an executive officer or whom the Board believes may have the ability to impact the long-term goals and objectives of the Corporation or High Arctic Entities, as applicable.

The principal purpose of the Legacy PSU Plan is to develop the interest of Executive Officers and consultants of the Corporation and the High Arctic Entities in the growth and development of the Corporation by providing them with the opportunity to acquire an increased proprietary interest in High Arctic.

The Legacy PSU Plan is administered by the Board or an appointee of the Board. Under the Legacy PSU Plan, the Board may from time-to-time grant Units to Executive Officers and consultants of the Corporation and the High Arctic Entities (“**PSU Plan Participants**”) in such numbers, at such times and on such terms and conditions, consistent with the PSU Plan, as the Board may in its sole discretion determine.

The Board shall have discretion to apply vesting conditions on Units granted to a PSU Plan Participant, including a Legacy PSU Plan Participant's continued employment with, or provision of consulting services to, the Corporation or a High Arctic Entity and/or the satisfaction of certain performance criteria set by the Board based on corporate and personal performance ("**Performance Criteria**"). In any event, no vesting condition for a Unit granted to a PSU Plan Participant shall extend beyond December 15 of the third calendar year following the service year in respect of which the Unit was granted. Units that are granted under the Legacy PSU Plan that expire, terminate, or are cancelled or settled for any reason without being in the form of Common Shares issued, shall result in the Common Shares that were reserved for issuance under the Legacy PSU Plan being available for a subsequent grant of Units pursuant to the Legacy PSU Plan. Any increase in the issued and outstanding Common Shares (whether it is a result of settlement of Units or otherwise) will result in an increase in the number of Common Shares that may be issued pursuant to Units outstanding at any time and any increase in the number of Units granted will, upon the issue of Common Shares pursuant thereto, make new grants available under the Legacy PSU Plan.

On a date (a "**Unit Release Date**") to be selected by the Board following the date a Unit has become a vested Unit, the Corporation, at the Board's discretion, shall either (i) make a cash payment to the PSU Plan Participant equal to the product of the number of vested Units recorded in the PSU Plan Participant's account multiplied by the fair market value of the Common Shares on the Unit Release Date, less applicable withholding taxes, or (ii) issue from treasury of the Corporation, that number of Common Shares in exchange for the vested Units, less applicable withholding taxes.

In the event the Corporation elects to settle the Units through the issuance of Common Shares, the Corporation, at the Board's discretion, has the option to either: (i) issue to the PSU Plan Participant that number of Common Shares from treasury equal to the number of Units in the PSU Plan Participant's account that are being settled; or (ii) pay to a broker designated by the Corporation the cash amount to settle the Units less applicable withholding taxes, and the broker will, as soon as practicable thereafter use all of the cash to purchase Common Shares on behalf of such PSU Plan Participant on the TSX.

On any date on which a cash dividend is paid on the Common Shares, a PSU Plan Participant's account will be credited with a dividend equivalent in the form of a number of Units calculated by multiplying the amount of the dividend per Common Share by the aggregate number of Units that were credited to the PSU Plan Participant's account as of the record date for payment of the dividend, and dividing that amount by the fair market value on the date on which the dividend is paid. If on the Unit Release Date a Black-Out Period (as defined below) has been imposed upon a PSU Plan Participant which is still in effect, then the Unit Release Date shall occur within ten days following the expiry of the Black-Out Period. A "**Black-Out Period**" will be any period of time imposed by High Arctic pursuant to any insider trading policy of the Corporation in effect at the applicable time upon certain designated persons during which those persons may not trade in securities of the Corporation.

Prior to the Unit Release Date in respect of any Units, or prior to the Unit Release Date in the case of a change of control or otherwise to the extent that the performance determination has not yet been made, the Board shall assess the performance of the Corporation for the applicable period.

The individual measures considered by the Board, including the comparative weighting of such measures, shall be determined by the Board in its sole discretion having regard to the principal purposes of the Legacy PSU Plan and, upon the assessment of the Performance Criteria, the Board shall determine the Corporation's ranking.

Measures that may be considered by the Board may include, but are not limited to, actual performance against the Corporation's strategic plan, total shareholder return of the Corporation against certain peer group members, and the attainment of certain operational, growth and financial milestones and metrics. A payout multiplier in respect of this ranking shall be determined in the range of 0.0 to 2.0 by the Board, in its sole discretion (the "**Payout Multiplier**").

Immediately prior to each Unit Release Date, the notional number of vested Units shall be adjusted by multiplying such number by the Payout Multiplier applicable to such Units.

Except in cases of termination of employment without cause as detailed in the paragraph below, upon the termination of the employment of a PSU Plan Participant (as a result of the participant ceasing to be actively employed by, or provide services as a consultant to the Corporation or a High Arctic Entity), any Units standing to the credit of such PSU Plan Participant which have not become vested on or before the date of the participant's termination (the "**Termination Date**"), shall immediately terminate and become null and void as of such date.

Subject to any provisions to the contrary in the employment or consulting agreement of any particular participant, upon the termination of employment without cause of such PSU Plan Participant, unless otherwise determined by the Board in its sole discretion, those Units awarded to such PSU Plan Participant that have not yet become vested, but would be eligible for vesting and issuance during the notice period specified in such participant's employment or consulting agreement, shall vest on the Termination Date. For a further description of the treatment of Units in the case of termination of a participant's employment or certain transactions including the Corporation, see "Termination and Change of Control Benefits".

Where the PSU Plan Participant's Termination Date occurs as a result of the participant's death, any Units standing to the credit of such Participant shall continue to vest (and be paid out) in the normal course for a period of twelve (12) months extending from the Participant's Termination Date. Any Units granted to such participant which have not become vested Units on or before the date that is the first anniversary of participant's Termination Date shall terminate and become null and void as of such date.

In the event of a Change of Control (as such term is defined in the Legacy PSU Plan) or a determination by the Board that a Change of Control is expected to occur, the Board shall have the authority to take all necessary steps so as to ensure the preservation of the economic interests of the PSU Plan Participants in, and to prevent the dilution or enlargement of, any Units. See "Termination and Change of Control Benefits".

In the event of any subdivision, consolidation, stock dividend, capital reorganization, reclassification, exchange, or other change with respect to the Common Shares, or a consolidation, amalgamation, merger, spin-off, sale, lease or exchange of all or substantially all of the property of the Corporation or other distribution of the Corporation's assets to shareholders of the Corporation (other than the payment of ordinary cash or stock dividends in respect of the Common Shares), the number of Units then outstanding under the Legacy PSU Plan shall be adjusted in such manner, if any, as the Corporation may in its discretion deem appropriate to preserve, proportionally, the interests of PSU Plan Participants under the Legacy PSU Plan. Adjustments shall be made by the Board, whose determination as to what adjustments shall be made, and the extent thereof, shall be final, binding, and conclusive.

Subject to the policies, rules and regulations of any lawful authority having jurisdiction over the Corporation, the Board may at any time, without further action by, or approval of, the shareholders, amend the Legacy PSU Plan or any Units granted under the Legacy PSU Plan in such respects as it may consider advisable and, without limiting the generality of the foregoing, it may do so to:

- (i) ensure that Units granted under the Legacy PSU Plan will comply with any provisions respecting share units or other security-based compensation arrangements in the *Income Tax Act* (Canada) or other laws in force in any country or jurisdiction of which a PSU Plan Participant to whom a Unit has been granted may from time to time perform services or be resident;
- (ii) make amendments of a procedural or "housekeeping" nature;
- (iii) change the termination provisions of a Unit granted under the Legacy PSU Plan which does not entail an extension of the expiry date of the Unit beyond the original expiry date of the Unit; or
- (iv) suspend or terminate the Legacy PSU Plan.

Any such amendments shall, if made, become effective on the date selected by the Board. The Board may not, however, without the consent of the PSU Plan Participants, or as otherwise required by law, alter, or impair any of the rights or obligations under any Unit theretofore granted.

Notwithstanding the above, approval of the shareholders will be required in order to:

- (i) increase the maximum percentage of outstanding Common Shares reserved for issuance under the Legacy PSU Plan;
- (ii) amend the determination of fair market value under the Legacy PSU Plan in respect of any Unit;
- (iii) extend the expiry date of any Unit;
- (iv) remove or increase any limit on grants of Units to insiders;
- (v) expand the circumstances under which Units may be assigned or transferred pursuant to the Legacy PSU Plan;
- (vi) amend the class of eligible PSU Plan Participants under the Legacy PSU Plan;
- (vii) amend the provisions regarding amendment to the Legacy PSU Plan; or
- (viii) grant additional powers to the Board to amend the Legacy PSU Plan or any Unit without the approval of shareholders.

Upon termination of the Legacy PSU Plan, subject to a resolution of the Board to the contrary, all unvested Units shall remain outstanding and in effect and continue to vest and be paid out in accordance with the terms of the Legacy PSU Plan existing at the time of its termination and the applicable grant agreement, provided that no further Units will be credited to the account of any PSU Plan Participant. The effective date of the Legacy PSU Plan's termination shall be the date upon which no further Units remain outstanding.

Units under the Legacy PSU Plan are not assignable nor transferable by a PSU Plan Participant in whole or in part, either directly, by operation of law or otherwise, except through devolution by death, and no right or interest of any PSU Plan Participant under the Legacy PSU Plan or to receive any payment (whether in cash or Common Shares) shall be liable for or subject to any obligation or liability of such PSU Plan Participant. Subject to the requirements of applicable law, a PSU Plan Participant may designate in writing a beneficiary under the Legacy PSU Plan.

There were no Legacy PSU grants in 2023 or 2024.

Prior to the completion of the Arrangement in 2024, the Board determined, in accordance with the provisions of the Legacy PSU Plan, to accelerate the vesting of all issued but unvested Units, and to determine the release date of each vested Unit. The following is a summary of the accelerated vesting, and the Common Shares and/or cash payments issued to Unit holders prior to the Arrangement:

Interim CEO, Mr. Maguire:

- 1) On March 14, 2022, Mr. Maguire was granted 99,999 Legacy RSUs which were to vest in equal tranches on March 14, 2023, March 14, 2024 and March 14, 2025. As of June 28, 2024, 66,666 of these had vested and the remaining 33,333 in addition to their respective reinvested portions were deemed to have vested in anticipation of the Arrangement.
- 2) On March 14, 2022, Mr. Maguire was granted 99,999 Legacy PSUs which were to vest in equal tranches on March 14, 2023, March 14, 2024 and March 14, 2025. On April 6, 2023, the Board

determined that Mr. Maguire had achieved 55% of the Performance Criteria for the first tranche of 33,333 Legacy PSUs from the 2022 grant that vested March 14, 2023 or 18,333 Legacy PSUs, with the remaining 15,000 being forfeited. The second and third tranches of 33,333 Legacy PSUs in addition to their respective reinvested portions were deemed to have vested in anticipation of the Arrangement.

- 3) As a result of the accelerated vesting, a total of 198,622 Legacy PSUs were exercised for Pre-Arrangement Common Shares on June 28, 2024.

Chief Operating Officer, Mr. Lambert:

- 1) On March 14, 2022, Mr. Lambert was granted 30,000 Legacy RSUs which were to vest in equal tranches on March 14, 2023, March 14, 2024 and March 14, 2025. As of June 28, 2024, 20,000 of these had vested and the remaining 10,000 in addition to their respective reinvested portions were deemed to have vested in anticipation of the Arrangement.
- 2) On March 14, 2022, Mr. Lambert was granted 52,500 Legacy PSUs which were to vest in equal tranches on March 14, 2023, March 14, 2024 and March 14, 2025. On April 6, 2023, the Board determined that Mr. Lambert had achieved 73% of the Performance Criteria for the first tranche of 17,500 Legacy PSUs from the 2022 grant that vested March 14, 2023 or 12,775 Legacy PSUs, with the remaining 4,725 being forfeited. The second and third tranches of 17,500 Legacy PSUs in addition to their respective reinvested portions were deemed to have vested in anticipation of the Arrangement.
- 3) As a result of the accelerated vesting, a total of 83,563 Legacy PSUs were exercised for Pre-Arrangement Common Shares on June 28, 2024.

As at December 31, 2024, there were no Units outstanding under the Legacy PSU Plan, leaving 1,244,817 Units available for grant, or 10% of the issued and outstanding Post-Arrangement Common Shares, if Common Shares issuable in the Legacy DSU Plan and Legacy Option Plan are not included in such calculation.

D. Legacy DSU Plan

The Corporation adopted the Legacy DSU Plan at the annual general and special meeting of the shareholders held on May 10, 2017. The Legacy DSU Plan allows the Board (or an appointee of the Board) to grant Legacy DSUs, each of which is a unit that is equivalent in value to a Common Share (or cash equivalent thereof). Legacy DSUs will be fully vested upon grant and a DSU Participant (as defined below) will have the right to receive, at the election of the Corporation, either a cash payment or the issuance of Common Shares on the Redemption Date (as defined below).

The principal purposes of the Legacy DSU Plan are to provide non-employee directors of the Corporation and the High Arctic Entities with the opportunity to acquire Legacy DSUs to enable them to participate in the long-term success of Corporation and to promote a greater alignment of interests between directors of the Corporation and its shareholders. Any individual who is a non-employee member of the Board (an “**Eligible Director**”) of the Corporation or of a High Arctic Entity is eligible to participate in the Legacy DSU Plan.

The Legacy DSU Plan is administered by the Board or an appointee of the Board, which, from time to time in its sole discretion, will grant Legacy DSUs to Eligible Directors (“**DSU Participants**”).

In addition to discretionary grants, a DSU Participant may elect to receive all or a portion of that DSU Participant's total cash compensation (which includes annual retainer, attendance fee and discretionary compensation payable to such director) in the form of Legacy DSUs. The number of Legacy DSUs to be credited to a DSU Participant for services in a financial quarter will be determined by dividing the total

amount of compensation that the DSU Participant elected to receive in Legacy DSUs (payable by the Corporation on the last day of such financial quarter (the "**Purchase Date**")) by the fair market value as at the Purchase Date, or such other date as otherwise determined by the Board in its discretion.

Legacy DSUs that are granted under the Legacy DSU Plan that expire, terminate, or are cancelled or settled for any reason without being in the form of Common Shares issued, shall result in the Common Shares that were reserved for issuance under the Legacy DSU Plan being available for a subsequent grant of Legacy DSUs pursuant to the Legacy DSU Plan. Any increase in the issued and outstanding Common Shares (whether it is a result of settlement of Legacy DSUs or otherwise) will result in an increase in the number of Common Shares that may be issued pursuant to Legacy DSUs outstanding at any time and any increase in the number of Legacy DSUs granted will, upon the issue of Common Shares pursuant thereto, make new grants available under the Legacy DSU Plan.

On any date on which a cash dividend is paid on the Common Shares, a DSU Participant's account will be credited with a dividend equivalent in the form of a number of Legacy DSUs (including fractional Legacy DSUs, computed to three digits) calculated by multiplying the amount of the dividend per Common Share by the aggregate number of Legacy DSUs that were credited to the DSU Participant's account as of the record date for payment of the dividend, and dividing that amount by the fair market value on the date on which the dividend is paid.

A DSU Participant will have the right to receive, at the election of the Corporation, either a cash payment or the issuance of Common Shares in respect of the settlement of the Legacy DSUs recorded in the DSU Participant's account, on the later of the following dates (the "**Redemption Date**"):

- (i) the third business day following the date on which the DSU Participant ceases to serve as a director of, and is not an employee or officer of, the Corporation or a High Arctic Entity (the "**Separation Date**"); or
- (ii) such later date as may be agreed in writing between the Corporation and the DSU Participant before the Separation Date.

A DSU Participant who is not a U.S. Director (as such term is defined in the Legacy DSU Plan) will receive (a) a payment (the "**Cash Payment**") equal in value to the number of DSUs recorded in the DSU Participant's account on the Separation Date multiplied by the fair market value per Common Share on the Redemption Date, less any applicable withholding taxes, or (b) issuance from treasury of the Corporation of that number of Common Shares for the Legacy DSUs recorded on the DSU Participant's account, less applicable withholding taxes. A DSU Participant who is a U.S. Director will receive cash equal to the fair market value of the Common Shares on the Separation Date multiplied by the number of Legacy DSUs recorded on the DSU Participant's account, net of any applicable withholding tax.

In the event the Corporation elects to settle the Legacy DSUs through the issuance of Common Shares, the Corporation has the option to either: (i) issue to the DSU Participant that number of Common Shares from treasury equal to the number of Legacy DSUs in the DSU Participant's account that are being settled less withholding taxes; or (ii) pay to a broker designated by the Corporation the Cash Payment less withholding taxes, and the broker will, as soon as practicable thereafter use all of the cash to purchase Common Shares on behalf of such DSU Participant on the TSX.

If on the Redemption Date a Black-Out Period has been imposed upon a DSU Participant which is still in effect, then the Redemption Date shall occur within ten days following the expiry of the Black-Out Period.

In the event of the death of a DSU Participant, the Corporation will, within two months of the DSU Participant's death, pay cash equal to the fair market value of the Common Shares multiplied by the number of Legacy DSUs recorded on the DSU Participant's account which would be deliverable to the DSU Participant if the DSU Participant had ceased being a director, in respect of the Legacy DSUs credited to

the deceased DSU Participant's account (net of any applicable withholding tax) to or for the benefit of the DSU Participant's beneficiary.

In the event of any subdivision, consolidation, stock dividend, capital reorganization, reclassification, exchange, or other change with respect to the Common Shares, or a consolidation, amalgamation, merger, spin-off, sale, lease or exchange of all or substantially all of the property of the Corporation or other distribution of the Corporation's assets to shareholders of the Corporation (other than the payment of ordinary course cash or stock dividends in respect of the Common Shares), the number of Legacy DSUs then outstanding under the Legacy DSU Plan shall be adjusted in such manner, if any, as the Corporation may in its discretion deem appropriate to preserve, proportionally, the interests of DSU Participants under the Legacy DSU Plan. Adjustments shall be made by the Board, whose determination as to what adjustments shall be made, and the extent thereof, shall be final, binding, and conclusive.

Subject to the policies, rules and regulations of any lawful authority having jurisdiction over the Corporation, the Board may at any time, without further action by, or approval of, the shareholders, amend the DSU Plan or any DSU granted under the DSU Plan in such respects as it may consider advisable and, without limiting the generality of the foregoing, it may do so to: ensure that DSUs granted under the DSU Plan will comply with any provisions respecting deferred share units or other security based compensation arrangements in the Income Tax Act (Canada) or other laws in force in any country or jurisdiction of which a DSU Participant to whom a DSU has been granted may from time to time perform services or be resident; make amendments of a procedural or "housekeeping" nature; suspend or terminate the DSU Plan. Any such amendments shall, if made, become effective on the date selected by the Board.

The Board may not, however, without the consent of the DSU Participants, or as otherwise required by law, alter, or impair any of the rights or obligations under any DSUs theretofore granted. Shareholder approval shall be obtained for any amendments as required by the TSX, including, among other things, in relation to an amendment to remove or exceed insider participation limits under the DSU Plan and amendments to the amending provision.

Legacy DSUs under the Legacy DSU Plan are not assignable nor transferable by a DSU Participant in whole or in part, either directly, by operation of law or otherwise, except through devolution by death, and no right or interest of any DSU Participant under the Legacy DSU Plan or to receive any payment (whether in cash or Common Shares) shall be liable for or subject to any obligation or liability of such DSU Participant. Subject to the requirements of applicable law, a DSU Participant may designate in writing a beneficiary under the Legacy DSU Plan.

The following transactions under the Legacy DSU Plan took place in 2023 and 2024 (all Legacy DSU units stated below are for Pre-Arrangement Common Shares):

On March 31, 2023, the following Board members were granted the following Legacy DSUs in lieu of cash payment for Director fees earned:

Michael Binnion	18,945
Joe Oliver	10,317
Daniel Bordessa	12,380
Ember Shmitt	7,503

On June 30, 2023, the following Board members were granted the following Legacy DSUs in lieu of cash payment for Director fees earned:

Michael Binnion	19,783
Joe Oliver	8,243
Daniel Bordessa	10,510

On September 30, 2023, the following Board members were granted the following Legacy DSUs in lieu of cash payment for Director fees earned:

Michael Binnion	17,712
Joe Oliver	7,396

On December 31, 2023, the following Board members were granted the following Legacy DSUs in lieu of cash payment for Director fees earned:

Michael Binnion	27,667
Joe Oliver	15,091

On March 31, 2024, the following Board members were granted the following Legacy DSUs in lieu of cash payment for Director fees earned:

Michael Binnion	22,060
Joe Oliver	9,421

On May 15, 2024, Joe Oliver resigned as director of the Corporation and as a result 213,319 of Legacy DSUs to which he was entitled to receive were settled as a cash settlement of \$279,960.

At the Annual General and Special Meeting of Shareholders held on June 17, 2024, the Shareholders approved the accelerated redemption of all outstanding Legacy DSUs under the Legacy DSU Plan, and all remaining Legacy DSUs were redeemed prior to the completion of the Arrangement. Details of the redemptions are as follows:

Director	Number of DSUs Redeemed	Pre-Arrangement Common Shares Issued	Value of Pre-Arrangement Common Shares Issued ⁽¹⁾	Cash Settled Portion
Michael Binnion	570,496	296,658	\$443,800	\$409,662
Simon Batcup	95,296	44,284	\$66,249	\$76,314
Douglas Strong	90,906	47,271	\$70,718	\$65,278

(1) Calculated using the five-day volume-weighted average price on the TSX of \$1.496 per Pre-Arrangement Common Share

As at December 31, 2024, there were no Legacy DSUs outstanding, leaving 1,244,817 DSUs available for grant, or 10% of the issued and outstanding Common Shares, if Common Shares issuable in the Legacy PSU Plan and Legacy Option Plan are not included in such calculation. Pursuant to the terms of the Legacy DSU Plan, the issuance of Common Shares in settlement of any Legacy DSUs owing to non-employee directors is subject to a maximum of 1.00% of the then issued and outstanding Common Shares. The settlement of any Legacy DSUs owing to non-employee directors over and above this maximum of 1.00% of the then issued and outstanding Common Shares will be by way of a cash settlement.

Summary of Outstanding Equity Plans:

The table below summarizes the total securities outstanding under the Corporation's long-term incentive plans as at December 31, 2024:

	Options to acquire Common Shares	RSU/PSU Units	DSU	Total
Total Outstanding	575,000	nil	nil	575,000
% of Common Shares	4.6%	nil%	nil%	4.6%

Burn Rates

The Corporation's annual burn rate, as described in Section 613(d) of the TSX Company Manual, under each security-based compensation arrangement is as follows:

Security-Based Compensation Arrangement	Fiscal 2022 (%)	Fiscal 2023 (%)	Fiscal 2024 (%)
Legacy Option Plan	0.06	0.00	4.65
Legacy PSU Plan	1.05	0.07	0.00
Legacy DSU Plan	0.56	0.40	0.06
Total	1.67	0.47	4.71

The burn rate is calculated as a percentage, being the number of securities granted under a specific arrangement during the applicable fiscal year, divided by the weighted average number of securities outstanding for the applicable fiscal year. The burn rates are subject to change from time to time, based on the number of Legacy Options, Legacy PSUs, Legacy RSUs, and Legacy DSUs granted and the total number of Common Shares issued and outstanding.

Other Elements of Compensation

Benefits and Perquisites

In addition to the compensation elements set out above, the NEOs also participate in the Corporation's benefit plans that are available to all employees. The level of other perquisites depends on the employee's position. The purpose of the benefits and perquisites is to attract, retain and motivate the employees.

At the discretion of the Board, certain NEOs may also be entitled to receive an automobile and parking allowance.

The Corporation also offers a Group Registered Retirement Savings Plan ("**RRSP Plan**") that is available to full-time and part-time employees, including the NEOs that are resident in Canada. Participation into the RRSP Plan is voluntary, and employees can enroll immediately upon employment. Employer matching contributions begin after six months of continuous service. Matching contributions are between 3% - 5%, depending on length of service.

The overall contributions of the RRSP plan is capped at the allowable limits applicable to an RRSP under the *Income Tax Act* (Canada).

The NEOs residing in Australia participate in a statutory superannuation benefit plan that is intended to provide pension benefits to Australian based employees at the cost of the Corporation. For Messrs. Maguire and Lambert, this amounted to \$18,800 and \$18,300 Australian Dollars ("**AUD**") respectively in 2024. The Bank of Canada average AUD/CAD exchange rate in 2024 was 1.0000 AUD to 0.9035 CAD.

NEO 2024 Performance

In assessing the performance of each NEO for 2024, the CEO, as well as the Remuneration Committee (as it then was) considered the following performance criteria:

- NEO contributions to the development and execution of the Corporation's business plans and strategies;
- Performance of the NEO's regional business units / functional areas;
- Prioritization of safety as a critical focus area and key measure of success;
- Level and scope of responsibility;
- Tenure with the Corporation;
- Demonstrated leadership ability;
- Teamwork; and
- Work ethic.

IV. Summary Compensation Table of NEOs

The following table sets forth all annual and long-term compensation for the financial year ended December 31, 2024, with comparative information for years ended December 31, 2023 and December 31, 2022, for services in all capacities to the Corporation and its subsidiaries, if any, in respect of the NEOs.

SUMMARY COMPENSATION TABLE									
Name and Principal Position	Year Ended Dec. 31	Salary (\$)	Share-Based Awards (\$) ⁽¹⁾	Option-Based Awards (\$) ⁽²⁾	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other ⁽⁴⁾ Compensation (\$)	Total Compensation (\$) ⁽¹⁰⁾
					Annual Incentive Plans ⁽³⁾	Long-Term Incentive Plans			
Michael J. Maguire Interim CEO ⁽⁵⁾	2024	223,368	-	3,391	25,000	-	17,062	-	268,821
	2023	384,521	-	-	76,088	-	24,659	-	485,268
	2022	363,531	329,997	-	75,923	-	22,843	-	716,371
Lonn Bate CFO ⁽⁶⁾	2024	100,000	-	8,241	25,000	-	-	178,485	311,726
	2023	-	-	-	-	-	-	110,475	110,475
Stephen Lambert COO ⁽⁷⁾	2024	183,134	-	-	-	-	16,608	-	199,742
	2023	314,121	-	-	71,543	-	24,659	-	410,323
	2022	298,050	136,125	-	62,248	-	22,843	-	457,434
Trevor Barker VP Operations ⁽⁹⁾	2024	180,000	-	7,882	44,831	-	-	15,527	248,240
	2023	180,000	-	-	53,246	-	-	12,439	245,685
	2022	170,560	-	-	28,065	-	-	12,453	211,078
Justin Morrical VP of Sales ⁽¹⁰⁾	2024	150,000	-	824	37,359	-	-	9,844	198,027

Notes:

- (1) **"Share-Based Award"** means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units and stock.
- (2) **"Option-Based Award"** means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights and similar instruments that have option-like features. The reported amounts reflect options awarded under the Option Plan and were calculated using the Black-Scholes model based on a trading value at award equal to the exercise price. This method is the same as the methodology used by the Corporation in calculating stock option compensation in its audited financial statements.
- (3) Annual Incentive Plans are awarded and paid in the year following the period in which the performance took place.
- (4) Other compensation includes company RRSP contributions and vehicle and parking allowances except for Mr. Bate where other compensation also includes consulting fees invoiced from his consulting company 1545499 Alberta Ltd for services rendered as Interim CFO.
- (5) Mr. Maguire was appointed as CEO on March 23, 2020. With the completion of the Arrangement on August 12, 2024, Mr. Maguire's title changed to Interim CEO and thereafter received no remuneration from the Corporation. His remuneration has been converted from Australian dollars to Canadian dollars at an average annual exchange rate, except for his Annual Incentive Plan payments which has been awarded in CAD dollars.
- (6) Mr. Bate was appointed Interim CFO of the Corporation on August 17, 2023. Mr. Bate provided his services in 2023 and from January 1, 2024 to June 30, 2024 through his consulting company 1545499 Alberta Ltd. On July 1, 2024 Mr. Bate was appointed CFO and became a full time employee of the Corporation.
- (7) Mr. Lambert was appointed Chief Operating Officer in November 2022 after having been appointed Chief Quality and Risk Officer in 2021. His remuneration has been converted from Australian dollars to Canadian dollars at the average annual exchange rate.
- (8) The NEOs receive minimal perquisites/other benefits. However, none of the NEOs are entitled to perquisites or other personal benefits which in the aggregate, are worth over \$50,000 or over 10% of their base salary.
- (9) Mr. Barker became a NEO upon his appointment as VP Operations on September 4, 2024.
- (10) Mr. Morrical joined HAES upon the December 28, 2023 acquisition of Delta Rental Services Ltd. and became a NEO upon his appointment as VP of Sales on September 4, 2024.

V. Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth details of all awards outstanding for each Named Executive Officer of the Corporation as at December 31, 2024.

Name and Title	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised in-the-money Options ⁽¹⁾⁽²⁾ (\$)	Number of Shares or Share Units that have not vested (#)	Market or Payout Value of Share-Based Awards that have not vested ⁽³⁾ (\$)	Market or Payout Value of vested Share-Based Awards not paid out or distributed ⁽⁴⁾ (\$)
Michael J. Maguire Interim CEO	50,000	1.19	Nov 18, 2029	Nil	Nil	Nil	Nil
Lonn Bate CFO	250,000	1.19	Nov 18, 2029	Nil	Nil	Nil	Nil
Stephen Lambert COO	Nil	n/a	n/a	Nil	Nil	Nil	Nil
Justin Morrical VP of Sales	150,000	1.19	Nov 18, 2029	Nil	Nil	Nil	Nil

Notes:

- (1) Unexercised “in-the-money” options refer to the options in respect of which the market value of the underlying securities exceeded the exercise or base price of the option at the financial year end.
- (2) The aggregate of the excess, if any, between the market value of the Common Shares as at December 31, 2024 (the last day the Common Shares traded in the most recently completed financial year), being \$1.11 Common Share, and the exercise price of the options.
- (3) The aggregate of the market value of the unvested Common Shares held under the Legacy PSU Plan as at December 31, 2024 (the last day the Common Shares traded in the most recently completed financial year), being \$1.11 Common Share.
- (4) The aggregate of the market value of the vested Common Shares held under the Legacy PSU Plan as at December 31, 2024 (the last day the Common Shares traded in the most recently completed financial year), being \$1.11 per Common Share.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the value of option-based awards, share-based awards and non-equity incentive plan compensation which vested or was earned during 2024 for each NEO.

Name and Title	Option-Based Awards - Value vested during the year (\$)	Share-Based Awards - Value vested during the year (\$)	Non-Equity Incentive Plan Compensation - Value earned during the year (\$)
Michael J. Maguire Interim CEO	Nil	185,382	25,000
Lonn Bate CFO	Nil	Nil	25,000
Stephen Lambert COO	Nil	76,576	Nil
Trevor Barker VP Operations	Nil	Nil	44,831

Name and Title	Option-Based Awards - Value vested during the year (\$)	Share-Based Awards - Value vested during the year (\$)	Non-Equity Incentive Plan Compensation - Value earned during the year (\$)
Justin Morrical VP of Sales	Nil	Nil	37,359

VI. Group Savings and Retirement Plan

The Corporation has a group RRSP savings plan as described previously under the heading “*Other Elements of Compensation – Benefits and Perquisites*”.

VII. Termination and Change of Control Benefits

As at December 31, 2024, the Corporation has entered into an employment agreement with Lonn Bate (the “**Employment Agreement**”). The Employment Agreement provides for the NEO’s annual base salary, vacation entitlement and benefits.

Certain Employment Agreements have entitlements on termination and change of control as follows:

Termination Event Provisions in employment agreements of NEOs

Resignation	<ul style="list-style-type: none"> three (3) months notice written notice required; all salary and benefit programs end; vested stock options must be exercised within 90 days of the termination date (per the Legacy Option Plan); and Units that are vested will be released on their respective Unit Release Date and Units that are not vested but would be eligible for vesting during the notice period specified in the employee’s employment or consulting agreement, will vest on the Termination Date (per the Legacy PSU Plan).
Retirement	<ul style="list-style-type: none"> all salary and benefit programs end; vested stock options must be exercised within 90 days of the termination date (per the Legacy Option Plan); and Units that are vested will be released on their respective Unit Release Date and Units that are not vested but would be eligible for vesting during the notice period specified in the employee’s employment or consulting agreement, will vest on the Termination Date (per the Legacy PSU Plan).
Death	<ul style="list-style-type: none"> all salary and benefit programs end; vested stock options must be exercised within one year (per the Legacy Option Plan); and Units that are vested will be released and Units will continue to vest and be released for a period of twelve (12) months extending from the Termination Date (per the Legacy PSU Plan) and Units that are not vested within the first anniversary of death will terminate.
Termination without cause	<ul style="list-style-type: none"> pay in lieu of notice equal to three-months’ salary and benefits to continue for three months. vested stock options must be exercised within 90 days of the termination date (per the Legacy Option Plan); and

Termination Event Provisions in employment agreements of NEOs

	<ul style="list-style-type: none">Units that are vested will be released on their respective Unit Release Date and Units that are not vested but would be eligible for vesting during the notice period specified in the employee's employment or consulting agreement, will vest on the Termination Date (per the Legacy PSU Plan).
Termination for cause	<ul style="list-style-type: none">all salary and benefit plans end on the date of termination;all unvested and vested stock options that have not been exercised are cancelled as of the option holder's date of termination; andUnits that are vested will be released on their respective Unit Release Date and Units that are not vested shall immediately terminate (per the Legacy PSU Plan).
Change of Control	<ul style="list-style-type: none">payment equal to base salary and benefits for three months;the Corporation shall have the power to amend any option agreement to permit the exercise of all remaining options prior to the completion of any change of control transaction, at the discretion of the Board of Directors (per the Legacy Option Plan); andthe Legacy PSU Plan provides the Board with the ability to preserve Unit benefits through the issuance of replacement units, which vest under similar terms and conditions of the existing Units or cause all Units to vest prior to the change of control, or any combination of these alternatives.

Change of Control

The Employment Agreement of Mr. Bate contains specific provisions relating to a "change of control". Under the Employment Agreement, a "change of control" is defined as:

- (a) A change in the Corporation's ownership or management that results in the decision-making capacity of the Corporation being exercised by a different group of majority shareholders and/or majority of directors; or
- (b) if the Corporation shall merge or amalgamate or reorganize with another corporation; or
- (c) if all or substantially all of the assets or undertakings of the Corporation are sold; or
- (d) if the Corporation completed a going private transaction whereby it ceases to be listed on the Toronto Stock Exchange (each a "**Trigger Event**"); and
- (e) as a result of the Trigger Event, that person is either demoted or the Corporation materially diminishes the person's responsibility, authority, title, or office,

then he has sixty (60) days following the Trigger Event to exercise the discretion to resign by providing the Corporation written notice. The Corporation shall:

- (a) make payment of any and all base salary earned by the employee (but not previously paid) through to the date of written notice and reimburse all approved company expenses not previously reimbursed; and
- (b) pay the employee an amount equal to the monthly salary, which shall be paid as a retiring allowance if requested by the employee.

Specific Payments Upon Termination of Employment

The following table sets out the estimated payments that Named Executive Officer would be entitled to upon resignation, retirement, termination without cause, termination for cause and a change of control, based on the compensation payouts for the year ended December 31, 2024:

Name	Event	Severance Period (# of months)	Base Salary ⁽¹⁾⁽⁶⁾ (\$)	Benefits Value ⁽²⁾ (\$)	Options Value (\$)	Share-based Awards Value (\$)	Total incremental obligation (\$)
Lonn Bate CFO	Resignation	-	-	-	- (3)	- (5)	-
	Retirement	-	-	-	- (3)	- (5)	-
	Termination without cause	3	50	8	- (3)	- (5)	58
	Termination for cause	-	-	-	- (3)	- (5)	-
	Change of Control	3	50	8	- (4)	- (5)	58

Notes:

- (1) The NEOs' monthly salary on December 31, 2024 multiplied by the number of months in the severance period.
- (2) The value of 16% of the NEOs' severance base salary to compensate for the loss of benefits.
- (3) The total value of vested unexercised stock options that are in-the-money based on \$1.11, the closing price of the Common shares of the Corporation on the TSX on December 31, 2024.
- (4) The total value of vested and unvested unexercised stock options that are in-the-money based on \$1.11, the closing price of the Common shares of the Corporation on the TSX on December 31, 2024.
- (5) The value of Units that had vested as at December 31, 2024 based on \$1.11, the closing price of the Common shares of the Corporation on the TSX on December 31, 2024.
- (6) The total value of vested and unvested Units based on \$1.11, the closing price of the Common shares of the Corporation on the TSX on December 31, 2024.

VIII. Executive Compensation Clawback

Each NEO shall repay or forfeit, to the extent permitted by law and as directed by the, any annual incentive or other performance-based compensation awards ("**Awards**") received by him or her on or after January 1, 2023 if all of the following conditions exist:

- the payment, grant or vesting of the Awards was based on the achievement of financial results that were subsequently the subject of a restatement of the Corporation or any of its subsidiaries financial statements (other than a restatement due to a change in accounting policy),
- the restatement occurs within thirty-six (36) months of the payment, grant or vesting of the Awards, and
- the amount of the compensation that would have been received by the executive officer had the financial results been properly reported would have been lower than the amount actually received, and
- the Board determines in its sole discretion that, as a direct result of the restatement of financial information and the impact on the amount of compensation previously paid, it is in the best interests of the Corporation and its shareholders for the executive officer to repay or forfeit all or any portion of the Awards.

Any of the Board's directors deemed not to be independent, as identified pursuant to applicable exchange listing standards, shall abstain from participation in the review of any Awards under the Compensation Claw back protocols.

Repayment can be made from the withholding of salary, proceeds of the sale of the Corporation's stock and the forfeiture of other outstanding awards. This remedy shall not be exclusive and shall be in addition to every other right or remedy at law or in equity that may be available to the Corporation.

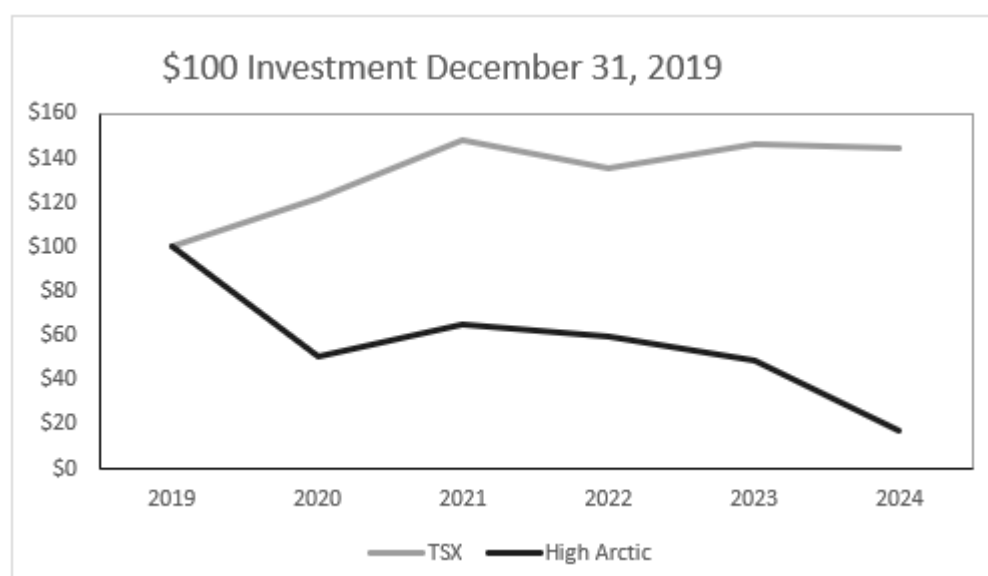
All determinations and decisions made by the Board's independent directors pursuant to the provisions of this policy shall be final, conclusive and binding on all persons, including the Corporation, its affiliates, its shareholders and employees.

IX. Other Compensation

Other than as set forth herein, the Corporation did not pay any other compensation to NEOs (including personal benefits and securities or properties paid or distributed which compensation was not offered on the same terms to all full-time employees) during the last completed financial year other than benefits and perquisites which did not amount to greater than \$50,000 or 10% of their base salary, per individual.

PERFORMANCE GRAPH

The following five-year graph compares the yearly change in cumulative shareholder return over the periods indicated (assuming a \$100 investment was made on December 31, 2019) on the Common Shares of the Corporation, with the cumulative total return of the S&P/TSX Composite Index from December 31, 2019 to December 31, 2024.



The trend in the performance graph does not directly correlate to the trend of the compensation paid to the NEOs.

The Corporation has concluded that management must be compensated based on competitive market conditions and the value of the services provided, irrespective of Common Share price movements. The trading price of the Common Shares directly impacts the benefits enjoyed by the NEOs as a result of the NEOs' participation in the equity-based incentive plans offered by the Corporation.

STATEMENT OF DIRECTOR COMPENSATION

On October 1, 2024, the directors' annual retainer was reduced from \$25,000 to \$12,500 each on a prospective level. Further annual retainers paid to the following chairs were also reduced by half:

Position	Additional Compensation – 2024
Chair of the Board	\$12,500
Chair of the Audit Committee	\$7,500
Chair of the GNR Committee	\$2,500
Chair of the Quality, Health, Safety and Environmental Committee	\$2,500
Members of the Executive Committee	\$3,000

In 2024, the directors received a further \$1,250 per meeting of the Board and Audit Committee and for meetings of other committees that are not otherwise part of a board meeting. On October 1, 2024, this meeting fee was reduced from \$1,250 to \$625 prospectively.

I. Director Compensation Table

The following table sets forth all compensation provided to directors of the Corporation in the financial year ended December 31, 2024.

Name of Director	Fees Earned⁽¹⁾ (\$)	Share-Based Awards⁽²⁾ (\$)	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Simon P.D. Batcup	59,833	nil	nil	nil	nil	59,833
Michael Binnion	73,792	nil	nil	nil	nil	73,792
Joe Oliver ⁽³⁾	10,250	nil	nil	nil	nil	10,250
Douglas J. Strong	58,375	nil	nil	nil	nil	58,375
Craig Nieboer	18,212	nil	nil	nil	nil	18,212
	220,462	nil	nil	nil	nil	220,462

Notes:

(1) "Fees Earned" means quarterly fees earned by Directors in 2024.

(2) "Share-Based Award" means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units and stock. The value attributed is calculated based on \$1.11, the closing price of the Common shares of the Corporation on the TSX on December 31, 2024, multiplied by the number of awards (Legacy DSUs) issued in the year.

II. Incentive Based Awards

Outstanding Share-Based Awards

The following table sets forth details of all awards outstanding for each independent director of the Corporation as of the most recent financial year end, including awards granted before the most recently completed financial year.

Name of Director	Share-Based Awards		
	Number of Shares or Units of Shares that have not vested (#)	Market or Payout Value of Share-Based Awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed⁽¹⁾ (\$)
Simon P.D. Batcup	nil	nil	nil
Michael Binnion	nil	nil	nil
Douglas J. Strong	nil	nil	nil
Craig Nieboer	nil	nil	nil

Notes:

(1) The total value of DSUs that had vested as at December 31, 2024 based on \$1.11, the closing price of the Common shares of the Corporation on the TSX, on December 31, 2024.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the value of share-based compensation awards which vested or were earned during the most recently completed financial year for independent directors of the Corporation.

Name of Director	Share-Based Awards – Value vested during the year ⁽¹⁾ (\$)	Non-Equity Incentive Plan Compensation – Value earned during the year (\$)
Simon P.D. Batcup	nil	nil
Michael R. Binnion	nil	nil
Joe Oliver ⁽²⁾	nil	nil
Douglas J. Strong	nil	nil
Craig Nieboer	nil	nil

Notes:

- (1) The total value of DSUs that had vested during the year based on \$1.11, the closing price of the Common shares of the Corporation on the TSX, on December 31, 2024.
- (2) Hon. Joe Oliver resigned from the Board in 2024.

The significant terms of the Legacy DSU Plan are disclosed in this Circular under “*Long-term Equity Incentive Plans.*”

III. Other Compensation

Other than as set forth herein, the Corporation did not pay any other compensation to Directors (including personal benefits and securities or properties paid or distributed which compensation was not offered on the same terms to all full-time employees) during the last completed financial year other than benefits and perquisites which did not amount to \$10,000 or greater per individual.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth securities of the Corporation that are authorized for issuance under equity compensation plans as at December 31, 2024.

Plan Category	Number of securities to be issued upon exercise or release of outstanding options and awards	Weighted average exercise price of outstanding options and awards	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column 1) ⁽¹⁾⁽²⁾
Equity compensation plans approved by security holders	575,000 Common Shares under the Legacy Option Plan (4.6% of the issued and outstanding shares) Nil Common Shares under the Legacy PSU Plan (Nil% of the issued and outstanding shares) Nil Common Shares under the Legacy DSU Plan (Nil% of the issued and outstanding shares)	\$1.19 per Common Share N/A N/A	669,817 Common Shares (5.4% of the issued and outstanding shares)
Equity compensation plans not approved by security holders	Nil	Nil	Nil
Total	575,000 Common Shares	N/A	669,817 Common Shares

Plan Category	Number of securities to be issued upon exercise or release of outstanding options and awards	Weighted average exercise price of outstanding options and awards	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column 1) ⁽¹⁾⁽²⁾
	(4.6% of the issued and outstanding Common Shares)		(5.4% of the issued and outstanding Common Shares)

Notes:

- (1) The total number of securities remaining available for future issuance under equity compensation plans is calculated as 10% of the issued and outstanding Common Shares at December 31, 2024, less the outstanding Legacy Options, Legacy PSUs, Legacy RSUs and Legacy DSUs.

CORPORATE GOVERNANCE DISCLOSURE

The Board of Directors of the Corporation is responsible for all corporate governance matters relating to the Corporation. Corporate governance relates to the activities of the Board of Directors, the members of which are elected by and are accountable to the shareholders and takes into account the role of the individual members of management who are appointed by the Board of Directors and who are charged with the day-to-day management of the Corporation. The Board of Directors is committed to sound corporate governance practices, which are in the interest of its shareholders and contribute to effective and efficient decision making.

National Instrument 58-101 – *Disclosure of Corporation Governance Practices* (“**NI 58-101**”) requires an issuer that solicits proxies from its security holders for the purpose of electing directors to include certain prescribed disclosure respecting corporate governance matters in its information circular. The prescribed corporate governance disclosure is set out below.

Board of Directors

As of December 31, 2024, the Board of Directors was composed of four (4) members, all of whom are independent directors based upon the Board's assessment of the meaning of independence provided in NI 58-101.

During 2024 and year to date 2025, the directors held no formal meetings where members of management were not in attendance. The Board ensures open and candid discussion among its directors by continuously monitoring situations where a conflict of interest or perceived conflict of interest with respect to a director may exist. In cases where such a conflict of interest or perceived conflict of interest is identified, it is addressed in accordance with the Business Corporations Act (Alberta). The Board may determine that it is appropriate to hold an *in camera* session excluding a director with a conflict of interest or perceived conflict of interest or such director may consider that it is appropriate to recuse himself/herself from considering and voting with respect to the matter under consideration.

Simon P.D. Batcup is the current Chairman of the Board. In accordance with the mandate of the Chairman, the Chairman presides at all meetings of the Board of Directors and, unless otherwise determined and at all meetings of shareholders. The Chairman's primary role is managing the affairs of the Board, including ensuring the Board is organized properly, functions effectively and meets its obligations and responsibilities, including general governance standards.

Among other things, the Chairman is to ensure corporate strategy, annual operating plans and performance reports are presented to the Board, ensure the CEO presents management development and succession plans at least annually and implements them and foster a constructive and harmonious relationship between the Board and management.

The following table sets forth: (i) the name of each reporting issuer, other than the Corporation, of which a director of the Corporation is also a director; and (ii) the attendance record for each director for all meetings of the Board of Directors for 2023, 2024 and 2025.

Name of Director	Other Reporting Issuers	Attendance Record at the Corporation's 2022, 2023 and 2024 Board Meetings
Simon P. D. Batcup	None	6 of 6 meetings in 2023 7 of 7 meetings in 2024 2 of 2 meetings in 2025
Michael R. Binnion	Questerre Energy Corporation High Arctic Overseas Holdings Corp.	6 of 6 meetings in 2023 6 of 7 meetings in 2024 2 of 2 meetings in 2025
Joe Oliver ⁽¹⁾	Firm Capital Mortgage Investment Corporation	6 of 6 meetings in 2023 3 of 3 meetings in 2024 ⁽¹⁾
Douglas J. Strong	None	6 of 6 meetings in 2023 7 of 7 meetings in 2024 2 of 2 meetings in 2025
Craig Nieboer ⁽²⁾	None	4 of 4 meetings in 2024 ⁽²⁾ 2 of 2 meetings in 2025

Notes:

(1) Hon. Joe Oliver resigned as a Director in 2024.

(2) Mr. Nieboer joined the Board in 2024.

Board Mandate

The principal mandate of the Board of Directors is to oversee the management of the business and affairs of the Corporation and monitor the performance of management. Attached as Exhibit I to this Circular is the complete text of the Mandate of the Board of Directors.

Position Descriptions

The Board of Directors have developed a written position description for the Chair.

The Board of Directors and the Chief Executive Officer have developed a written position description for the Chief Executive Officer. The Board of Directors currently sets the annual objectives of the Corporation, which become the objectives against which the Chief Executive Officer's performance is measured.

The Board of Directors have adopted written terms of reference for each of the Board committees, clearly delineating the roles and responsibilities attributed to each.

Orientation and Continuing Education

The Corporation has a formal orientation and training program in place. New members of the Board of Directors receive an information package and must attend a formal orientation session presented by the officers of the Corporation. All members of the Board of Directors are allowed unrestricted direct access to any of the senior management of the Corporation and their staff.

The GNR Committee reviews and provides ongoing guidance to management to ensure that an appropriate orientation and continuing education program for individual members of the Board of Directors, the Board as a whole, and new members of the Board of Directors is established and maintained. The GNR Committee is also responsible for monitoring changes to applicable laws, regulations, and industry practices in regard to corporate governance and ensures that the Board of Directors are kept informed of relevant aspects thereof.

Code of Business Ethics and Conduct

The Board of Directors has adopted a written code of business conduct (the “Code”). The Code was reviewed, updated and approved by the Board in May 2023 and includes 17 governance standards. The Code reflects the Corporation’s commitment to maintain high standards of integrity and accountability in conducting its business while at the same time growing its business and value.

The Code requires directors and officers to disclose any potential conflicts of interest in writing to the Board of Directors for review in accordance with applicable law and in any event, on an annual basis.

The Board of Directors monitors and ensures compliance with the guidelines set out in the code of business conduct including compliance in all material respects, with all applicable financial reporting and accounting requirements applicable to the Corporation. Any concerns or complaints in this regard may be reported in accordance with the procedures outlined in the Corporation’s Whistleblower Standard. The Whistleblower procedures by which representatives may make confidential and anonymous submissions regarding unethical or illegal behaviour, or questionable accounting, internal accounting controls or auditing related matters involving the Corporation and non-compliance with the code of business conduct are made available to all employees. An independent hotline complete with the ability to report via telephone or online is in place to maintain complete anonymity.

Waivers from the code of business conduct will generally only be granted in appropriate circumstances upon full review and consideration of a request from a waiver, on a case-by-case basis. Waivers granted for the benefit of senior officers or directors require approval from the Governance and Nominating Committee, which should ascertain whether a waiver is appropriate and seek to ensure that the waiver is accompanied by appropriate controls designed to protect the Corporation’s interests.

Certain of the directors of the Corporation may also be directors and officers of other oil and gas companies and oilfield service companies, and conflicts of interest may arise between their duties.

Such conflicts must be disclosed in accordance with, and are subject to, such other procedures and remedies as applicable under the Business Corporations Act (Alberta).

Nomination of Directors

The Board of Directors has formed the GNR Committee and recognize that proper and effective corporate governance is a significant concern and a priority for investors and other stakeholders, and, accordingly, the Board of Directors have instituted a number of procedures and policies to improve the overall governance of the Corporation. The current members of the GNR Committee are Craig Nieboer (Chair), Michael Binnion, and Douglas Strong.

The GNR Committee assists the Board of Directors with the nomination of directors of the Corporation. The GNR Committee follows written guidelines with respect to identifying, recruiting, appointing, re-appointing and providing ongoing development for members of the Board of Directors. The GNR Committee assesses potential candidates in relation to the competencies and skills necessary for the proper functioning of the Board of Directors.

The GNR Committee annually assesses the size, structure and composition of the Board of Directors, taking into consideration the current strengths, skills and experience of the Board of Directors, proposed

retirements and the requirements and strategic direction of the Corporation. As required, the GNR Committee also develops and approves director eligibility criteria and recommends suitable candidates to the Board of Directors for consideration for the appointment to the office of Chairman, as well as members of the Board of Directors.

The GNR Committee annually assesses individual director performance and the evaluation of the performance of the Board of Directors as a whole, including their processes and effectiveness and what competencies and skills each existing director possesses.

The GNR Committee operates under a written “Governance, Nominating and Remuneration Committee Terms of Reference” that details its composition, its duties and its reporting responsibilities which includes:

- (a) monitoring the appropriateness of the Corporation’s governance systems with regard to external governance standards, “best practices” guidelines and with an emphasis on “ongoing improvements”;
- (b) oversee the Corporation’s environmental, social and governance (“ESG”) framework;
- (c) reviewing the makeup and needs of the Board of Directors and developing criteria for adding new directors to the Board of Directors; and
- (d) evaluating and assessing the effectiveness of the Board of Directors, and its committees in meeting governance objectives and each individual’s own contributions.

The GNR Committee’s Terms of Reference are published on the Corporation’s website.

Compensation

The GNR Committee is also charged with reviewing and making recommendations to the Board in respect of the compensation matters relating to the Corporation’s executive officers, employees and directors. As a part of this process, compensation levels are set by reviewing compensation paid for directors and officers of companies of similar size and stage of development. For more information regarding the GNR Committee including a complete description of the GNR Committee’s duties and responsibilities in respect of compensation, see the “*Executive Compensation – The Remuneration Committee*” section of this Circular.

Other Board Committees

The Corporation has established an Audit Committee (as described in the Corporation’s Annual Information Form dated March 31, 2025 for the year ended December 31, 2024 filed on SEDAR+ at www.sedarplus.ca), a GNR Committee (discussed previously), and a Quality, Health, Safety and Environmental Committee to assist the Corporation and its subsidiaries in effectively carrying out its responsibilities. The Corporation also established a Mergers and Acquisitions Committee in 2019 and an Executive Committee in 2020, which were combined in 2021 into the Executive Committee which has remained in place.

Quality, Health, Safety and Environmental Committee

The Quality, Health, Safety and Environmental Committee is responsible for monitoring and making recommendations with respect to the quality, health, safety and environmental policies, practices and procedures of the Corporation and its subsidiaries. The Quality, Health, Safety and Environmental Committee operates under a written “Quality, Health, Safety and Environmental Committee Terms of Reference” that details its composition, its duties, and its reporting. The current members of the Quality, Health, Safety and Environmental Committee are Simon Batcup (Chair), Douglas Strong and the CEO. The Quality, Health, Safety and Environmental Committee Terms of Reference are published on the Corporation’s website.

Executive Committee

Consistent with the Corporation's strategy to preserve a strong financial position, the Executive Committee oversees and reviews management's measures to sustain safe, quality-based customer service, financial liquidity and stakeholder communication. The committee reviews and oversees significant investing and divesting matters being considered by management and the use of the Corporation's capital.

The current members of the Executive Committee are all four (4) of the current Directors.

Assessments

Ensuring the effectiveness of the Board of Directors, its committees and individual directors is assigned to the GNR Committee. The GNR Committee annually reviews the mandate of the Board of Directors and the fulfilment of such mandate.

Director Term Limits and Other Mechanisms of Board Renewal

The Board believes that issues relating to board effectiveness, board renewal and board succession planning are best addressed by a strong chair, a thoughtful governance committee and independent-thinking board members. The Board is responsible for recommending to shareholders from time-to-time candidates for election to the Board that together contribute the right mix of skills and expertise to the Board. To assist in making those recommendations, the Board periodically conducts both formal and informal reviews of the effectiveness of the Board and individual Board members.

The Board is concerned that imposing arbitrary and inflexible director term limits may result in High Arctic losing valued directors at a time when High Arctic most needs their skills, qualities, and contributions, as well as their knowledge of the history and culture of the organization. Mandatory retirement ages pose the same risk and the Board does not want to risk the loss of key directors to retirement policies that seem unnecessarily arbitrary and inflexible when they force a high performing director off the Board. As a result the Board does not feel that it would be appropriate to set term limits for its directors but rather relies on the experience of its members to determine when Board renewals, Board removals and Board additions are appropriate.

Policies Regarding the Representation of Women on the Board

The Board supports the objectives of increasing diversity on boards of directors and at the executive levels of issuers and recognizes that diversity provides a depth and breadth of viewpoints and perspectives. However, the Board has not adopted a written policy relating to the identification and nomination of female directors nor does it have targets regarding the number of women on the Board.

The Board and the GNR Committee believes that director nominations should be made on the basis of the skills, knowledge, experience and character of individual candidates and the requirements of the Board at the time.

The Corporation is committed to a meritocracy and believes that considering the broadest group of individuals with the skills, knowledge, experience and character required to provide the leadership needed to achieve its business objectives is in the best interests of the Corporation and its stakeholders, without reference to their age, gender, race, ethnicity or religion.

Accordingly, a formal written policy has not been adopted as the Board and the GNR Committee are committed to a merit and qualifications-based method of selecting directors and believes that imposing quotas or targets would compromise its principle-based candidate selection system.

Consideration of the Representation of Women in the Director Identification and Selection Process

The GNR Committee and the Board go through a rigorous process when considering a nominee director including an evaluation of the skills and experience of the current directors, determining the gaps in skills and experience that exist and finding potential candidates to fill those gaps and round out the skills and experience of the Board of Directors as a whole. While gender has factored into recent director searches, the final recommendation for nomination has been based on the best combination of skills and experience for the position without placing a specific emphasis on gender as a factor.

Consideration given to the Representation of Women in Executive Officer Appointments

The Board does not specifically consider the level of female representation in executive officer positions when making such appointments nor does it have targets in respect of appointing women to these positions. Similar to the Board's approach in considering director nominations, in making appointments to executive officer positions, the Board considers each candidate's experience, knowledge, education, management capabilities and competency, as well as the effect of the appointment on the diversity of the Corporation's executive officers as a whole.

Corporation's Targets Regarding the Representation of Women on the Board and in Executive Officer Positions

The Board does not have specific targets in respect of appointing women to executive officer appointments, as a result of its commitment to a principle-based selection process, as discussed above.

Number of Women on the Board and in Executive Officer Positions

Presently, there are no women (nil%) serving on the Board and no women in executive officer positions (nil%). There are two women (25%) in senior management and head of department roles.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, executive officer, employee or former director, executive officer or employee of the Corporation nor any of their associates or affiliates, is, or has been at any time since the beginning of the last completed financial year, indebted to the Corporation or any of its subsidiaries, nor has any such person been indebted to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding, provided by the Corporation or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth herein, or as previously disclosed, no informed person or proposed director of the Corporation and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which in either such case has materially affected or would materially affect the Corporation or any of its subsidiaries.

MANAGEMENT CONTRACTS

During the most recently completed financial year, no management functions of the Corporation were to any substantial degree performed by a person or company other than the directors or executive officers of the Corporation.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as set out herein, no person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year, no proposed nominee of management of the Corporation for election as a director of the Corporation and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting.

NORMAL COURSE ISSUER BIDS

On December 13, 2023, the Corporation received approval from the Toronto Stock Exchange to acquire for cancellation up to 1,000,000 Pre-Arrangement Common Shares, representing approximately two percent of the Corporation's issued and outstanding common shares at the date of approval, under a Normal Course Issuer Bid ("**NCIB**"). The NCIB was valid for one year, commencing on December 15, 2023. The NCIB was terminated on August 14, 2024. Pursuant to the NCIB, no Common Shares were purchased and cancelled in 2024.

The Corporation's previous NCIB commenced on December 15, 2022 and terminated on December 14, 2023. Pursuant to this previous NCIB, in total 24,905 Pre-Arrangement Common Shares were purchased and cancelled during December 2022.

The Corporation's 2021 NCIB was active during 2022 commencing on December 15, 2021 and terminating on December 14, 2022. Pursuant to this NCIB, in total 16,376 Pre-Arrangement Common Shares were purchased and cancelled during 2022.

AUDIT COMMITTEE INFORMATION

Certain other information regarding the Corporation's Audit Committee that is required to be disclosed in accordance with National Instrument 52-110 – *Audit Committees* is contained in the Corporation's annual information form for the year ended December 31, 2024, which is available under the Corporation's SEDAR profile at www.sedar.com.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Financial information of the Corporation's most recently completed financial year is provided in the Corporation's audited consolidated financial statements and management discussion and analysis available on SEDAR and at www.haes.ca. Shareholders may contact the Corporation at 2350, 330 – 5th Ave S.W., Calgary, Alberta, T2P 0L4, Attn: Chief Financial Officer (587) 318-2218 to obtain a copy of the Corporation's most recent financial statements and management discussion and analysis.

BOARD APPROVAL

The contents and the sending of this Circular have been approved by the Board of Directors of the Corporation.

DATED this 26th day of May, 2025.

EXHIBIT I

MANDATE OF THE BOARD OF DIRECTORS

The Board of Directors (the “Board”) of High Arctic Energy Services Inc. (the “Corporation”) is responsible under corporate law to supervise the management of the business and affairs of the Corporation and its subsidiaries (collectively, “High Arctic”). The Board has the statutory authority and obligation to protect and enhance the assets of High Arctic.

The principal mandate of the Board is to oversee the management of the business and affairs of High Arctic and monitor the performance of management.

In keeping with generally accepted corporate governance practices and the recommendations of the Dey Committee Report to the Toronto Stock Exchange in respect of “Guidelines for Improved Corporate Governance in Canada”, recommendations contained in National Policy 58-201 and recommendations and guidelines from the SEC and in connection with the Sarbanes Oxley Act, the Board assumes responsibility for the stewardship of High Arctic and, as part of the overall stewardship responsibility, explicitly assumes responsibility for the following:

1. Independence

The Board retains the responsibility for managing its own affairs including planning its composition, selecting its Chairman, appointing Board committees and determining directors’ compensation. While it is appropriate to confer with the management on the selection of candidates to be nominated as members of the Board, the ultimate selection shall be determined by the existing independent members of the Board.

In that, the Board must develop and voice objective judgment on corporate affairs, independently of the management, practices promoting Board independence will be pursued. This includes constituting the Board with a majority of independent and unrelated directors. Certain tasks suited to independent judgments will be delegated to specialized committees of the Board that are comprised exclusively of outside directors and at least a majority of unrelated directors.

The Board will evaluate its own performance in a continuing effort to improve. For this purpose, the Board will establish criteria for Board and Board member performance, and pursue a self-evaluation process for evaluating both overall Board performance and contributions of individual directors.

2. Leadership in Corporate Strategy

The Board ultimately has the responsibility to oversee the development and approval of the mission of High Arctic, its goals and objectives, and the strategy by which these objectives will be reached. In guiding the strategic choices of High Arctic, the Board must understand the inherent prospects and risks of such strategic choices.

While the leadership for the strategic planning process comes from the management of High Arctic, the Board shall bring objectivity and a breadth of judgment to the strategic planning process and will ultimately approve the strategy developed by management as it evolves.

The Board is responsible for monitoring management’s success in implementing the strategy and monitoring High Arctic’s progress to achieving its goals; revising and altering direction in light of changing circumstances.

The Board has the responsibility to ensure congruence between the strategic plan and management’s performance.

3. Management of Risk

The Board shall identify the principal risks of the business in which High Arctic is engaged, recognizing that business decisions require the incurrence of risk. The Board is responsible for providing a balance between risks incurred and the potential returns to shareholders of the Corporation. This requires that the Board to ensure that systems are in place to effectively monitor and manage risks with a view to the long-term viability of High Arctic and its assets and conduct an annual review of the associated risks.

4. Oversight of Senior Officers

As the Board functions, the Board must ensure the execution of plans and operations are of the highest calibre. The key to the effective discharge of this responsibility is succession planning, the approval of the appointment of the senior officers of the Corporation and the assessment of each senior officer's contribution to the achievement of the Corporation's strategy. In this respect, performance against objectives established by the Board is important, as is a formal process for determining the senior officers' compensation, in part, by using established criteria and objectives for measuring performance.

The Board understands that a culture of integrity in its officers and employees is important to the success of the Corporation and its shareholders. The Board will set and review the Policies and Standards of the Corporation to support a culture of integrity.

5. Shareholder Communications and Disclosure

The Board is responsible to ensure that the Corporation has policies in place to ensure effective and timely communication and disclosure to the shareholders of the Corporation, other stakeholders, and the public in general. This communication and disclosure policy must effectively and fairly present the operations of High Arctic to shareholders and should accommodate feedback from shareholders, which should be considered into future business decisions.

The Board has the responsibility for ensuring that the financial performance of High Arctic is reported to shareholders on a timely and regular basis and for ensuring that such financing results are reported fairly, in accordance with generally accepted accounting principles.

The Board has the responsibility for ensuring that procedures are in place to effect the timely reporting of any developments that have a significant and material impact on the value of shareholder assets.

The Board has the responsibility for reporting annually to shareholders on its stewardship for the preceding year.

6. Integrity of Corporate Control and Management Information Systems

To effectively discharge its duties, the Board shall ensure that High Arctic has in place effective control and information systems so that it can track those criteria needed to monitor the implementation of the High Arctic's strategy.

Similarly, in reviewing and approving financial information, the Board shall ensure that High Arctic has an audit system, which can inform the Board of the integrity of the data and compliance of the financial information with generally accepted accounting principles.

The Board's management of the important areas of corporate conduct, such as the commitment of High Arctic's assets to different businesses or material acquisitions, shall also be supported by effective control and information systems.

7. Legal Requirements

The Board is responsible for ensuring that routine legal requirements, documents, and records have been properly prepared, approved and maintained by High Arctic.

8. Board Delegation to Committees

The Board can delegate specific responsibilities to committees of the Board in order to effectively manage the affairs of High Arctic.

9. Limitation

The foregoing is 1. subject to and without limitation of the requirement that in exercising their powers and discharging their duties the members of the Board act honestly and in good faith with a view to the best interests of the Corporation; and 2. subject to and not in expansion of the requirement that in exercising their powers and discharging their duties the members of the Board exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

EXHIBIT II
OMNIBUS EQUITY INCENTIVE PLAN
(see attached)

**HIGH ARCTIC ENERGY SERVICES INC.
OMNIBUS INCENTIVE PLAN**

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PART I- GENERAL PROVISIONS

1. PREAMBLE AND DEFINITIONS

1.1 The Plan described in this document shall be called the "High Arctic Energy Services Inc. Omnibus Incentive Plan".

1.2 The **purposes** of the Plan are:

- (a) to develop the interest of directors, officers, employees and other eligible service providers in the growth and development of the Corporation by providing them with the opportunity to acquire an increased proprietary interest in the Corporation;
- (b) to promote greater alignment of interests between directors, officers, employees and other eligible service providers and the shareholders of the Corporation;
- (c) to associate a portion of the compensation payable to officers, directors, employees and other eligible service providers with the returns achieved by shareholders of the Corporation; and
- (d) to attract and retain officers, directors, employees and other eligible service providers with the knowledge, experience and expertise required by the Corporation.

1.3 Legacy Plans; Legacy Options. This Plan constitutes a replacement of the Corporation's Stock Option Plan dated May 10, 2017 (the "**Legacy Stock Option Plan**"), the Corporation's Performance Share Unit Plan dated May 10, 2017 (the "**Legacy PSU Plan**"), and the Corporation's Deferred Share Unit Plan dated May 10, 2017 (the "**Legacy DSU Plan**"), and together with the Legacy Stock Option Plan and the Legacy PSU Plan, collectively the "**Legacy Plans**"). Subject to compliance with the rules of the Stock Exchange, all outstanding options granted under the Legacy Option Plan (the "**Legacy Options**") shall continue to be outstanding as awards granted under and subject to the terms of this Plan, provided however that all existing Legacy Options remain in force in accordance with their exercise price, vesting and expiry terms.

1.4 Definitions Used Throughout this Plan.

- (a) "**ABCA**" means the Business Corporations Act (Alberta).
- (b) "**Affiliate**" has the meaning set forth in the ABCA.
- (c) "**Applicable Law**" means any applicable provision of law, domestic or foreign, including, without limitation, applicable securities legislation, together with all regulations, rules, policy statements, rulings, notices, orders or other instruments promulgated thereunder, and Stock Exchange Rules.
- (d) "**Beneficiary**" means, subject to Applicable Law, an individual who has been designated by a Participant, in such form and manner as the Board may determine, to receive benefits payable under the Plan upon the death of the Participant, or, where no such designation is validly in effect at the time of death, the Participant's legal representative.
- (e) "**Blackout Period**" means a period of time when, pursuant to any policies of the Corporation, any securities of the Corporation may not be traded by certain persons as designated by the Corporation, including any holder of a Grant.
- (f) "**Board**" means the Board of Directors of the Corporation.

- (g) **"Business Day"** means a day on which there is trading on the Stock Exchange (or, if the Shares are not then listed and posted for trading on the Stock Exchange, such other stock exchange on which the Shares are then listed and posted for trading, and if none, a day that is not a Saturday or Sunday or a national legal holiday in Canada);
- (h) **"Cause"** shall mean, unless the applicable Grant Agreement states otherwise,
 - (i) if the Participant is a party to an employment or service agreement with the Corporation or its Affiliates and such agreement provides for a definition of cause, the definition contained therein; or
 - (ii) if no such agreement exists, or such agreement exists but does not contain a definition of cause, then anything which constitutes just cause for termination of employment at common law including, without limitation: (A) the wilful failure of the Participant to carry out the Participant's duties properly or to comply with the Corporation's rules, policies and practices; (B) improper conduct of the Participant which is materially detrimental to the financial interests of the Corporation; or (C) the conviction of the Participant for fraud, embezzlement or theft.
- (i) **"Change in Control"** means:
 - (i) the acquisition by any "offeror" (as defined in the *Securities Act* (Alberta)) of beneficial ownership of more than 50% of the outstanding voting securities of the Corporation, by means of a take-over bid or otherwise;
 - (ii) any consolidation, reorganization, merger, amalgamation or statutory amalgamation or arrangement of the Corporation with or into another corporation, a separation of the business of the Corporation into two or more entities, or pursuant to which Shares would be converted into cash, securities or other property, other than a merger of the Corporation in which shareholders immediately prior to the merger have the same proportionate ownership of stock of the surviving corporation immediately after the merger;
 - (iii) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Corporation;
 - (iv) the approval by the Shareholders of any plan of liquidation or dissolution of the Corporation; or
 - (v) the replacement by way of election or appointment at any time of 50% or more of the total number of the then incumbent members of the Board, unless such election or appointment is approved by 50% or more of the Board in office immediately preceding such election or appointment in circumstances where such election or appointment is to be made other than as a result of a dissident public proxy solicitation, whether actual or threatened.
- (j) **"Consultant"** means an individual or corporation, other than an Executive Officer of the Corporation or an Affiliate, that is engaged to provide consulting, technical, management or other services to the Corporation or an Affiliate under a written consulting agreement;
- (k) **"Corporation"** means High Arctic Energy Services Inc., and includes any successor corporation thereof.

- (l) **"Deferred Share Unit" or "DSU"** means a unit credited by the Corporation to an Eligible Director (as defined herein) by way of a bookkeeping entry in the books of the Corporation, as determined by the Board, pursuant to the Plan.
- (m) **"Director"** means a director of the Corporation from time to time.
- (n) **"Disability"** means:
 - (i) where a Participant has a written employment agreement with the Corporation or an Affiliate and such agreement provides for a definition of disability, the definition contained therein; or
 - (ii) if no such agreement exists, or such agreement exists but does not contain a definition of disability, then a Participant's physical or mental incapacity that prevents him/her from substantially fulfilling his or her duties and responsibilities on behalf of the Corporation or, if applicable, an Affiliate, as determined by the Board and, in the case of a Participant who is an employee of the Corporation or an Affiliate, in respect of which the Participant commences receiving, or is eligible to receive, disability benefits under the Corporation's or Affiliate's long-term disability plan.
- (o) **"Eligible Person"** means any Director, Executive Officer, Employee or Consultant of the Corporation or any Affiliate, including a Service Provider.
- (p) **"Employed"** means, with respect to a Participant, that:
 - (i) the Participant is rendering services to the Corporation or an Affiliate (excluding services as a Director) including as a Service Provider (referred to in Section (ss) as "active Employment"); or
 - (ii) the Participant is not actively rendering services to the Corporation or an Affiliate due to an approved leave of absence, maternity or parental leave or leave on account of Disability.
 - (iii) For greater certainty, any determination of whether a Participant is Employed on a Vesting Date shall be made without regard to any period of notice, pay in lieu of notice (paid by way of lump sum or salary continuance), benefits continuance or other termination-related payments or benefits to which the Participant may be entitled pursuant to the common law or otherwise, subject only to the express minimum requirements of applicable employment standards legislation.

and **"Employment"** has the corresponding meaning.

- (q) **"Employee"** means any individual who is an employee of the Corporation or any Affiliate;
- (r) **"Executive Officer"** means an Employee who is:
 - (i) the president and/or chief executive officer of the Corporation,
 - (ii) a vice-president of the Corporation, or

any other Employee which the Board determines, in its sole discretion, is an executive officer or whom the Board believes may have the ability to impact the long-term goals and objectives of the Corporation or its Affiliates, as applicable;

- (s) **"Exercise Price"** means the price payable by a Participant to purchase one Share on exercise of an Option, which shall not be less than the Market Price.
- (t) **"Fair Market Value"** of a Share means:
 - (i) where the Shares are not listed on a Stock Exchange, the fair market value of a Share on a particular date shall be the value as determined by the Board in its sole discretion and in good faith; and
 - (ii) where the Shares are listed on a Stock Exchange, the Market Price.
- (u) **"Governmental Authority"** means any government, regulatory authority, governmental department, agency, commission, bureau, official, minister, Crown corporation, court, body, board, tribunal or dispute settlement panel or other law, rule or regulation-making organization or entity:
 - (i) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or
 - (ii) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;
- (v) **"Grant"** means a grant or right granted under the Plan consisting of one or more Options, RSUs, PSUs or DSUs or such other award as may be permitted hereunder.
- (w) **"Grant Agreement"** means an agreement between the Corporation and a Participant evidencing a Grant and setting out the terms under which such Grant is made, together with such schedules, amendments, deletions or changes thereto as are permitted under the Plan.
- (x) **"Grant Date"** means the effective date of a Grant.
- (y) **"Insider"** has the meaning set out in the TSX Company Manual.
- (z) **"Legacy Option Plan"** has the meaning given in Section 1.3.
- (aa) **"Legacy Plans"** has the meaning given in Section 1.3.
- (bb) **"Legacy PSU Plan"** has the meaning given in Section 1.3.
- (cc) **"Legacy DSU Plan"** has the meaning given in Section 1.3.
- (dd) **"Market Price"** means the volume weighted average trading price per share for the Shares on the Stock Exchange for the five (5) consecutive Trading Days ending on the last Trading Day preceding the applicable day.
- (ee) **"Misconduct"** means
 - (i) serious misconduct, including conduct which has a significant negative impact on the reputation or operations of the Corporation or its Affiliates;
 - (ii) fraud;

- (iii) a material breach of the terms of employment or engagement, including wilful breach of the provisions of applicable Corporation policies in effect from time to time; or
 - (iv) failure or wilful refusal to substantially perform the employee's duties and responsibilities or, if a director, act in accordance with a director's fiduciary obligations;
- (ff) **"Option"** means an option to purchase a Share granted by the Board to an Eligible Person in accordance with Section 3 and Section 9.1.
- (gg) **"Participant"** means an Eligible Person to whom a Grant is made and which Grant or a portion thereof remains outstanding.
- (hh) **"Performance Conditions"** means such financial, personal, operational or transaction-based performance criteria as may be determined by the Board in respect of a Grant to any Participant or Participants and set out in a Grant Agreement. Performance Conditions may apply to the Corporation, an Affiliate, the Corporation and its Affiliates as a whole, a business unit of the Corporation or group comprised of the Corporation and some Affiliates or a group of Affiliates, either individually, alternatively or in any combination, and measured either in total, incrementally or cumulatively over a specified performance period, on an absolute basis or relative to a pre-established target or milestone, to previous years' results or to a designated comparator group, or otherwise, and may incorporate multipliers or adjustments based on the achievement of any such performance criteria.
- (ii) **"Performance Share Unit" or "PSU"** means a right granted to an Eligible Person in accordance with Section 3.1(c) and (d) and Section 3.1 to receive a Share or the Market Price, as determined by the Board, that generally becomes Vested, if at all, subject to the attainment of certain Performance Conditions and satisfaction of such other conditions to Vesting, if any, as may be determined by the Board.
- (jj) **"Person"** means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, Governmental Authority, and where the context requires any of the foregoing when they are acting as trustee, executor, administrator or other legal representative.
- (kk) **"Plan"** means this High Arctic Energy Services Inc. Omnibus Incentive Plan, including any schedules or appendices hereto, as may be amended from time to time.
- (ll) **"Restricted Share Unit" or "RSU"** means a right granted to an Eligible Person in accordance with Section 3.1(c) and (d) and Section 3.1 to receive a Share or the Market Price, as determined by the Board, that generally becomes Vested, if at all, following a period of continuous Employment of the Participant.
- (mm) **"Service Provider"** means a person or company, other than an employee, officer or director of the Corporation or an Affiliate, that:
 - (i) is engaged to provide, on a bona fide basis, for an initial, renewable or extended period of twelve (12) months or more, services to the Corporation or an Affiliate;
 - (ii) provides the services under a written contract between the Corporation or an Affiliate and the person or company; and

- (iii) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or an Affiliate.
- (nn) **"Share"** means a common share in the capital of the Corporation or, in the event of an adjustment contemplated by Section 6.1, such other security to which a Participant may be entitled upon the exercise or settlement of a Grant as a result of such adjustment.
- (oo) **"Share Unit"** means either an RSU or a PSU, as the context requires.
- (pp) **"Shareholder"** means a holder of one or more Shares.
- (qq) **"Stock Exchange"** means the Toronto Stock Exchange or such other stock exchange on which the Shares are listed, or if the Shares are not listed on any stock exchange, then on the over-the-counter market.
- (rr) **"Stock Exchange Rules"** means the applicable rules of the Stock Exchange.
- (ss) **"Tax Act"** means the *Income Tax Act* (Canada) and the regulations thereto, as amended from time to time.
- (tt) **"Termination"** means (i) the termination of a Participant's Employment with the Corporation or an Affiliate (other than in connection with the Participant's transfer to Employment with the Corporation or another Affiliate), which shall occur on the earlier of the date on which the Participant ceases to render services to the Corporation or Affiliate, as applicable, and the date on which the Corporation or an Affiliate, as applicable, delivers notice of the termination of the Participant's employment or contract for services, whether such termination is lawful or otherwise, without giving effect to any period of notice or pay in lieu of notice (paid by way of lump sum or salary continuance), benefits continuance or other termination-related payments or benefits to which the Participant may be entitled pursuant to the common law or otherwise (except as expressly required by applicable employment standards legislation), but, for greater certainty, a Participant's absence from active work during a period of vacation, temporary illness, authorized leave of absence, maternity or parental leave or leave on account of Disability shall not be considered to be a "Termination", and (ii) in the case of a Participant who does not return to active Employment with the Corporation or an Affiliate immediately following a period of absence due to vacation, temporary illness, authorized leave of absence, maternity or parental leave or leave on account of Disability, such cessation shall be deemed to occur on the last day of such period of absence, and **"Terminated"** and **"Terminates"** shall be construed accordingly.
- (uu) **"Termination Date"** means, in relation to a Participant, that date on which the Participant is Terminated.
- (vv) **"Time Vesting"** means any conditions relating to the passage of time or continued service with the Corporation or an Affiliate for a period of time in respect of a Grant, as may be determined by the Board.
- (ww) **"Trading Day"** means a day on which the Stock Exchange is open for trading and on which the Shares actually traded.
- (xx) **"TSX"** means the Toronto Stock Exchange.
- (yy) **"Vested"** means, with respect to any Option, Share Unit or other award included in a Grant, that the applicable conditions with respect to Time Vesting, achievement of Performance

Conditions and/or any other conditions established by the Board have been satisfied or, to the extent permitted under the Plan, waived (and "**Vesting**" and any other applicable derivative term shall be construed accordingly).

(zz) "**Vesting Date**" means the date on which the applicable Time Vesting, Performance Conditions and/or any other conditions for an Option, Share Unit or other award included in a Grant becoming Vested are met, deemed to have been met or waived as contemplated in Section (yy).

(aaa) "**Withholding Taxes**" has the meaning set forth in Section 7.1.

2. CONSTRUCTION AND INTERPRETATION

2.1 As used in this Plan, words importing the masculine gender shall include the feminine and neuter genders and words importing the singular shall include the plural and vice versa, unless the context otherwise requires and references to a person includes any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation (with or without share capital), unincorporated association, trust, trustee, executor, administrator or other legal representative.

2.2 If any provision or part of the Plan is determined to be void or unenforceable in whole or in part, such determination shall not affect the validity or enforcement of any other provision or part thereof.

2.3 The headings of the articles, sections and clauses are inserted herein for convenience of reference only and shall not affect the meaning of construction thereof. A reference to a section or schedule shall, except where expressly stated otherwise, mean a section or schedule of the Plan, as applicable.

2.4 Unless otherwise specified, time periods wherein, or following which, any payment (whether in cash or Shares) is to be made or any act is to be done, shall be calculated by excluding the day on which the period begins, including the day on which the period ends, and abridging the period to the immediately preceding Business Day in the event that the last day of the period is not a Business Day. In the event an action is required to be taken or a payment (whether in cash or Shares) is required to be made on a day which is not a Business Day, such action shall be taken or such payment shall be made on the immediately preceding Business Day.

3. ADMINISTRATION

3.1 The Plan shall be administered by the Board, or any committee established by the Board for the purpose of administering the Plan, in accordance with its terms and subject to Applicable Law. Subject to and consistent with the terms of the Plan, in addition to any authority of the Board specified under any other terms of the Plan, the Board shall have full and complete discretionary authority to:

- (a) interpret the Plan and Grant Agreements;
- (b) prescribe, amend and rescind such rules and regulations and make all determinations necessary or desirable for the administration and interpretation of the Plan and instruments of grant evidencing Grants;
- (c) determine those Eligible Persons who may receive Grants as Participants, grant one or more Grants to such Participants and approve or authorize the applicable form and terms of the related Grant Agreement;
- (d) determine the terms and conditions of Grants granted to any Participant, including, without limitation, as applicable (i) the value of a Grant and the number of Shares subject to a Grant, (ii) the Exercise Price for Shares subject to an Option, (iii) the conditions of Vesting of a Grant or any portion thereof, including, as applicable, the period for achievement of

any applicable Performance Conditions as a condition to Vesting, and the conditions, if any, upon which Vesting of any Grant or any portion thereof will be waived or accelerated without any further action by the Board, (iv) the circumstances upon which a Grant or any portion thereof shall be forfeited, cancelled or expire, (v) the consequences of a Termination with respect to a Grant, (vi) the manner of exercise or settlement of the Vested portion of a Grant, (vii) whether, and the terms upon which, a Grant may be settled in cash, Shares or a combination thereof, and (viii) whether, and the terms upon which, any Shares delivered upon exercise or settlement of a Grant must be held by a Participant for any specified period of time;

- (e) determine whether, and the extent to which, any Performance Conditions or other conditions applicable to the Vesting of a Grant have been satisfied or shall be waived or modified;
- (f) make such rules, regulations and determinations as it deems appropriate under the Plan in respect of any leave of absence or Disability of any Participant. Without limiting the generality of the foregoing, the Board shall be entitled to determine:
 - (i) whether or not any such leave of absence shall constitute a Termination within the meaning of the Plan;
 - (ii) the impact, if any, of any such leave of absence on Grants issued under the Plan made to any Participant who takes such leave of absence (including, without limitation, whether or not such leave of absence shall cause any Grants to expire and the impact upon the time or times such Grants shall be exercisable);
- (g) amend the terms of any Grant Agreement or other documents evidencing Grants;
- (h) determine whether, and the extent to which, adjustments shall be made pursuant to Section 6 and the terms of such adjustments;
- (i) correct any defect or supply any omission or reconcile any inconsistency in the Plan in the manner and to the extent it considers necessary or advisable for the proper implementation and administration of the Plan; and
- (j) make all other determinations and take all other actions as it considers necessary or advisable for the implementation and administration of the Plan.

3.2 All determinations, interpretations, rules, regulations, or other acts of the Board respecting the Plan or any Grant made in its sole discretion are final, conclusive and binding on the Corporation, the Participants, any Beneficiary and all other persons.

3.3 Each Participant shall provide the Corporation and the Board with all information (including "personal information" as defined in the *Personal Information Protection and Electronic Documents Act* (Canada) or any applicable provincial privacy legislation) they require in order to administer the Plan or to permit the Participant to participate in the Plan (the "**Participant Information**"). The Corporation and the Board may from time to time transfer or provide access to the Participant Information to a third party service provider for purposes of the administration of the Plan provided that such service providers will be provided with such information for the sole purpose of providing services to the Corporation in connection with the operation and administration of the Plan and provided further that such service provider agrees to take appropriate measures to protect the Participant Information and not to use it for any purpose except to administer or operate the Plan. The Corporation may also transfer and provide access to Participant Information to its Affiliates for purposes of preparing financial statements or other necessary reports and facilitating payment or reimbursement of Plan expenses. In addition, Participant Information may be disclosed or transferred to another party during the course of, or completion of, a change in ownership of,

or the grant of a security interest in, all or a part of the Corporation or its Affiliates, provided that such party is bound by appropriate agreements or obligations and required to use or disclose the Participant Information in a manner consistent with this Section 3.3. The Corporation shall not disclose Participant Information except as contemplated in this Section 3.3 or in response to regulatory filings or other requirements for the information by a Governmental Authority or regulatory body or a self-regulatory body in which the Corporation participates in order to comply with Applicable Law or for the purpose of complying with a subpoena, warrant or other order by a court, person or body having jurisdiction over the Corporation to compel production of the information. By participating in the Plan, each Participant acknowledges that Participant Information may be so provided as set forth above and agrees and consents to its provision on the terms set forth herein.

3.4 The Board may prescribe terms for Grant Agreements in respect of Eligible Persons who are subject to the laws of a jurisdiction other than Canada in connection with their participation in the Plan that are different than the terms of the Grant Agreements for Eligible Persons who are subject to the laws of Canada in connection with their participation in the Plan, and/or deviate from the terms of the Plan set out herein, for purposes of compliance with Applicable Law in such other jurisdiction or where, in the Board's opinion, such terms or deviations are necessary or desirable to obtain more advantageous treatment for the Corporation, an Affiliate or the Eligible Person in respect of the Plan under the Applicable Law of the other jurisdiction.

3.5 Notwithstanding the foregoing, the terms of any Grant Agreement authorized pursuant to this Article 3 shall be consistent with the Plan to the extent practicable having regard to the Applicable Law of the jurisdiction in which such Grant Agreement is applicable and in no event shall contravene the Applicable Law of Canada.

3.6 The Board may, in its discretion, subject to Applicable Law, delegate any or all of its administrative responsibilities under the Plan and powers related thereto to one or more persons including, without limitation, an officer of the Corporation or a committee of the Board (the "**Administrator**"), and all actions taken and decisions made by such Administrator in this regard shall be final, conclusive, and binding on all parties concerned, including but not limited to, the Corporation, the Participants, and any Beneficiary. Should the Board delegate its administrative responsibilities under the Plan to an Administrator, all references to "Board" throughout this Plan shall be read as "Administrator", as applicable.

4. SHARE RESERVE

4.1 Subject to Section 5 and any adjustment pursuant to Section 6.1, the aggregate number of Shares that may be issued pursuant to Grants made under the Plan (including the Legacy Options which are continued under this Plan pursuant to Section 1.3) together with all other security-based compensation arrangements of the Corporation shall not exceed 10% of the aggregate number of issued and outstanding Shares from time to time.

4.2 For purposes of computing the total number of Shares available for grant under the Plan or any other security based compensation arrangement of the Corporation, Shares subject to any Grant (or any portion thereof) that is forfeited, surrendered, cancelled or otherwise terminated, prior to the issuance of such Shares shall again be available for grant under the Plan.

4.3 For greater certainty, any increase in the issued and outstanding Shares (whether it is a result of exercise of Options or settlement of Share Units or otherwise) will result in an increase in the number of Shares that may be issued pursuant to Share Units outstanding at any time and any increase in the number of Share Units granted will, upon the issue of Shares pursuant thereto, make new grants available under this Plan.

4.4 The Corporation shall at all times during the term of the Plan reserve and keep available such numbers of Shares as will be sufficient to satisfy the requirements of the Plan.

5. LIMITATION ON GRANTS

5.1 To Insiders as a group at any point in time. The aggregate number of Shares that are issuable pursuant to Grants to Insiders as a group pursuant to the Plan and any other security-based compensation arrangement of the Corporation at any point in time must not exceed 10% of the total number of issued and outstanding Shares.

5.2 To Insiders as a group within a 12-month period. The aggregate number of Shares that are issued to Insiders as a group pursuant to the Plan and any other security-based compensation arrangement of the Corporation in a twelve (12) month period must not exceed 10% of the total number of issued and outstanding Shares, calculated on the date of Grant to any Insider.

5.3 To any one Person. The aggregate number of Shares that are issued to any one Person (and companies wholly owned by that Person) pursuant to the Plan and any other security-based compensation arrangement of the Corporation in a twelve (12) month period must not exceed 10% of the issued and outstanding Shares, calculated on the date of Grant to the Person.

5.4 The Corporation's right to elect to satisfy the settlement of Grants by the issuance of Shares from treasury will be effective only upon receipt of all necessary shareholder approvals of the Plan, as amended from time to time, as required by the rules, regulations and policies of the Stock Exchange and any other stock exchange on which the Shares are listed or traded.

6. ALTERATION OF CAPITAL AND CHANGE IN CONTROL

6.1 Notwithstanding any other provision of the Plan, and subject to Applicable Law, in the event of any subdivision, consolidation, stock dividend, capital reorganization, reclassification, exchange, or other change with respect to the Shares, or a consolidation, amalgamation, merger, spin-off, sale, lease or exchange of all or substantially all of the property of the Corporation or other distribution of the Corporation's assets to shareholders of the Corporation (other than the payment of ordinary course cash or stock dividends in respect of the Shares), if the Board shall determine that an equitable adjustment should be made, such adjustment shall, subject to Applicable Law (for certainty, including approval of the Stock Exchange if required), be made by the Board to (i) the number of Shares issuable pursuant to the Grant Agreement; (ii) the securities into which the Shares are changed or are convertible or exchangeable; (iii) any Options then outstanding; (iv) the Exercise Price, as appropriate in respect of such Options; and/or (v) with respect to the number of Share Units and/or DSUs outstanding under the Plan, and any such adjustment shall be final, binding and conclusive for all purposes of the Plan.

Notwithstanding the foregoing, should changes be required to the Plan by any securities commission, the Stock Exchange or any other Governmental Authority of any jurisdiction to which the Plan or the Corporation now is or hereafter becomes subject, such changes shall be made to the Plan as are necessary to conform with such requirements and, if such changes are approved by the Board, the Plan, as amended, shall be filed with the records of the Corporation and shall remain in full force and effect in its amended form as of and from the date of its adoption by the Board.

No adjustment provided for pursuant to this Section 6.1 shall require the Corporation to issue fractional Shares in satisfaction of its obligations under the Plan. Any fractional interest in a Share that would, except for the provisions of this Section 6.1, be deliverable upon the exercise of any Grant shall be cancelled and not deliverable by the Corporation.

6.2 In the event of a Change in Control, or a determination by the Board that a Change in Control is expected to occur, prior to the Vesting of a Grant, and subject to the terms of a Participant's written employment agreement or contract for services with the Corporation or an Affiliate and the applicable Grant Agreement, the Board shall have the authority and sole discretion to take all necessary steps so as to ensure the preservation of the economic interests of the Participants in, and to prevent the dilution or enlargement of, any Grant including, without limitation and subject to Applicable Law:

- (a) provide for the acceleration of any Vesting or exercisability of a Grant;
- (b) provide for the deemed attainment of Performance Conditions relating to a Grant;
- (c) provide for the lapse of restrictions relating to a Grant;
- (d) provide for the assumption, substitution, replacement or continuation of any Grant by a successor or surviving corporation (or a parent or subsidiary thereof) with cash, securities, rights or other property to be paid or issued, as the case may be, by the successor or surviving corporation (or a parent or subsidiary thereof);
- (e) provide that a Grant shall terminate or expire unless exercised or settled in full on or before a date fixed by the Board; or
- (f) terminate or cancel any outstanding Grant in exchange for a cash payment (provided that, if as of the date of the Change in Control, the Board determines that no amount would have been realized upon the exercise or settlement of the Grant, then the Grant may be cancelled by the Corporation without payment of consideration).

7. MISCELLANEOUS

7.1 Withholdings. So as to ensure that the Corporation or an Affiliate, as applicable, will be able to comply with the applicable obligations under any federal, provincial, state or local law relating to the withholding of tax or other required deductions ("**Withholding Taxes**"), the Corporation or the Affiliate may withhold or cause to be withheld from any amount payable to a Participant, either under the Plan, or otherwise, such amount as may be necessary to permit the Corporation or the Affiliate, as applicable, to so comply and may take such other action that the Corporation deems necessary to satisfy all obligations for the payment of such Withholding Taxes. Without limiting the generality of the foregoing, the Corporation and any Affiliate may satisfy any liability for any such Withholding Taxes, on such terms and conditions as the Corporation may determine in its sole discretion, by:

- (a) deducting and withholding additional amounts from other amounts payable to a Participant;
- (b) selling on such Participant's behalf, or requiring such Participant to sell, any Shares, and retaining any amount payable which would otherwise be provided or paid to such Participant in connection with any such sale, or
- (c) requiring, as a condition to the delivery of Shares hereunder, that such Participant make such arrangements as the Corporation may require so that the Corporation and its Affiliates can satisfy such Withholding Taxes, including requiring such Participant to remit an amount to the Corporation or an Affiliate in advance, or reimburse the Corporation or any Affiliate for, any such Withholding Taxes, subject to the policies of the Stock Exchange.

7.2 No Right to Continued Employment. Nothing in the Plan or in any Grant Agreement entered into pursuant hereto shall confer upon any Participant the right to continue in the employ or service of the Corporation or any Affiliate, to be entitled to any remuneration or benefits not set forth in the Plan or a Grant Agreement or to interfere with or limit in any way the right of the Corporation or any Affiliate to terminate Participant's employment or service arrangement with the Corporation or any Affiliate without liability for the effect which such dismissal or termination might have upon a Participant other than as expressly provided for herein. No reasonable notice or payment in lieu thereof will extend the period of employment or engagement as a Consultant for purposes of the Plan.

7.3 No Shareholder Rights. Grants of Options, Share Units or DSUs are not Shares and under no circumstances shall such Grants entitle any Participant to any shareholder rights, including, without limitation, voting rights, dividend entitlement or rights on liquidation, nor shall any Participant be considered

the owner of Shares by virtue of a Grant of Options, Share Units or DSUs. The Plan shall be unfunded (including for tax purposes) and the Corporation will not secure its obligations under the Plan. To the extent any Participant or his Beneficiary holds any rights by virtue of a Grant under the Plan, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of the Corporation.

7.4 No Additional Rights. Neither the designation of an individual as a Participant nor the Grant of any Options, Share Units, DSUs or other award to any Participant entitles any person to the Grant, or any additional Grant, as the case may be, of any Options, Share Units, DSUs or other award under the Plan. For greater certainty, the Board's decision to approve a Grant in any period shall not require the Board to approve a Grant to any Participant in any other period; nor shall the Board's decision with respect to the size or terms and conditions of a Grant in any period require it to approve a Grant of the same or similar size or with the same or similar terms and conditions to any Participant in any other period. The Board shall not be precluded from approving a Grant to any Participant solely because such Participant may have previously received a Grant under the Plan or any other similar compensation arrangement of the Corporation or an Affiliate. No Eligible Person has any claim or right to receive a Grant except as may be provided in a written employment or services agreement between an Eligible Person and the Corporation or an Affiliate.

7.5 Liability. None of the Corporation, the Board, the Administrator or any person acting on their direction or authority shall be liable for anything done or omitted to be done by such person with respect to the price, time, quantity or other conditions and circumstances of the issuance or purchase of Shares under the Plan or with respect to any fluctuations in the Market Price of the Shares or in any other connection under the Plan. To the fullest extent permitted by law, the Corporation shall indemnify and save harmless each person made, or threatened to be made, a party to any action or proceeding in respect of the Plan by reason of the fact that such person is or was a member of the Board (or otherwise an officer or member of a committee of the Board or where the Board has designated such person as an Administrator hereunder).

No amount will be paid to, or in respect of, a Participant under the Plan to compensate for a downward fluctuation in the price of Shares which impacts any Grants, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose. The Corporation makes no representations or warranties to a Participant with respect to the Plan or the Grants granted whatsoever. In seeking the benefits of participation in the Plan, a Participant agrees to exclusively accept all risks associated with a decline in the Market Price of Shares and all other risks associated with the holding of Grants.

7.6 Voluntary Participation. Participation in the Plan is entirely voluntary and is not obligatory and shall not be interpreted as conferring on such Participant any rights or privileges other than those expressly provided for herein.

7.7 Amendment, Suspension, Termination.

- (a) The Board may terminate or discontinue the Plan at any time without the consent of the Participants provided that such termination or discontinuance shall not alter or impair any Grants previously granted under the Plan or which would cause the Plan, or any Share Units granted hereunder, to cease to comply with paragraph (k) of the definition of "salary deferral arrangement" in subsection 248(1) of the Tax Act or any successor provision thereto.
- (b) No amendment of the Plan may contravene the requirements of the Stock Exchange or any securities commission or regulatory body to which the Plan or the Corporation is now or may hereafter be subject to or cause the Plan, or any Grants hereunder, to cease to comply with Applicable Law.
- (c) The Board may by resolution amend this Plan and Grants issued thereunder without shareholder approval to the extent that such amendments relate to among other things:

- (i) changing the termination provisions of a Grant, provided that the change does not entail an extension beyond the original expiry date;
 - (ii) determining the adjustment provisions pursuant to Article 6 of the Plan;
 - (iii) altering, extending or accelerating the terms of vesting or the conditions to vesting applicable to any Grant;
 - (iv) ensure that Share Units granted under the Plan will comply with any provisions respecting share units or other security based compensation arrangements in the Tax Act or other Applicable Law in force in any country or jurisdiction of which a Participant to whom a Share Unit has been granted may from time to time perform services or be resident;
 - (v) make amendments of a procedural or "housekeeping" nature;
 - (vi) amending or modifying the mechanics of exercising an entitlement pursuant to a Grant; and
 - (vii) suspending or terminating the Plan.
- (d) The Board may amend any particular Grant with the consent of the affected Participant and the Stock Exchange, if required, including any shareholder approval required by the Stock Exchange. If the amendment of a Grant requires shareholder approval under Applicable Law, such amendment may be made prior to such approvals being given, but no such amended Grant may be exercised or settled unless and until such approvals are given.

7.8 Misconduct. Subject to the terms of the relevant Grant Agreement and any other binding agreement between the Participant and the Corporation, and unless otherwise determined by the Board, if it is determined that there has been Misconduct by a Participant:

- (a) any Share Units which remain unvested prior to the determination date of such Misconduct, including dividend equivalents in respect of such Share Units, shall not vest and all such Share Units shall be forfeited and cancelled immediately; and
- (b) any Deferred Share Units accumulated and remaining on a Participant's Account as at the determination date of such Misconduct, including dividend equivalents in respect of such Deferred Share Units, shall be forfeited and cancelled immediately.

This Plan and any actions hereunder will be subject to application of any clawback or similar policies of the Corporation in effect at the applicable time and from time to time.

7.9 Compliance with Applicable Law.

- (a) The Plan, any Grants, and the exercise or settlement of any Grants and the Corporation's obligation to sell, issue and deliver any Shares upon exercise or settlement of any Grants shall be subject to all Applicable Law and to such approvals by any Governmental Authority as may be required. The Corporation shall not be obligated by the existence of the Plan or any provision of the Plan or the grant, settlement or exercise of Grants hereunder to sell, issue or deliver Shares upon exercise or settlement of Grants in violation of such laws, policies, rules and regulations or any condition or requirement of such approvals.
- (b) No Grants shall be granted and no Shares sold, issued or delivered hereunder where such grant, sale, issue or delivery would require registration or other qualification of the Plan or

of the Shares under Applicable Law, and any purported Grant or any sale, issue and delivery of Shares hereunder in violation of this provision shall be void. In addition, the Corporation shall have no obligation to sell, issue or deliver any Shares hereunder unless such Shares shall have been duly listed, upon official notice of issuance, with all stock exchanges on which the Shares are listed for trading.

- (c) Any Shares sold, issued and delivered to Participants pursuant to the exercise or settlement of Grants shall be subject to restrictions on resale and transfer under Applicable Law (including any required hold periods imposed in relation to grants to Insiders or promoters) or other markets on which the Shares are listed or quoted for trading, and any certificates representing such Shares shall bear, as required, a restrictive legend in respect thereof.
- (d) To the extent that applicable Stock Exchange requirements require shareholder approval, any Grants hereunder will be subject to obtaining such shareholder approval as required by applicable Stock Exchange requirements. If any Shares cannot be issued to any Participant for any reason, including, without limitation, the failure to obtain any such approval, then the obligation of the Corporation to issue such Shares shall terminate and any Exercise Price paid by Participant to the Corporation shall be immediately refunded to the Participant by the Corporation.

7.10 Currency. Except where the context otherwise requires, all references in the Plan to currency refer to lawful Canadian currency. All payments and benefits under the Plan shall be determined and paid in the lawful currency of Canada. Any amounts required to be determined under the Plan that are denominated in a currency other than Canadian dollars shall be converted to Canadian dollars at the applicable Bank of Canada noon rate of exchange on the date as of which the amount is required to be determined.

7.11 Administration Costs. The Corporation will be responsible for all costs relating to the administration of the Plan.

7.12 Designation of Beneficiary. Subject to the requirements of Applicable Law, a Participant may designate in writing a Beneficiary to receive any benefits that are payable under the Plan upon the death of such Participant. The Participant may, subject to Applicable Law, alter or revise such designation from time to time. The original designation or any change thereto shall be in the form as the Board may, from time to time, determine. A Beneficiary designation under this Section 7.12 and any subsequent changes thereto shall be filed with the Chief Executive Officer of the Corporation or the Administrator.

7.13 Governing Law. The Plan and any Grants pursuant to the Plan shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein. Any reference in the Plan, in any Grant Agreement issued pursuant to the Plan or in any other agreement or document relating to the Plan to a provision of law or rule or regulation shall be deemed to include any successor law, rule or regulation of similar effect or applicability.

7.14 Assignability. The Plan shall inure to the benefit of and be binding upon the Corporation, its successors and assigns.

7.15 Non-Transferability. Unless otherwise provided in the Plan or in the applicable Grant Agreement, no Grant, and no rights or interests therein, shall or may be assigned, transferred, sold, exchanged, encumbered, pledged or otherwise hypothecated or disposed of by a Participant other than by testamentary disposition by the Participant or the laws of intestate succession, subject to the policies of the Stock Exchange. No such interest shall be subject to execution, attachment or similar legal process including without limitation seizure for the payment of the Participant's debts, judgments, alimony or separate maintenance.

8. EFFECTIVE DATE

8.1 This Plan shall take effect on May 26, 2025. The issuance of Grants under the Plan is subject to acceptance of the Plan by the Stock Exchange and any other relevant regulatory authorities and approval of the Shareholders.

PART II- OPTIONS

9. OPTION GRANTS AND PROVISIONS

9.1 The Corporation may, from time to time, make one or more Grants of Options to Eligible Persons on such terms and conditions, consistent with the Plan, as the Board shall determine. In granting such Options, subject to the provisions of the Plan, the Board shall specify,

- (a) the maximum number of Shares which the Participant may purchase under the Options;
- (b) the Exercise Price at which the Participant may purchase his or her Shares under the Options; and
- (c) the term of the Options, to the maximum term permitted by the Stock Exchange, from the Grant Date of the Options, the Vesting period or periods within this period during which the Options or a portion thereof may be exercised by a Participant and any other Vesting conditions.

9.2 The Exercise Price for each Share subject to an Option shall be determined by the Board, subject to Stock Exchange approval as required, but under no circumstances shall any Exercise Price be less than the Market Price for the Shares at the date of grant.

9.3 The Board shall determine the manner in which an Option shall vest and become exercisable as set forth in the applicable Grant Agreement as well as the expiry date, subject to the condition that the expiry of any Option shall not exceed the maximum term permitted by the Stock Exchange. Should the expiry date of an option fall within a Blackout Period or within nine Business Days following the expiration of a Blackout Period, such expiry date of the option shall be automatically extended without any further act or formality to that date which is the tenth Business Day after the end of the Blackout Period, such tenth Business Day to be considered the expiry date for such Option for all purposes under the Plan. The ten Business Day period referred to in this section may not be extended by the Board.

9.4 Subject to the provisions of the Plan and the terms governing the granting of the Option, and subject to payment or other satisfaction of all related withholding obligations in accordance with Section 7.1, Vested Options or a portion thereof may be exercised from time to time by delivery to the Corporation at its registered office of a notice in writing signed by the Participant or the Participant's legal personal representative, as the case may be, and addressed to the Corporation ("**Exercise Notice**"). The Exercise Notice shall state the intention of the Participant or the Participant's legal personal representative to exercise the said Options and the number of Shares in respect of which the Options are then being exercised and must be accompanied by payment in full of the Exercise Price under the Options which are the subject of the exercise.

9.5 The Board may from time to time, in its sole discretion, permit Options to be surrendered, unexercised, to the Corporation in consideration of the receipt by the Participant of an amount equal to the difference, if any, between the aggregate Fair Market Value of the Shares purchasable pursuant to the exercisable portion of such option on the date of the surrender and the aggregate exercise price with respect to such Shares pursuant to such option (the "**Net Share Exercise Right**"). Such amount may be payable in cash, Common Shares or a combination thereof, as the Board may from time to time, in its sole discretion, determine.

9.6 If permitted by the Corporation, the Exercise Notice may also be accompanied by the Participant's election to provide payment in full of the aggregate Exercise Price and any Withholding Taxes in respect of

the vested Options being exercised pursuant to a broker-assisted cashless exercise whereby the Participant or his or her legal representative shall elect on the Exercise Notice to receive: (i) an amount in cash equal to the cash proceeds realized upon the sale in the capital markets of the Shares underlying the vested Options by a securities dealer designated by the Corporation, less the aggregate Exercise Price, any Withholding Taxes, and any transfer costs charged by the securities dealer to sell the Shares; (ii) an aggregate number of Shares that is equal to the number of Shares underlying the vested Options minus the number of Shares sold in the capital markets by a securities dealer designated by the Corporation as required to realize cash proceeds equal to the aggregate Exercise Price, any Withholding Taxes and any transfer costs charged by the securities dealer to sell the Shares; or (iii) a combination of (i) and (ii).

9.7 No person entitled to exercise any Option granted under the Plan shall have any of the rights or privileges of a shareholder of the Corporation in respect of any Shares issuable upon exercise of such option until certificates representing such Shares shall have been issued and delivered.

9.8 The ability of a Participant to exercise Options and the obligation of the Corporation to issue and deliver Shares in accordance with the Plan is subject to any approvals which may be required from shareholders of the Corporation and any Governmental Authority or Stock Exchange having jurisdiction over the securities of the Corporation. If any Shares cannot be issued to any Participant for whatever reason, the obligation of the Corporation to issue such Shares shall terminate and any Exercise Price paid to the Corporation will be returned to the Participant.

10. CEASING TO BE A DIRECTOR, OFFICER, EMPLOYEE OR CONSULTANT

10.1 Subject to the applicable Grant Agreement, if a Participant shall cease to be a Director, Officer, Employee, Consultant or Service Provider of the Corporation or its Affiliates, for any reason (other than Termination for Cause or death, or Disability), such Participant may exercise his Option to the extent that the Participant was entitled to exercise it at the date of such cessation, provided that such exercise must occur by the close of business on the date which is 90 days after the Termination Date.

10.2 Notwithstanding Section 10.1, but subject to the applicable Grant Agreement, in the event that a Participant who is an Employee is terminated by the Corporation for Cause (as defined below), all unvested Options and any Options that have not yet been exercised, shall be cancelled and of no further effect as of the Participant's Termination Date (as defined below).

10.3 Unless otherwise provided in a Grant Agreement, in the event that an Option holder's service terminates as a result of Disability, any Option held by the Option holder shall continue to vest in accordance with its terms and may be exercised or surrendered in accordance with Section 9 at any time until the Option's expiry date.

10.4 For greater certainty, a Participant shall have no right to receive Shares or a cash payment, as compensation, damages or otherwise, with respect to any Options that do not become Vested or that are not exercised before the date on which the Options expire.

11. DEATH OF A PARTICIPANT

11.1 In the event of the death of a Participant, the Option previously granted to such Participant shall be exercisable only within the one (1) year after the date of death, and then only:

- (a) by the Person or Persons to whom the Participant's rights under the Option shall pass by the Participant's will or the laws of descent and distribution; and
- (b) if and to the extent the Participant was entitled to exercise the Option at the date of the Participant's death.

PART III- SHARE UNITS

12. GRANT OF SHARE UNITS

- 3.1 The Board may from time to time grant Share Units, which upon issuance shall be designated as either Performance Share Units or Restricted Share Units, to a Participant in such numbers, at such times and on such terms and conditions, consistent with the Plan, as the Board may in its sole discretion determine; provided, however, that no Share Units will be granted after December 15 of a given calendar year.
- 3.2 For greater certainty, the Board shall, in its sole discretion, determine any and all conditions of Vesting of any Share Units granted to a Participant, which vesting conditions may be based on either or both of:
- (a) the Participant's continued employment with, or provision of consulting services to, the Corporation or an Affiliate; and
 - (b) such other terms and conditions as the Board may determine in accordance with Section 12.2, including, without limitation, the satisfaction of certain Performance Conditions,

provided that no vesting condition for a Share Unit granted to a Participant shall extend beyond December 15 of the third calendar year following the service year in respect of which the Share Units were granted, and all vesting conditions for a Share Unit granted to an Executive Officer shall be such that the Share Unit complies at all times with the exception in paragraph (k) of the definition of "salary deferral arrangement" in subsection 248(1) of the Tax Act.

12.2 Subject to the terms of the Plan, the Board may stipulate additional terms and conditions applicable to a particular grant of Share Units, which shall be specified in the applicable Grant Agreement. The additional terms and conditions may apply to all or a portion of the Share Units granted to a particular Participant, and may provide for graduated vesting contingent upon the satisfaction of certain conditions (where such graduated vesting may be in the form of different percentages which may be greater or lesser than 100%). The Board may, in its discretion, subsequent to the Grant Date of a Share Unit, waive any such term or condition included in a Grant Agreement, or determine that such terms and conditions have been satisfied, subject to Applicable Law. For greater certainty, no term or condition imposed under a Grant Agreement may have the effect of causing settlement and payout of a Share Unit to occur after December 31 of the third calendar year in which the services giving rise to the Grant were rendered.

12.3 No certificates shall be issued with respect to Share Units.

12.4 The Board shall keep or deferred to be kept such records and accounts as may be necessary or appropriate in connection with the administration of the Plan and the discharge of its duties, which records shall, absent manifest error, be considered conclusively determinative of all information contained therein.

12.5 The Corporation shall maintain in its books an Account for each Participant recording at all times the number of Share Units standing to the credit of such Participant. Share Units that (i) fail to vest in a Participant pursuant to the provisions of the Plan or Grant Agreement, or (ii) that are paid out to the Participant or his Beneficiary, shall be cancelled and shall cease to be recorded in the Participant's Account as of the date on which such Share Units are forfeited or cancelled under the Plan or are paid out, as the case may be.

12.6 No Executive Officer or Consultant has any claim or right to be granted a Share Unit under the Plan.

13. VESTING AND SETTLEMENT OF SHARE UNITS

13.1 Except as otherwise provided herein, the number of Share Units subject to each grant, the expiry date of each Share Unit, the Vesting Dates with respect to each grant of Share Units and other terms and

conditions relating to each such Share Unit shall be determined by the Board. The Board may, in its discretion, subsequent to the time of granting Share Units, permit the vesting of all or any portion of unvested Share Units then outstanding and granted to the Participant under this Plan, in which event all such unvested Share Units then outstanding and granted to the Participant shall be deemed to be immediately vested.

13.2 Settlement.

- (a) On a date (a "**Unit Release Date**") to be selected by the Board following the date a Share Unit has become a Vested Share Unit, which date shall not, in any event, extend beyond December 31 of the third calendar year following the year in which the services giving rise to the Grant were rendered, the Corporation shall either (i) make a cash payment to the Participant equal to the product of the number of Vested Share Units recorded in the Participant's Account multiplied by the Fair Market Value of the Shares on the Unit Release Date, less Withholding Taxes, or (ii) issue from treasury of the Corporation that number of Shares in exchange for the Vested Share Units, less Withholding Taxes.
- (b) Subject to the receipt of all necessary Shareholder approvals as required under the rules, regulations and policies of the Stock Exchange and any other stock exchange on which Shares are listed or traded, the Corporation may, in lieu of the cash payment or issuance of Shares from treasury as contemplated in Section 13.2(a) above, on the Unit Release Date, elect to, through a broker designated by the Corporation who is independent from the Corporation and any Affiliate (the "**Designated Broker**"), acquire on behalf of such Participant, the number of whole Shares that is equal to the number of whole Vested Share Units recorded in the Participant's Account on the Unit Release Date (less any amounts in respect of Withholding Taxes). If the Corporation elects to arrange for the purchase of Shares by a Designated Broker on behalf of the Participant, the Corporation shall contribute to the Designated Broker an amount of cash sufficient, together with any reasonable brokerage fees or commission fees related thereto, to purchase the whole number of Shares to which the Participant is entitled and the Designated Broker shall, as soon as practicable thereafter, purchase those Shares on behalf of such Participant on the Stock Exchange.
- (c) Notwithstanding Sections 13.2(a) and 13.2(b), if on the Unit Release Date a Blackout Period has been imposed upon a Participant which is still in effect, then the Unit Release Date shall occur within ten Business Days following the expiry of the Blackout Period.
- (d) Notwithstanding any other provision of the Plan, but applying Section 13.2(c), if applicable, all amounts payable to, or in respect of, a Participant under this Section 13.2, including, without limitation, the issuance or delivery of Shares or a lump sum cash payment, shall be paid or delivered on or before December 31 of the third calendar year commencing immediately following the calendar year in which the services giving rise to the particular Share Units were rendered.
- (e) Upon payment of any amount pursuant to this Section 13.2 in cash or Shares, as the case may be, the particular Share Units in respect of which such payment was made shall be cancelled in the Participant's Account and on the register maintained by the Corporation and no further payments (whether in Shares or cash or otherwise) shall be made in relation to such Share Units.

13.3 Prior to the Unit Release Date in respect of any Share Units, or prior to the Unit Release Date in the case of a Change in Control or otherwise to the extent that the performance determination has not yet been made, the Board shall assess the performance of the Corporation for the applicable period. The individual measures considered by the Board in assessing the Performance Conditions, including the comparative weighting of such measures, shall be determined by the Board in its sole discretion having regard to the principal purposes of the Plan and, upon the assessment of the Performance Conditions, the

Board shall determine the Corporation's ranking. The applicable payout multiplier in respect of this ranking ("**Payout Multiplier**") shall be as determined by the Board in its sole discretion.

13.4 Immediately prior to each Unit Release Date, the notional number of Vested Share Units shall be adjusted by multiplying such number by the Payout Multiplier applicable to such Share.

14. DIVIDEND EQUIVALENTS

14.1 On any date on which a cash dividend is paid on the Shares, a Participant's Account will be credited with a dividend equivalent in the form of a number of Share Units (including fractional Share Units) calculated by:

- (a) multiplying the amount of the dividend per Share by the aggregate number of Share Units that were credited to the Participant's Account as of the record date for payment of the dividend, and
- (b) dividing the amount obtained in (a) above by the Fair Market Value on the date on which the dividend is paid.

A written confirmation of the balance in each Participant's Account will be sent by the Corporation to the Participant upon request of the Participant.

15. TERMINATION

15.1 Resignation. Subject to the applicable Grant Agreement, in the event a Participant's employment is Terminated as a result of the Participant's resignation (which is not in connection with a constructive dismissal by the Corporation or an Affiliate), no Share Units that have not Vested prior to the date on which the Participant submits his or her resignation, including dividend equivalent Share Units in respect of such Share Units, shall vest and all such Share Units shall be forfeited immediately.

15.2 Termination With Cause. Notwithstanding the provisions of Article 13 and subject to the remaining provisions of this Article 15 and to any express resolution passed by the Board, on a Participant's Termination Date, any Share Units standing to the credit of such Participant which have not become Vested Share Units on or before the Participant's Termination Date, shall immediately terminate and become null and void as of such Termination Date. For greater certainty, no Share Units shall vest during any reasonable notice period.

15.3 Termination Without Cause - Subject to any provisions to the contrary in the employment or consulting agreement of any particular Participant, upon the Termination without Cause of such Participant, unless otherwise determined by the Board in its sole discretion, those Share Units awarded to such Participant that have not yet become Vested Share Units, but would be eligible for vesting and issuance during the notice period specified in such Participant's employment or consulting agreement, shall vest on the Termination Date. For greater certainty, unless otherwise determined by the Board in its sole discretion, in the circumstances provided for in this Section 15.3 the Performance Conditions applicable to any Shares that are subject to the accelerated vesting pursuant to this Section 15.3 shall be determined in accordance with the terms of such Participant's employment or consulting agreement or the Grant Agreement.

15.4 Termination Upon Death or Disability - Where the Participant's Termination Date occurs as a result of the Participant's death or Disability, any Share Units standing to the credit of such Participant shall continue to vest (and be paid out) in the normal course for a period of twelve (12) months extending from the Participant's Termination Date. Any Share Units granted to such Participant which have not become Vested Share Units on or before the date that is the first anniversary of the Participant's Termination Date shall terminate and become null and void as of such date.

PART IV- DEFERRED SHARE UNITS

16. DEFINITIONS USED IN PART IV

16.1 "Annual Remuneration" means all amounts payable to an Eligible Director by the Corporation in respect of the services provided by the Eligible Director to the Corporation in connection with such Eligible Director's service on the Board in a fiscal year, including without limitation (i) the annual base retainer fee for serving as a director, (ii) the annual retainer fee for serving as a member of a Board committee; (iii) the annual retainer fee for chairing a Board committee; and (iv) the fee for attendance at Board meetings and Board committee meetings which amounts shall, unless otherwise determined by the Board, be payable Quarterly in arrears; provided that "Annual Remuneration" shall not include any amounts received by an Eligible Director as a reimbursement for expenses incurred in attending meetings or any DSUs awarded.

16.2 "DSU Account" means the book-entry notional account maintained by the Corporation in its books for an Eligible Director to record the DSUs credited to such Eligible Director, respectively.

16.3 "Election Notice" means the written election under Section 17.2 to receive Deferred Share Units, in such form as may be prescribed by the Board from time to time.

16.4 "Eligible Director" means a member of the Board who is not an Employee of the Corporation or an Affiliate and including any non-executive Chair of the Board.

16.5 "Purchase Date" means, in the case of Deferred Share Units granted to a Participant for a particular Financial Quarter based on the Elected Amount in respect of the portion of the Participant's Annual Remuneration to be earned in such Financial Quarter, the last day of such Financial Quarter, on which date Deferred Share Units representing the Elected Amount are payable to the Participant and shall be deemed to be awarded and credited to the Participant's Account.

16.6 "Quarter" means a fiscal quarter of the Corporation, which, until changed by the Corporation, shall be the three-month period ending March 31, June 30 September 30 and December 31 in any year and "Quarterly" means each Quarter time to time.

16.7 "Redemption Date" means, in respect of a Participant, the later of:

- (a) The third Business Day after the Separation Date; and
- (b) Provided the Participant is not a U.S. Director, such later date, if any, as may be agreed in writing between the Corporation and the Participant before the Separation Date, provided that such date shall not be permitted to be later than December 15th of the calendar year commencing immediately after the Separation Date.

16.8 "Separation Date" means, with respect to an Eligible Director, the earliest date on which both of the following conditions are met: (i) the Eligible Director has ceased to be Employed by the Corporation or any Affiliate thereof for any reason whatsoever; and (ii) the Eligible Director is not a member of the Board nor a director of an Affiliate.

16.9 "Terminated Service" means, with respect to a Participant, that the Participant has ceased to be a Director, other than as a result of death, and has ceased to act in any other capacity with the Corporation (including as an Employee or officer of the Corporation);

16.10 "U.S. Director" means a Director who is a United States citizen or a United States resident as defined under the taxation laws of the United States.

17. GRANT OF DEFERRED SHARE UNITS

17.1 The Board may from time to time grant Deferred Share Units to Eligible Directors, in its sole discretion. Deferred Share Units issued pursuant to this Plan will be credited to an Account maintained for each Participant by the Corporation on the first Business Day of each Financial Quarter or as otherwise determined by the Corporation. The number of Deferred Share Units (including fractional Deferred Share Units) to be credited to a Participant will be determined in accordance with Section 17.3.

17.2 An Eligible Director may elect, in the manner set out in this Section 17.2, to receive all or a portion of the Eligible Director's Annual Remuneration (the "**Elected Amount**") in the form of Deferred Share Units:

- (a) Each Eligible Director may elect, with respect to a Quarter, to be paid a percentage (from zero to 100% in 25% increments) of the Eligible Director's Annual Remuneration payable to the Director in such Quarter, in Deferred Share Units, with the balance, if any, being paid in cash, or a combination thereof.
- (b) To be effective, an election with respect to Annual Remuneration for services must be given to the Corporation not less than five Business Days before the beginning of the Quarter to which the election relates, and in all events before the relevant Annual Remuneration is otherwise payable. The form of notice to be provided by the Eligible Director to the Corporation in respect of an election shall be determined by the Board, from time to time.
- (c) If no election is made in respect of a particular Quarter, the new or existing Eligible Director will receive the Annual Remuneration for such Quarter in cash.
- (d) An election made under this section is irrevocable.
- (e) For greater certainty, no election may be made during a Blackout Period that applies to an Eligible Director.

17.3 The number of Deferred Share Units (including fractional Deferred Share Units, computed to three digits) to be credited to a Eligible Director for services in a Quarter will be determined by dividing the sum of the portion of the Annual Remuneration for the Quarter and the Elected Amount (in respect of the Eligible Director's Annual Remuneration to be earned in such Quarter), which is payable on the Purchase Date, by the Fair Market Value as at the Purchase Date, or such other date as otherwise determined by the Board in its discretion.

17.4 Deferred Share Units granted under this Plan shall be fully vested upon being credited to a Participant's Account and the Participant's entitlement to payment of such Deferred Share Units at the Redemption Date shall not thereafter be subject to satisfaction of any requirements as to any minimum period of membership on the Board.

18. DIVIDEND EQUIVALENTS

18.1 On any date on which a cash dividend is paid on the Shares, a Participant's Account will be credited with a dividend equivalent in the form of a number of Deferred Share Units (including fractional Deferred Share Units, computed to three digits) calculated by:

- (a) multiplying the amount of the dividend per Share by the aggregate number of Deferred Share Units that were credited to the Participant's Account as of the record date for payment of the dividend, and
- (b) dividing the amount obtained in (i) above by the Fair Market Value on the date on which the dividend is paid.

18.2 A written confirmation of the balance in each Participant's Account will be sent by the Corporation to the Participant upon request of the Participant.

19. TERMINATION OF SERVICE AND PAYOUT OF DEFERRED SHARE UNITS

19.1 The Corporation shall, on the Redemption Date, at the Corporation's discretion, pay or issue, as applicable:

- (a) at the Corporation's discretion, to a Participant who is not a U.S. Director and who has Terminated Service, (1) cash payment to the Participant equal to the Fair Market Value of the Shares on the Separation Date multiplied by the number of Deferred Share Units recorded to the Participant, less any Withholding Taxes, or (2) that number of Shares from treasury of the Corporation in exchange for Deferred Share Units, less Withholding Taxes, or
- (b) for a Participant who is a U.S. Director and who has Terminated Service, cash equal to the Fair Market Value of the Shares on the Separation Date multiplied by the number of Deferred Share Units recorded to the Participant, net of any Withholding Tax,

provided that the Corporation may defer the Redemption Date to any other date if such deferral is, in the sole opinion of the Corporation, desirable to ensure compliance with the terms under this Plan, provided that in no event shall the Redemption Date be deferred to a date that is later than December 15th of the calendar year commencing immediately after the Termination Date.

19.2 Subject to the receipt of all necessary Shareholder approvals as required under the rules, regulations and policies of the Stock Exchange and any other stock exchange on which Shares are listed or traded, the Corporation may, in lieu of the cash payment or issuance of Shares from treasury as contemplated in Section 19.1 above, on the Redemption Date, elect to, through a broker designated by the Corporation who is independent from the Corporation and any Affiliate (the "Designated Broker"), acquire on behalf of such Participant, the number of whole Shares that is equal to the number of whole Deferred Share Units recorded in the Participant's Account on the Redemption Date (less any amounts in respect of Withholding Taxes). If the Corporation elects to arrange for the purchase of Shares by a Designated Broker on behalf of the Participant, the Corporation shall contribute to the Designated Broker an amount of cash sufficient, together with any reasonable brokerage fees or commission fees related thereto, to purchase the whole number of Shares to which the Participant is entitled and the Designated Broker shall, as soon as practicable thereafter, purchase those Shares, on behalf of such Participant on the Stock Exchange.

19.3 Notwithstanding Section 19.1, if on the Redemption Date a Blackout Period has been imposed upon a Participant which is still in effect, then the Redemption Date shall occur within ten days following the expiry of the Blackout Period.

19.4 In the event of the death of a Participant, the Corporation will, within two months of the Participant's death, pay cash equal to the Fair Market Value of the Shares multiplied by the number of Deferred Share Units recorded on the Participant's Account which would be deliverable to the Participant if the Participant had Terminated Service in respect of the Deferred Share Units credited to the deceased Participant's Account (net of any Withholding Tax) to or for the benefit of the Beneficiary. The Fair Market Value will be calculated on the date of death of the Participant.

EXHIBIT III
CHANGE OF AUDITOR REPORTING PACKAGE
(see attached)

To: Alberta Securities Commission
British Columbia Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
Manitoba Securities Commission
Ontario Securities Commission

May 26, 2025

Dear Sir/Madam

Re: Notice of Change of Auditors for High Arctic Energy Services Inc.

Pursuant to National Instrument 51-102, High Arctic Energy Services Inc. (the “**Company**”) hereby provides a change of auditor notice as follows:

- On May 12, 2025, KPMG LLP (the “**Predecessor Auditor**”), resigned as the Company’s auditor, at the Company’s request,
- There were no modifications of opinion by the Predecessor Auditor in the Auditors’ Reports of the two most recently completed fiscal years ended December 31, 2024 and 2023.
- The Board of Directors of the Company is of the opinion that there were no “reportable events” as defined by National Instrument 51-102, which occurred in connection with the audit of the two most recently completed fiscal years or for any period subsequent to the most recently completed fiscal period for which an Auditors’ Report was issued.
- The Board of Directors of the Company has considered and approved the termination of the Predecessor Auditor.
- Dated at the City of Calgary, in the Province of Alberta, on May 26, 2025.

Yours very truly,



Lonn Bate
Chief Financial Officer
P: 587-318-2218
P: +1 (800) 688 7143



KPMG LLP
205 5th Avenue SW
Suite 3100
Calgary AB T2P 4B9
Tel 403-691-8000
Fax 403-691-8008
www.kpmg.ca

Alberta Securities Commission
British Columbia Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
Manitoba Securities Commission
Ontario Securities Commission

May 26, 2025

Re: Notice of Change of Auditor of High Arctic Energy Services Inc.

We have read the Notice of Change in Auditor submitted to KPMG LLP by High Arctic Energy Services Inc. dated May 26, 2025 (the "Notice"), and are in agreement with the statements contained in the Notice.

Yours very truly,

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font and is underlined with a single horizontal stroke.

Chartered Professional Accountants
Calgary, Canada

