



NOTICE OF SPECIAL MEETING

AND

NOTICE OF ORIGINATING APPLICATION TO THE ALBERTA COURT OF KING'S BENCH

AND

MANAGEMENT INFORMATION CIRCULAR

October 2, 2023

This document is important and requires your immediate attention.

Registered Shareholders are required to make an election prior to the Election Deadline (which is currently 4:30 p.m. on November 2, 2023) by depositing with Computershare Investor Services Inc. a duly completed Letter of Transmittal and Election Form indicating such holder's election, together with certificates representing such holder's shares. Failure to do so will result in a deemed election. Beneficial Shareholders should contact their investment dealer or broker to make their election.

If you have any questions as to how to deal with this document, you should consult your investment dealer, broker, lawyer or other professional advisor or you may contact Computershare Trust Company of Canada at 1-800-564-6253 (toll-free in North America) or by email at www.computershare.com/service.

No securities regulatory authority or stock exchange has expressed an opinion about, or passed upon the fairness or merits of the transaction described in this document, the securities offered pursuant to such transaction or the adequacy of the information contained in this document and it is an offense to claim otherwise.

Neither the TSX Venture Exchange or any securities regulatory authority has in any way passed upon the merits of the plan of arrangement described in this management information circular.

THE BOARD OF DIRECTORS OF CWC ENERGY SERVICES CORP. UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS VOTE <u>FOR</u> THE ARRANGEMENT RESOLUTION.



October 2, 2023

Dear Shareholders,

You are invited to attend the special meeting (the "**Meeting**") of holders ("**Shareholders**") of common shares ("**Company Shares**") of CWC Energy Services Corp. ("**CWC**" or the "**Company**") to be held on November 6, 2023 at 10:00 a.m. (Calgary time) in the Edmund Taylor Room, Stock Exchange Tower, located at 202, 300 – 5th Avenue S.W., Calgary, Alberta.

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass a special resolution (the "**Arrangement Resolution**") approving an arrangement (the "**Arrangement**") under section 193 of the *Business Corporations Act* (Alberta) involving, among others, CWC, Precision Drilling Corporation ("**Precision**") and the Shareholders pursuant to which, among other things, Precision will, subject to the terms and conditions of the arrangement agreement between CWC and Precision dated September 7, 2023 (the "**Arrangement Agreement**"), acquire all of the issued and outstanding Company Shares.

Further particulars of the matters referred to above and the full text of the Arrangement Resolution are set forth in the accompanying management information circular of CWC dated October 2, 2023 (the "**Information Circular**"). All capitalized terms used in this letter but not otherwise defined have the meanings set forth in the Information Circular under "*Glossary of Terms*".

Under the terms of the Arrangement Agreement, Shareholders (other than dissenting Shareholders) will receive, at such Shareholder's election: (a) 0.002124306 of a common share of Precision ("**Precision Shares**") for each Company Share held; (b) \$0.196668 in cash for each Company Share held; or (c) a combination of cash and Precision Shares for all of such Shareholder's Company Shares, subject in each case to proration on the basis that Precision shall issue no more than an aggregate of 947,909 Precision Shares nor pay more than an aggregate of \$13,725,943 (subject in each case to adjustment for dissenting Shareholders) in exchange for the Company Shares, all pursuant to the terms of the Plan of Arrangement.

Upon completion of the Arrangement, existing holders of Company Shares and Precision Shares will collectively own approximately 7% and 93% of Precision, respectively.

Pursuant to the Company's restricted award plan and the Arrangement, each restricted share award ("**Company Restricted Award**") granted and outstanding at the Effective Time, whether vested or unvested, shall be deemed to be surrendered to CWC in exchange for an amount equal to \$0.196668 per Company Restricted Award, payable in cash to the Company Restricted Award holder.

The Arrangement is the result of an extensive and thorough arm's length negotiation between CWC and Precision and their respective advisors. The determination of the Company Board to support the Arrangement is based on various factors described more fully in the Information Circular.

The Company Board, having taken into account such factors and matters as it considered relevant, having received legal and financial advice, having received and reviewed the financial advisor's fairness opinion described in the Information Circular, determined that the Arrangement and the entering into of the

Arrangement Agreement are in the best interests of CWC and is fair to Shareholders, and unanimously recommends that Shareholders vote **FOR** the Arrangement Resolution.

Each of the directors and officers of CWC, together with CWC's largest shareholders, (i) BBU Alta Investments L.P. and Brookfield BBP (Canada) L.P., affiliates of Brookfield Business Partners L.P., and (ii) CPP Investment Board Private Holdings Inc., a wholly-owned subsidiary of Canada Pension Plan Investment Board, have entered into support agreements with Precision to vote all of the Company Shares they own or control in favour of the Arrangement, being approximately 416.6 million Company Shares and collectively represent approximately 80.7% of the issued and outstanding Company Shares.

The Information Circular contains a detailed description of the Arrangement as well as the background to, and reasons for, the Arrangement and sets forth the actions to be taken by you at the Meeting. You should carefully review the Information Circular in its entirety and consult with your financial, legal or other professional advisors if you require advice or assistance.

The Meeting will be held in-person on November 6, 2023 at 10:00 a.m. (Calgary time) in the Edmund Taylor Room, Stock Exchange Tower, located at 202, 300 – 5th Avenue S.W., Calgary, Alberta. Changes to the Meeting date and/or means of holding the Meeting may be announced by way of press release. Shareholders are encouraged to monitor the Company's website at <https://www.cwcenergyservices.com/> or the Company's SEDAR+ profile at www.sedarplus.ca, where copies of such press releases, if any, will be posted. You are advised to check the Company's website one week prior to the Meeting date for the most current information. The Company does not intend to prepare an amended Information Circular in the event of changes to the Meeting format. **All Shareholders are strongly encouraged to vote prior to the Meeting by any of the means described under the heading "Voting and Proxies" in the Information Circular.**

The transaction constitutes a "business combination" for the purposes of Multilateral Instrument 61-101-*Protection of Minority Security Holders in Special Transactions* ("MI 61-101"), which requires, among other things, the approval of the Arrangement by a majority of the votes cast by the Shareholders other than the Shareholders whose votes are required to be excluded for the purposes of "majority of the minority" approval as required under MI 61-101.

Accordingly, in order to become effective, the Arrangement Resolution must be approved by at least:

- (a) two-thirds of the votes cast by the Shareholders present in-person or represented by proxy at the Meeting; and
- (b) a majority of the votes cast on the Arrangement Resolution by the Shareholders present in-person or represented by proxy at the Meeting, after excluding the votes cast by those persons whose votes must be excluded in accordance with MI 61-101.

In addition to the Shareholder approvals described above, the completion of the Arrangement is subject to approval of the Court of King's Bench of Alberta, *Competition Act* (Canada) approval and satisfaction or waiver of other usual and customary conditions contained in the Arrangement Agreement. If all of the necessary conditions to the Arrangement under the Arrangement Agreement are satisfied or waived, CWC expects that the Arrangement will become effective on or about November 8, 2023.

The Company Board would like to thank the Shareholders for the support they have demonstrated with respect to our decision to take the proposed Arrangement forward.

We look forward to your participation at our Meeting.

(signed) *"Jim Reid"*

Jim Reid
Chair of the Company Board

CWC ENERGY SERVICES CORP.
NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

When: November 6, 2023 at 10:00 a.m. (Calgary time)

Where: In-person only in the Edmund Taylor Room, Stock Exchange Tower,
located at 202, 300 – 5th Avenue S.W., Calgary, Alberta

NOTICE IS HEREBY GIVEN that a special meeting (the "Meeting") of holders ("Shareholders") of common shares ("Company Shares") of CWC Energy Services Corp. ("CWC" or the "Company") will be held on November 6, 2023 at 10:00 a.m. (Calgary time) in the Edmund Taylor Room, Stock Exchange Tower, located at 202, 300 – 5th Avenue S.W., Calgary, Alberta for the following purposes:

1. to consider, pursuant to an interim order (the "Interim Order") of the Court of King's Bench of Alberta dated October 2, 2023, and, if deemed advisable, to pass, with or without variation, a special resolution (the "Arrangement Resolution") approving a proposed arrangement (the "Arrangement") involving CWC, Precision Drilling Corporation ("Precision") and the Shareholders, pursuant to section 193 of the *Business Corporations Act* (Alberta) (the "ABCA"), whereby, among other things, Precision will acquire all of the issued and outstanding Company Shares for cash and share consideration of up to 947,909 shares of Precision and approximately \$13,725,943 in cash (subject in each case to adjustment for dissenting Shareholders), pursuant to which the Shareholders will receive, subject to proration in each case, at their election (a) 0.002124306 of a common share of Precision for each Company Share held, (b) \$0.196668 in cash for each Company Share held, or (c) a combination of cash and Precision shares for all Company Shares of such Shareholder, as more particularly described in the accompanying management information circular of CWC dated October 2, 2023 (the "Information Circular"). The full text of the Arrangement Resolution is set forth in Appendix A to the Information Circular; and
2. to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

Specific details of the matters to be put before the Meeting are set forth in the Information Circular. The full text of the plan of arrangement (the "Plan of Arrangement") implementing the Arrangement is attached as Schedule "A" to the Arrangement Agreement which is attached as Appendix B to the Information Circular. The full text of the Interim Order is attached as Appendix C to the Information Circular. Registered holders of Company Shares ("Registered Shareholders") on October 2, 2023 (the "Record Date") are entitled to receive notice of and attend the Meeting. Only Registered Shareholders are entitled to vote either in-person or by proxy in advance or at the Meeting. If you acquire your Company Shares after the Record Date and wish to vote in-person or by proxy at the Meeting, you must produce properly endorsed Company Share certificates or otherwise establish that you own the Company Shares and request through our transfer agent, Computershare Trust Company of Canada, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, not later than ten days before the Meeting, that your name be included in the list of Registered Shareholders entitled to vote in-person by proxy at the Meeting.

If you are not a Registered Shareholder and instead receive materials through your broker, investment dealer, bank, trust company or other intermediary (each, an "Intermediary"), please complete the form of proxy or voting instruction form provided to you by your Intermediary in accordance with the instructions provided therein.

It is important to us at CWC that you exercise your vote. If you are a Registered Shareholder, please attend the Meeting or any adjournment thereof to vote in-person or (i) complete and sign the enclosed applicable instrument of proxy and return it to the Company's transfer agent, Computershare Trust Company of Canada, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1; or (ii) complete the form of proxy online at www.investorvote.com. In order to be acted upon at the Meeting, validly completed instruments of proxy must be returned by 10:00 a.m. (Calgary time) on November 2, 2023, or, if the Meeting is adjourned or postponed, at least 48 hours prior to such adjourned or postponed Meeting (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta). The Chair of the Meeting may waive, without notice, the time limit for deposit of proxies.

Pursuant to the Interim Order, Registered Shareholders have been granted the right to dissent with respect to the Arrangement Resolution and, if the Arrangement is completed, to be paid the fair value of their Company Shares by CWC in accordance with the provisions of section 191 of the ABCA, as modified by the Interim Order and the Plan of Arrangement. A Registered Shareholder's right to dissent is more particularly described in the Information Circular, as well as in the text of the Interim Order and the text of section 191 of the ABCA, which are attached as Appendix C and Appendix E, respectively, to the Information Circular. To exercise such right to dissent, a dissenting Shareholder must send to CWC, c/o Burnet, Duckworth & Palmer LLP, Suite 2400, 525 – 8th Avenue S.W., Calgary, Alberta, T2P 1G1, Attention: Craig Alcock (email: coa@bdplaw.com), a written objection to the Arrangement Resolution not later than 4:00 p.m. (Calgary time) on October 30, 2023 (or the date that is five business days immediately prior to the date of any adjournment or postponement of the Meeting). **Failure to strictly comply with the requirements set forth in section 191 of the ABCA, as modified by the Interim Order and the Plan of Arrangement, may result in the loss of any right of dissent.**

Persons who are beneficial owners of Company Shares ("Beneficial Shareholders") registered in the name of an Intermediary who wish to dissent should be aware that only Registered Shareholders are entitled to dissent. Accordingly, a Beneficial Shareholder desiring to exercise the right of dissent must make arrangements for the Company Shares beneficially owned by such Beneficial Shareholder to be registered in the Beneficial Shareholder's name prior to the time the written objection to the Arrangement Resolution is required to be received by, or on behalf of, CWC or, alternatively, make arrangements for the registered holder of such Company Shares to dissent on behalf of the Beneficial Shareholder. It is strongly recommended that any Shareholder wishing to dissent seek independent legal advice.

DATED this 2nd day of October, 2023.

**BY ORDER OF THE BOARD OF DIRECTORS
OF CWC ENERGY SERVICES CORP.**

(signed) "Duncan T. Au"

Duncan T. Au
President and Chief Executive Officer

IN THE COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE OF CALGARY

IN THE MATTER OF SECTION 193 OF THE BUSINESS CORPORATIONS ACT, R.S.A. 2000,
c. B-9, AS AMENDED

AND IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING CWC ENERGY
SERVICES CORP., ITS SHAREHOLDERS AND PRECISION DRILLING CORPORATION

NOTICE OF ORIGINATING APPLICATION

NOTICE IS HEREBY GIVEN that an originating application (the "Application") has been filed with the Court of King's Bench of Alberta, Judicial Centre of Calgary (the "Court") on behalf of CWC Energy Services Corp. ("CWC" or the "Company") with respect to a proposed arrangement (the "Arrangement") under Section 193 of the *Business Corporations Act*, R.S.A. 2000, c. B-9, as amended (the "ABCA"), involving among others, CWC, holders ("Shareholders") of common shares ("Company Shares") of CWC and Precision Drilling Corporation ("Precision"), all as more particularly described in the management information circular of CWC dated October 2, 2023 accompanying this Notice of Originating Application. At the hearing of the Application, CWC intends to seek a final order ("Final Order") of the Court that:

1. deems serving of notice of the Application, the notice in respect of the special meeting of Shareholders to be held on November 6, 2023 (the "Meeting") and the interim order (the "Interim Order") of the Court dated October 2, 2023, as good and sufficient;
2. declares that the terms and conditions of the Arrangement are fair and reasonable to the Shareholders and other affected parties, both from a substantive and procedural point of view;
3. approves the Arrangement pursuant to the provisions of section 193 of the ABCA and the terms and conditions of the arrangement agreement between CWC and Precision dated September 7, 2023;
4. permits CWC to seek leave to vary the Final Order at any time prior to filing the articles of arrangement or to seek advice and directions as to the implementation of the Final Order;
5. declares that the Arrangement will, upon filing of articles of arrangement in accordance with the ABCA and the issuance of the proof of filing of the articles of arrangement, be effective under the ABCA in accordance with its terms and will be binding on and after the effective time of the Arrangement on the parties set forth in the Plan of Arrangement; and
6. gives directions regarding the service of the Final Order.

AND NOTICE IS FURTHER GIVEN that the said Application is directed to be heard in-person before a Justice of the Court, at the Calgary Law Courts on November 7, 2023 at 2:00 p.m. (Calgary time) or as soon thereafter as counsel may be heard. Any Shareholder or other interested party desiring to support or oppose the Application may appear in-person at the time of the hearing or by counsel for that purpose, provided such Shareholder or other interested party files with the Court and serves upon CWC on or before 4:00 p.m. (Calgary time) on October 31, 2023, a notice of intention to appear (the "Notice of Intention to Appear") setting out such Shareholder's or interested party's address for service and indicating whether such Shareholder or interested party intends to support or oppose the

Application or make submissions, together with any evidence or materials which are to be presented to the Court. Service of such notice on CWC is to be effected by service upon the solicitors for CWC at the address set forth below.

AND NOTICE IS FURTHER GIVEN that, at the hearing and subject to the foregoing, Shareholders and any other interested party will be entitled to make representations as to, and the Court will be requested to consider, the fairness of the Arrangement. If you or your counsel do not attend in-person at that time, the Court may approve or refuse to approve the Arrangement as presented, or may approve it subject to such terms and conditions as the Court may deem fit, without any further notice.

AND NOTICE IS FURTHER GIVEN that the Court, by the Interim Order, has given directions as to the calling and holding of the Meeting for the purpose of such Shareholders voting upon a special resolution approving the Arrangement and, in particular, has directed that registered Shareholders have the right to dissent under the provisions of Section 191 of the ABCA, as modified by the terms of the Interim Order in respect of the Arrangement.

AND NOTICE IS FURTHER GIVEN that further notice in respect of these proceedings will only be given to those persons who have filed a Notice of Intention to Appear.

AND NOTICE IS FURTHER GIVEN that a copy of the said Application and other documents in the proceedings will be furnished to any Shareholder or other interested party requesting the same by the under-mentioned solicitors for CWC upon written request delivered to such solicitors as follows:

Solicitors for CWC:

Burnet, Duckworth & Palmer LLP
Suite 2400, 525 – 8th Avenue S.W.
Calgary, Alberta T2P 1G1
Attention: Craig Alcock

Email: coa@bdplaw.com

DATED at the City of Calgary, in the Province of Alberta, this 2nd day of October, 2023.

**BY ORDER OF THE BOARD OF DIRECTORS
OF CWC ENERGY SERVICES CORP.**

(signed) "Jim Reid"

Jim Reid
Chair of the Board

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MANAGEMENT INFORMATION CIRCULAR

Frequently Asked Questions About the Meeting and the Arrangement

The questions and answers below are not meant to be a substitute for the more detailed description and information contained in this Information Circular and should be read in conjunction with, and are qualified in their entirety by, the more detailed information appearing in this Information Circular. All capitalized terms used below but not otherwise defined have the meanings set forth under "*Glossary of Terms*". Shareholders are urged to read this Information Circular, including the Appendices hereto, carefully and in their entirety.

FAQs Related to the Meeting

Q: When and where is the Meeting?

The Meeting will be held in an in-person only format at 10:00 a.m. (Calgary time) on November 6, 2023 in the Edmund Taylor Room, Stock Exchange Tower, located at 202, 300 – 5th Avenue S.W., Calgary, Alberta.

Q: What am I voting on?

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass the Arrangement Resolution approving the Arrangement, pursuant to which, among other things, Precision will acquire all of the issued and outstanding Company Shares for cash and share consideration of up to 947,909 shares of Precision and approximately \$13,725,943 in cash, subject in each case to adjustment for Dissenting Shareholders and such other matters which may properly come before the Meeting, or any adjournment or postponement thereof. At the time of printing this Information Circular, the Company knows of no other matter expected to come before the Meeting, other than the vote on the Arrangement Resolution. The full text of the Arrangement Resolution is set forth in Appendix A to this Information Circular.

Q: What is the quorum for the Meeting?

Pursuant to the Interim Order, the quorum required at the Meeting will be at least two Shareholders present in-person or represented by proxy at the Meeting, and holding or representing at least 5% of the Company Shares entitled to be voted at the Meeting.

Q: Does the Company Board support the Arrangement?

Yes. The Company Board, following receipt of the Fairness Opinion from CIBC Capital Markets and advice from legal counsel, and having undertaken a thorough review of, and having carefully considered the Arrangement, the terms of the Arrangement Agreement and such other matters as it considered necessary or appropriate, including the factors and risks described under the heading "*The Arrangement – Recommendations – Recommendation of the Company Board*" and elsewhere in this Information Circular, has unanimously: (a) determined that the Arrangement is fair to the Shareholders; (b) determined that the Arrangement and the entering into of the Arrangement Agreement are in the best interests of CWC; (c) resolved to recommend that the Shareholders vote in favour of the Arrangement Resolution; and (d) authorized the execution of and approved the Arrangement Agreement and the transactions contemplated thereby.

Accordingly, the Company Board unanimously recommends that Shareholders vote FOR the Arrangement Resolution.

As part of their deliberations and in making their respective recommendations, the Company Board considered a number of factors, including but not limited to those described in this Information Circular. See "*The Arrangement – Determination of the Company Board*", "*The Arrangement – Reasons for the Arrangement*", "*The Arrangement – Recommendations*" and "*The Arrangement – Fairness Opinion*".

Q: Have any significant Shareholders agreed to vote in favour of the Arrangement Resolution?

Yes. Each Supporting Shareholder has agreed, among other things, not to dispose of any of their Company Shares, Company Options or Company Restricted Awards prior to the Effective Date and to vote in favour of the Arrangement Resolution. The Supporting Shareholders collectively hold approximately 80.7% of the outstanding Company Shares.

Q: Who is soliciting my proxy?

The management of CWC is soliciting your proxy. Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone by directors, executive officers or employees of CWC or by any other means management of CWC may deem necessary.

The cost of any such solicitation by management is expected to be nominal and shall be borne by CWC.

Q: Who is entitled to vote on the Arrangement Resolution at the Meeting?

Only Shareholders whose names have been entered in the register of Shareholders on the close of business on October 2, 2023 will be entitled to receive notice of and to vote in-person or by proxy at the Meeting. However, to the extent that a Registered Shareholder transfers ownership of their Company Shares after October 2, 2023 and the transferee establishes ownership of those Company Shares and requests, not less than 10 days before the Meeting, to be included in the list of Shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those Company Shares at the Meeting.

Q: How many Company Shares are entitled to vote?

As at October 2, 2023, 516,012,894 Company Shares were issued and outstanding. Each Company Share confers the right to one vote on the Arrangement Resolution.

Q: What is the Requisite Shareholder Approval?

The Arrangement Resolution must be approved by at least: (a) two- thirds of the votes cast by the Shareholders in-person or represented by proxy at the Meeting and (b) a majority of the votes cast on the Arrangement Resolution by the Shareholders in-person or represented by proxy at the Meeting, after excluding the votes cast by those persons whose votes must be excluded in accordance with MI 61-101.

See "*Procedure for the Arrangement to Become Effective – Shareholder Approval*".

Q: How do I vote?

Registered Shareholders will receive a form of proxy with this Information Circular and may vote by proxy (by mail or internet) in accordance with the instructions on the form of proxy provided or in-person at the meeting.

Beneficial Shareholders will receive a Voting Instruction Form with this Information Circular and may give their voting instructions to their Intermediary in accordance with the instructions on the Voting Instruction Form provided.

See "*Voting and Proxies – How to Vote*" for more information on how you may vote. If you have any questions or need assistance completing your form of proxy, please contact Computershare Trust Company of Canada, at 1-800-564-6253 (toll-free in North America) or by email at www.computershare.com/service. Beneficial shareholders who have received a Voting Instruction Form from Broadridge must deposit the completed Voting Instruction Form with Broadridge by mail or facsimile at the address or facsimile number noted thereon.

FAQs Related to the Arrangement

Q: What is a plan of arrangement?

A plan of arrangement is a statutory procedure under Alberta corporate law that allows companies to carry out transactions with the approval of certain securityholders and the Court. The Plan of Arrangement implementing the Arrangement will provide for, among other things, the acquisition by Precision of all of the issued and outstanding Company Shares pursuant to which each Shareholder will receive, at such Shareholder's election: (a) 0.002124306 of a Purchaser Share for each Company Share held, (b) \$0.196668 in cash for each Company Share held; or (c) a combination of cash and Purchaser Shares for all such electing shareholder's Company Shares, subject in each case to proration, for up to 947,909 shares of Precision based on Precision's closing price of \$92.58 on the TSX on September 1, 2023 and approximately \$13,725,943 in cash in the aggregate, subject in each case to adjustment for Dissenting Shareholders.

Q: When will the Arrangement be completed?

If all of the necessary conditions to the Arrangement under the Arrangement Agreement are satisfied or waived, CWC expects the Effective Date to be on or about November 8, 2023. The Effective Date could be delayed for a number of reasons, including an objection before the Court at the hearing of the application for the Final Order or delays in receiving all Regulatory Approvals (including the Competition Act Clearance).

Q: What will happen to CWC if the Arrangement is completed?

Following the completion of the Arrangement, CWC will become a wholly-owned subsidiary of Precision. It is expected that the Company Shares will be delisted from the TSXV and CWC will make an application to cease to be a reporting issuer under Applicable Canadian Securities Laws as soon as reasonably practicable thereafter. CWC anticipates that the Company Shares will be delisted from the TSXV as soon as practicable following the Effective Date.

Q: What will happen if the Arrangement is not completed?

The completion of the Arrangement is subject to the satisfaction or waiver of certain closing conditions set out in the Arrangement Agreement. Furthermore, each of CWC and Precision have the right to terminate the Arrangement Agreement in certain circumstances. Failure to complete the Arrangement could negatively impact the price of the Company Shares and future business and operations of CWC.

In the event of the termination of the Arrangement Agreement as a result of a Purchaser Damages Event, CWC has agreed to pay to Precision the Purchaser Termination Fee of \$4 million. See "*The Arrangement Agreement – Termination Fee*".

Q: What approvals are required for the Arrangement to become effective?

Completion of the Arrangement is subject to, among other things, receipt of: (a) the Requisite Shareholder Approval; (b) Court approval; and (c) the Competition Act Clearance.

See "*Procedure for the Arrangement to Become Effective – Shareholder Approval*", "*Procedure for the Arrangement to Become Effective – Court Approval*" and "*Procedure for the Arrangement to Become Effective – Regulatory Matters*".

Q: What will I have to do as a Shareholder to receive the Consideration for my Company Shares and are there any deadlines for elections to be made?

If you are a Registered Shareholder, you must complete and sign the Letter of Transmittal and Election Form enclosed with this Information Circular and return it together with the original certificate(s) representing your Company Shares to the Depositary. The Letter of Transmittal and Election Form contains complete instructions on how to elect to receive consideration in the form of cash, Purchaser Shares or a combination of both cash and Purchaser Shares which you are entitled pursuant to the Arrangement. It is requested that Registered Shareholders enclose any DRS Advice (if applicable) representing their Company Shares with the Letter of Transmittal and Election Form. As soon as practicable following the later of the Effective Date and the date of deposit by a former holder of Company Shares acquired by Precision under the Arrangement of a duly completed Letter of Transmittal and Election Form and the original certificate(s) or DRS Advice(s) representing such Company Shares and all other required documents, the Depositary shall forward by first class mail to such former Shareholder at the address specified in the Letter of Transmittal and Election Form, the Consideration issued to such Shareholder under the Arrangement.

Registered Shareholders are encouraged to deliver a properly completed and duly executed Letter of Transmittal and Election Form together with the relevant certificate(s) representing the Company Shares and any other required documents to the Depositary prior to the Election Deadline being 4:30 p.m. (Calgary time) on the second business day immediately prior to the date of the Meeting or, if the Meeting is adjourned, the adjourned meeting.

Failure to duly complete and deposit a Letter of Transmittal and Election Form with the Depositary prior to the Election Deadline will result in a Deemed Election in respect of your Company Shares.

If you are a Beneficial Shareholder, you will need to instruct your Intermediary to make an election and you will receive your cash payment or share consideration through your account with your Intermediary that holds the Company Shares on your behalf. You should contact your Intermediary if you have questions about this process. It is recommended that Beneficial Shareholders contact their Intermediaries well in advance of the Election Deadline to provide instructions to their Intermediaries for their elections.

See "*Procedure for the Arrangement to Become Effective – Procedure for Receipt of Consideration – Procedure for Exchange of Company Shares for Consideration*".

Q: What will I have to do as a Restricted Awards Holder to receive the consideration for my Company Restricted Awards?

If you are a Restricted Awards Holder, you do not need to deliver the Letter of Transmittal and Election Form or any other certificates or documentation in order to receive the applicable consideration for such Company Restricted Awards. On or as soon as practicable after the Effective Time, CWC will pay to the former holders of Company Restricted Awards the consideration to which they are entitled in accordance with the restricted award plan and Plan of Arrangement, less applicable withholdings.

See "*Procedure for the Arrangement to Become Effective – Procedure for Receipt of Consideration – Procedure for Exchange of Other Securities*".

Q: Am I entitled to Dissent Rights?

You are entitled to Dissent Rights if you are a Registered Shareholder. Registered Shareholders who validly exercise their Dissent Rights will be entitled to be paid by CWC the fair value of the Company Shares in respect of which the holder dissents. Such amount may be the same as, more than, or less than the Consideration payable pursuant to the Arrangement.

Only Registered Shareholders are entitled to Dissent Rights. Beneficial Shareholders who wish to exercise Dissent Rights should be aware that they may only do so through the Registered Shareholder of such Company Shares and should contact their Intermediary to make appropriate arrangements.

Failure to strictly adhere to the procedures established by section 191 of the ABCA, as modified by the Plan of Arrangement and the Interim Order, may result in the loss of Dissent Rights. Accordingly, Dissenting Shareholders who might desire to exercise the right to dissent and appraisal should carefully consider and comply with the provisions of section 191 of the ABCA, the full text of which is set out in Appendix E to this Information Circular, as modified by the terms of the Plan of Arrangement and the Interim Order, and consult their own legal advisor.

See "*Dissent Rights*".

Q: What are the tax consequences to Shareholders?

This Information Circular contains a summary of certain Canadian federal income tax considerations generally applicable to certain Shareholders who, under the Arrangement, dispose of one or more Company Shares. Shareholders should consult their own tax advisors for advice with respect to the Canadian income tax consequences to them in respect of the Arrangement.

See "*Certain Canadian Federal Income Tax Considerations*".

Q: Are there risks I should consider in deciding whether to vote for the Arrangement Resolution?

The Arrangement involves various risks. Shareholders should carefully consider the risk factors described in this Information Circular in evaluating whether to approve the Arrangement Resolution. Readers are cautioned that such risk factors are not exhaustive. Such risk factors should be considered in conjunction with the other information included in this Information Circular, including the documents filed by CWC and Precision pursuant to Applicable Laws from time to time. Additional risks and uncertainties may also adversely affect CWC and Precision after giving effect to the Arrangement.

See "*Risk Factors*".

Glossary of Terms

The following is a glossary of certain terms used in this Information Circular. Terms and abbreviations used in the Appendices to this Information Circular are defined separately and the terms and abbreviations defined below are not used therein, except where otherwise indicated.

"2023 Strategic Alternatives Initiative" has the meaning given to it under the heading *"The Arrangement – Background to the Arrangement and Recommendations"*;

"ABCAct" means the *Business Corporations Act*, R.S.A. 2000, c. B-9, as such may be amended from time to time prior to the Effective Date;

"Acquisition Proposal" means, other than the Arrangement, any inquiry or request for discussions or negotiations or the making of any offer or proposal, whether or not such inquiry, request, offer or proposal is subject to due diligence or other conditions or whether or not in writing to CWC or the Shareholders from any person or persons "acting jointly or in concert" (within the meaning of NI 62-104) which constitutes, or may reasonably be expected to lead to (in either case whether in one transaction or a series of transactions):

- (a) any direct or indirect sale, issuance or acquisition of shares or other equity interests (or securities convertible into or exercisable for such shares or interests) from CWC or the Shareholders as the case may be that, when taken together with any securities of held by the proposed acquiror, and any person acting jointly or in concert with such acquiror and assuming the conversion of any convertible securities held by the proposed acquiror and any person acting jointly or in concert with such acquiror, would constitute beneficial ownership representing 20% or more of any class of equity or voting securities of CWC or rights or interests therein or thereto;
- (b) any direct or indirect acquisition or purchase (or any lease, long term supply agreement, joint venture or other arrangement having the same economic effect as an acquisition or purchase) of assets of CWC representing 20% or more of the consolidated assets or contributing 20% or more of the consolidated revenue of CWC;
- (c) an amalgamation, arrangement, share exchange, merger, business combination, consolidation, recapitalization or other similar transaction involving CWC;
- (d) a take-over bid, issuer bid, exchange offer, recapitalization, liquidation, dissolution, reorganization or other similar transaction involving CWC that, if consummated, would result in a person or group of persons acting jointly or in concert acquiring beneficial ownership of 20% or more of any class of equity or voting securities of CWC and assuming the conversion of any convertible securities held by the person or group of persons acting jointly or in concert;
- (e) any other transaction, which would or could reasonably be expected to materially impede, interfere with or delay the transactions contemplated by the Arrangement Agreement or the Arrangement, or prevent the completion of the Arrangement;
- (f) any other transaction that would or could reasonably be expected to materially reduce the benefits to Precision under the Arrangement Agreement or the Arrangement; or

(g) any public announcement or other public disclosure of an intention to do any of the foregoing;

"Advance Ruling Certificate" means an advance ruling certificate issued by the Commissioner pursuant to section 102 of the *Competition Act*;

"affiliate" has the meaning set forth in the *Securities Act*;

"Aggregate Consideration" means \$101,483,358.

"AIF" means the annual information form of CWC for the year ended December 31, 2022 and dated March 7, 2023;

"allowable capital loss" has the meaning given to it under the heading "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*";

"Amended Offer" has the meaning given to it under the heading "*The Arrangement – Background to the Arrangement and Recommendations*";

"Annual MD&A" means management's discussion and analysis of the financial and operating results of CWC for the year ended December 31, 2022;

"Applicable Canadian Securities Laws" means, collectively, and as the context may require, the applicable securities legislation of each of the provinces of Canada, and the rules, regulations, instruments, blanket orders and policies published and/or promulgated thereunder, as such may be amended from time to time prior to the Effective Date, that is binding upon or applicable to such person or persons or its or their business, undertaking, property or securities and emanate from a person having jurisdiction over the person or persons or its or their business, undertaking, property or securities;

"Applicable Laws", in the context that refers to one or more persons, means any domestic or foreign, federal, state, provincial or local law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated or applied by a Governmental Authority, and any terms and conditions of any grant of approval, permission, authority or licence of any Governmental Authority, that is binding upon or applicable to such person or persons or its or their business, undertaking, property or securities and emanate from a person having jurisdiction over the person or persons or its or their business, undertaking, property or securities, and to the extent they have the force of law, policies, guidelines, notices and protocols of any Governmental Authority;

"Arrangement" means the arrangement under the provisions of section 193 of the ABCA, on the terms and conditions set forth in the Plan of Arrangement as supplemented, or modified in accordance with the provisions of the Arrangement Agreement and the Plan of Arrangement, or amended or made at the direction of the Court in the Final Order (with the consent of both Company and Precision, acting reasonably);

"Arrangement Agreement" means the arrangement agreement dated September 7, 2023 between Precision and CWC, providing for, among other things, the Plan of Arrangement and the Arrangement, and all amendments thereto, a copy of which is attached as Appendix B to this Information Circular;

"Arrangement Resolution" means the special resolution of the Shareholders in respect of the Arrangement to be considered at the Meeting substantially in the form set out in Appendix A attached hereto;

"Articles of Arrangement" means the articles of arrangement of CWC giving effect to the Arrangement, required under subsection 193(4.1) of the ABCA to be filed with the Registrar after the Final Order has been granted, which shall be in a form and content satisfactory to the Parties, acting reasonably;

"BDP" has the meaning given to it under the heading *"The Arrangement – Background to the Arrangement and Recommendations"*;

"Beneficial Shareholders" means Shareholders who hold their Company Shares in the name of an Intermediary and not in their own name;

"Broadridge" means Broadridge Investor Communications Corporation;

"Brookfield Shareholders" means BBU Alta Investments L.P. and Brookfield BBP (Canada) L.P., affiliates of Brookfield Business Partners L.P.;

"Business Day" means any day other than a Saturday, Sunday, statutory holiday or other day when banks in the City of Calgary, Alberta are not generally open for business;

"Cash Consideration" means the consideration in the form of cash to be paid on the election of a Shareholder;

"Cash Electing Shareholder" means a Shareholder who has elected to receive Cash Consideration only pursuant to the Arrangement.

"Cash Maximum" means \$13,725,943, less an amount equal to 13.5% multiplied by the product of: (i) the number of Company Shares, if any, in respect of which Dissent Rights are validly exercised and which exercise remains valid immediately prior to the Effective Time; and (ii) the number obtained by dividing \$101,483,358 by the Total Company Shares;

"CDS" means CDS Clearing and Depository Services Inc.;

"Certificate of Arrangement" means the certificate or other proof of filing to be issued by the Registrar pursuant to subsection 193(11) of the ABCA giving effect to the Arrangement;

"CIBC Capital Markets" means CIBC World Markets Inc.

"CIBC Engagement Agreement" means the engagement letter agreement between CWC and CIBC Capital Markets dated August 3, 2023;

"Combination Electing Shareholder" means a Shareholder who has elected or is deemed by the Plan of Arrangement to have elected to receive a combination of Cash Consideration and Share Consideration pursuant to the Arrangement;

"Combined Consideration" means the consideration in the form of Cash Consideration and Share Consideration to be received on the election or deemed election of a Shareholder pursuant to the Arrangement;

"Commissioner" means the Commissioner of Competition appointed pursuant to section 7 of the Competition Act and includes any person designated by the Commissioner to act on his behalf;

"Company Board" means the board of directors of CWC;

"Company Board Recommendation" means the unanimous determination of the Company Board, after receiving the advice of its financial and legal advisors, that:

- (a) the Arrangement is fair to the Shareholders;
- (b) it will recommend that the Shareholders vote in favour of the Arrangement Resolution;
- (c) the Arrangement and the entering into of the Arrangement Agreement are in the best interests of CWC; and
- (d) it approves the Arrangement Agreement and the transactions contemplated hereby.

"Company Credit Facility" means, collectively, Company's \$50,710,000 Canadian syndicated facility, US\$12,000,000 U.S. syndicated facility, \$7,500,000 Canadian operating facility and US\$5,000,000 U.S. operating facility due July 31, 2025, as further described in the audited consolidated financial statements of the Company as at and for the fiscal years ended December 31, 2022 and December 31, 2021, together with the unaudited condensed financial statements of the Company as at and for the three-and six-months periods ended June 30, 2023 and 2022;

"Company Disclosure Letter" means the disclosure letter dated as of the date of the Arrangement Agreement from Company to Precision;

"Company Employee Costs" means obligations of Company for Executive Employees and Continuing Employees pursuant to all employment agreements, termination, severance, bonus and retention plans or policies (but excluding salary and vacation pay earned and accrued up to the Effective Date) providing for cash or other compensation or benefits upon the consummation of the Arrangement, but not including payments in respect of: (i) Company Options as provided in the Arrangement Agreement and the Conditional Option Exercise and Surrender Agreement; or; (ii) Company Restricted Awards as provided in the Arrangement Agreement;

"Company Option Plan" means the stock option plan of the Company dated May 1, 2007, as amended;

"Company Options" means the outstanding stock options of Company granted under the Company Option Plan, whether or not vested, entitling the Optionholder to acquire Company Shares;

"Company Public Record" means all information filed by or on behalf of CWC since January 1, 2023 with the Securities Authorities, in compliance, or intended compliance, with any Applicable Canadian Securities Laws which is available for public viewing on the SEDAR+ website at www.sedarplus.ca under CWC's profile;

"Company Restricted Award Plan" means the restricted award incentive plan of the Company dated December 18, 2012, as amended;

"Company Restricted Awards" means the restricted awards granted under the Company Restricted Awards Plan;

"Company Shares" means the common shares in the capital of CWC;

"Company Transaction Costs" means all costs and expenses of Company (whether incurred, accrued or billed) in connection with the Arrangement Agreement and the Arrangement, including fees and expenses of financial and accounting advisors, printing, mailing, solicitation, proxy solicitation services (other than

for fees incurred for proxy solicitation services that are requested by Precision which will be for the account of Precision) and shareholder communication costs, Meeting costs, legal fees and disbursements, the amount to be paid to holders of Company Options and Company Restricted Awards under the Conditional Option Exercise and Surrender Agreement and the Arrangement, as applicable, the Company Employee Costs, and the cost of Equivalent Insurance (the cost and premiums of which for the duration of the Equivalent Insurance will be paid in full by Company on or prior to the Effective Date) but excludes, for greater certainty, the Purchaser Termination Fee, and any costs, expenses or filing fees associated or incurred in connection with the Regulatory Approvals;

"Company Support Agreements" means the support agreements between Precision and all directors and executive officers of Company and certain significant shareholders of Company, being BBU Alta Investments L.P., Brookfield BBP (Canada) L.P. and CPP Investment Board Private Holdings Inc., pursuant to which each such Person agreed, among other things, not to dispose of any of his, her or its Company Shares and Company Restricted Awards prior to the Effective Date, to vote in favour of the Arrangement Resolution and to not dissent in respect of the Arrangement;

"Competition Act" means the *Competition Act*, R.S.C. 1985, c. C-34 and includes the regulations promulgated thereunder;

"Competition Act Clearance" means the occurrence of one or more of the following, in respect of the transactions contemplated by the Arrangement Agreement:

- (a) the Commissioner shall have issued an Advance Ruling Certificate; or
- (b) both: (i) the Commissioner shall have issued a No Action Letter to Precision, and (ii) either the waiting period has expired or been terminated by the Commissioner under sections 123(1) or 123(2), respectively, of the Competition Act, or the obligation to provide a pre-merger notification in accordance with Part IX of the Competition Act has been waived by the Commissioner under section 113(c) thereof;

"Conditional Option Exercise and Surrender Agreement" means the agreement pursuant to which the Optionholder, agrees, subject to the condition precedent of the Arrangement becoming effective, to exercise and surrender to Company all of their Company Options in exchange for an amount equal to the amount by which \$0.196668 per Company Share exceeds the exercise price thereof, payable in cash (less the amount of applicable withholdings) to the Optionholder in full satisfaction of Company's obligations under such surrendered Company Option;

"Consideration" means the consideration payable pursuant to the Plan of Arrangement to a Person who is a Shareholder;

"Continuing Employee(s)" means all the employees of Company other than the Executive Employees;

"Court" means the Court of King's Bench of Alberta;

"COVID-19" means SARS-CoV-2 or COVID-19, and any evolutions, variants or mutations thereof (including BA.2.86) or related or associated epidemics, pandemics or disease outbreaks;

"CWC" or **"Company"** mean CWC Energy Services Corp., a corporation existing under the laws of the Province of Alberta;

"Deemed Election" means the election to receive Combined Consideration of (i) Cash Consideration with respect to 13.5 percent of such holder's Company Shares, rounded down to the nearest whole Company Share; and (ii) Share Consideration with respect to the remaining 86.5 percent of such holder's Company Shares, rounded up to the nearest whole Company Share, that is deemed upon failure by a Shareholder to deposit a duly completed Letter of Transmittal and Election Form with the Depository;

"Depository" means Computershare Investor Services Inc., or such other person that may be appointed by Precision with the consent of CWC (such consent not to be unreasonably withheld, conditioned or delayed) in connection with the Arrangement for, *inter alia*, the purpose of receiving deposits of original certificates or DRS Advices formerly representing the Company Shares and paying the Consideration;

"Dissent Rights" means, collectively, the rights of Registered Shareholders to dissent in respect of the Arrangement Resolution and to be paid by CWC the fair value of the Company Shares in respect of which the holder dissents, all in accordance with the provisions of section 191 of the ABCA, as modified by the Plan of Arrangement and the Interim Order;

"Dissenting Non-Resident Holder" has the meaning given to it under the heading *"Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Dissenting Non-Resident Holders"*;

"Dissenting Resident Holder" has the meaning given to it under the heading *"Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Dissenting Resident Holders"*;

"Dissenting Shareholder" means a Registered Shareholder who validly exercises its Dissent Rights in strict compliance with section 191 of the ABCA, as modified by the Plan of Arrangement and the Interim Order, and has not withdrawn, or been deemed to have withdrawn, such exercise of Dissent Rights immediately prior to the Effective Time;

"DRS Advice" means a Direct Registration System (DRS) advice;

"Effective Date" means the date shown on the Certificate of Arrangement;

"Effective Time" means the time at which the Articles of Arrangement are filed with the Registrar on the Effective Date;

"Election Deadline" means 4:30 p.m. (Calgary time) on the second business day immediately prior to the date of the Meeting or, if the Meeting is adjourned, the adjourned meeting;

"Employment Agreements" means any employment agreement, severance agreement and other written agreement between CWC and certain of its Executive Employees;

"Equivalent Insurance" means an equivalent insurance policy to CWC's current directors' and officers' insurance policy, on a "trailing" or "run off" basis, subject in either case to terms and conditions no less advantageous to the directors and officers of Company than those contained in the directors' and officers' policy in effect as of the date of the Arrangement Agreement;

"Evercore" means Evercore Partners Canada Ltd., financial advisor to Precision in connection with the Arrangement;

"Exclusivity Extension" has the meaning given to it under the heading *"The Arrangement – Background to the Arrangement and Recommendations"*;

"Executive Employees" means the members of the executive leadership team of Company, which is currently comprised of its President and Chief Executive Officer, Chief Financial Officer, Vice President, Operations (Well Services), Vice President, Sales and Marketing (Well Services), Vice President, Operations (Drilling), Vice President, Sales and Marketing (Drilling).

"Fairness Opinion" means the opinion of CIBC Capital Markets, to the effect that, as of September 6, 2023 and based upon and subject to the assumptions, limitations and qualifications set forth therein, the Consideration to be received by the Shareholders under the Arrangement is fair, from a financial point of view, to the Shareholders, the full text of which is attached to this Information Circular as Appendix D;

"Final Order" means the order of the Court approving the Arrangement to be applied for by CWC following the approval of the Arrangement Resolution at the Meeting and to be granted pursuant to subsection 193(4) of the ABCA in respect of CWC, as such order may be affirmed, amended or modified by the Court (with the consent of both CWC and Precision, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that, such amendment is acceptable to both CWC and Precision, each acting reasonably) on appeal;

"Governmental Authority" means any:

- (a) national, federal, provincial, state, regional, municipal, local or other government or any governmental regulatory or administrative authority department, court, tribunal, arbitral body, commission, board, bureau ministry or agency, or official, domestic or foreign including any political subdivision thereof;
- (b) any subdivision, agent, commission, board or authority of any of the foregoing;
- (c) any quasi-governmental or private body exercising any regulatory or expropriation authority under or for the account of any of the foregoing; and
- (d) any stock exchange, including the TSX, TSXV or NYSE;

"Holder" has the meaning given to it under the heading *"Certain Canadian Federal Income Tax Considerations"*;

"Information Circular" means this management information circular dated October 2, 2023, together with all Appendices hereto, provided to the Shareholders in connection with the Meeting;

"Initial Offer" has the meaning given to it under the heading *"The Arrangement – Background to the Arrangement and Recommendations"*;

"Institutional Shareholders" has the meaning given to it under the heading *"The Arrangement – Background to the Arrangement and Recommendations"*;

"Interim MD&A" means management's discussion and analysis of the financial and operating results of CWC for the period ended June 30, 2023;

"Interim Order" means the interim order of the Court concerning the Arrangement under subsection 193(4) of the ABCA providing for, among other things, the calling and conduct of the Meeting with respect to the Arrangement, as such order may be affirmed, amended or modified by the Court (with the consent

of both CWC and Precision, each acting reasonably), the full text of which is attached to this Information Circular as Appendix C;

"Intermediary" means an intermediary with which a Beneficial Shareholder may engage, including banks, trust companies, securities dealers or brokers and trustees or administrators of self-directed trusts governed by "registered retirement savings plans", "registered retirement income funds", "registered education savings plans" (collectively as defined in the ITA) and similar plans, and such intermediary's nominees;

"In-the-Money Amount" means an amount equal to the amount by which \$0.196668 per Company Share exceeds the exercise price of a Company Option;

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

"Letter of Transmittal and Election Form" means the letter of transmittal and election form to be used by former Registered Shareholders to surrender their certificate of certificates (as applicable) which, immediately prior to the Effective Time, represented outstanding Company Shares to the Depositary and pursuant to which they are required to elect to receive Cash Consideration, Share Consideration or Combined Consideration in respect of their Company Shares and to deliver certificates representing Company Shares;

"Material Adverse Change" or **"Material Adverse Effect"** means, with respect to CWC or Precision, any fact or state of facts, circumstance, change, effect, occurrence or event that individually or in the aggregate is, or could reasonably be expected to be, material and adverse to the condition (financial or otherwise), business, operations, properties, assets, liabilities (whether absolute, accrued, contingent or otherwise), capitalization, results of operations or cash flows of CWC or Precision, taken as a whole, other than any such fact or state of facts, circumstance, change, effect, occurrence or event directly or indirectly relating to or resulting from:

- (a) conditions affecting the oilfield service industry generally in jurisdictions in which CWC or Precision carries on its business (whether now known or unknown or whether foreseeable or unforeseeable in the future);
- (b) changes to Applicable Laws, taxes, financial reporting standards or changes in accounting or regulatory requirements generally applicable to the oilfield services industry as a whole;
- (c) general economic, financial, currency exchange, securities, credit or commodity market conditions in Canada, the United States or elsewhere;
- (d) global, national or regional political conditions, including wars (including the war in Ukraine), the outbreak of war, riots or civil unrest or acts of terrorism or sabotage affecting the jurisdictions in which CWC or Precision conducts business;
- (e) any acts of God, natural disasters (including wildfires), epidemics, pandemics (including COVID-19), disease outbreak or similar public health crisis or public health event, or any material escalation or worsening thereof;
- (f) change in the price (on a current or forward basis) of crude oil, natural gas or related hydrocarbons;
- (g) any matter which has been publicly disclosed by CWC in the Company Public Record subsequent to January 1, 2023 and prior to the date of the Arrangement Agreement (other

than a matter which has been disclosed as a risk factor or under a forward-looking statement advisory) or in the Company Disclosure Letter and any matter which has been publicly disclosed by Precision in all information filed by or on behalf of Precision since January 1, 2023 with the Securities Authorities, which is available for public viewing on the SEDAR+ website at www.sedarplus.ca under Precision's profile subsequent to January 1, 2023 and prior to the date of the Arrangement Agreement (other than matter which has been disclosed as a risk factor or under a forward-looking statement advisory) or in the Purchaser Disclosure Letter, except in each case to the extent any such fact or state of facts, circumstances, change, effect, occurrence or event arises after the date hereof;

- (h) a change in the market trading price or trading volume of CWC or Precision's publicly listed securities (it being understood that, unless otherwise excluded by paragraphs (a) through (l) of this definition, inclusively, the causes underlying any such change may be considered to determine whether same constitutes a Material Adverse Change or Material Adverse Effect);
- (i) the failure of CWC or Precision to meet any internal or published projections, forecasts or estimates of revenues, earnings or cash flows (it being understood that, unless otherwise excluded by paragraphs (a) through (j) of this definition, inclusively, the causes underlying any such failure may be considered to determine whether same constitutes a Material Adverse Change or Material Adverse Effect);
- (j) any action taken by CWC or Precision that is required pursuant to the Arrangement Agreement (excluding any obligation to act in the ordinary course of business) including in connection to obtaining the Required Regulatory Approval;
- (k) the announcement of the Arrangement Agreement and the transactions contemplated by the Arrangement Agreement, including the Arrangement or the announcement thereof; or
- (l) any matter expressly consented to in writing by the other party after the date of the Arrangement Agreement or permitted or required by the Arrangement Agreement,

provided however, that (A) any change or effect referred to in clause (a) through (f) above does not primarily relate only to (or have the effect of primarily relating only to) the applicable party or disproportionately affects the applicable party compared to the other entities of similar size operating in the oilfield services industry in the same jurisdiction in which the party operates, in which case the relevant exclusion from this definition of Material Adverse Change or Material Adverse Effect referred to above shall not be applicable; and (B) references in certain sections of the Arrangement Agreement to dollar amounts are not intended to be, and shall not be deemed to be, illustrative or interpretive for purposes of determining whether a "Material Adverse Change" or "Material Adverse Effect" has occurred;

"Meeting" means the special meeting of Shareholders to be held in accordance with the Arrangement Agreement and the Interim Order to consider the Arrangement Resolution and any adjournment(s) or postponement(s) thereof;

"MI 61-101" means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*;

"NI 54-101" means National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*;

"NI 62-104" means National Instrument 62-104 – *Take-Over Bids and Issuer Bids*;

"No Action Letter" means a written confirmation from the Commissioner that he does not, at that time, intend to make an application under section 92 of the Competition Act in respect of the transactions contemplated by the Arrangement Agreement;

"Non-Resident Holder" has the meaning given to it under the heading *"Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada"*;

"Notice of Originating Application" means the notice of originating application for the Final Order which accompanies this Information Circular;

"Notice of Special Meeting" means the notice of the special meeting of Shareholders which accompanies this Information Circular;

"NYSE" means the New York Stock Exchange;

"Optionholder" means the sole holder of Company Options;

"Osler" has the meaning given to it under the heading *"The Arrangement – Background to the Arrangement and Recommendations"*;

"Outside Date" means November 30, 2023 or such later date as may be agreed to in writing by CWC and Precision; provided that if the Competition Act Clearance has not been obtained by the Outside Date, but all other conditions to effect the Arrangement set forth in the Arrangement Agreement have been satisfied or waived (other than those conditions that by their terms are to be satisfied at the Effective Time), the Outside Date shall initially be automatically extended (without any further action on the part of the CWC or Precision) by 90 days and following the expiry of the initial 90 day automatic extension if Competition Act Clearance has not been obtained, shall, at either Precision's or Company's election (on written notice to the other Party prior to the then Outside Date), be automatically extended (without any further action on the part of the CWC or Precision) for an additional 30 days;

"Parties" means, together, Precision and CWC, and **"Party"** means either one of them;

"person" includes any individual, firm, partnership, joint venture, venture capital fund, association, trust, trustee, executor, administrator, legal personal representative, estate group, body corporate, corporation, unincorporated association or organization, Governmental Authority, syndicate or other entity, whether or not having legal status;

"Plan of Arrangement" means the plan of arrangement under the ABCA substantially in the form attached as Schedule "A" to the Arrangement Agreement which is attached as Appendix B to this Information Circular, as such plan of arrangement may be amended or supplemented from time to time in accordance with the terms thereof and the terms of the Arrangement Agreement or made at the direction of the Court in the Final Order with the prior written consent of the Parties, each acting reasonably;

"Precision" or **"Purchaser"** means Precision Drilling Corporation, a corporation existing under the laws of the Province of Alberta;

"pre-merger notification" has the meaning given to it under the heading *"Procedure for the Arrangement to Become Effective – Regulatory Matters – Competition Act Clearance"*;

"Proposed Amendments" has the meaning given to it under the heading *"Certain Canadian Federal Income Tax Considerations"*;

"Purchaser Damages Event" has the meaning given to it under the heading *"The Arrangement Agreement – Termination Fee"*;

"Purchaser Disclosure Letter" means the disclosure letter dated as of the date of the Arrangement Agreement from Precision to Company;

"Purchaser Share" means a common share in the capital of Precision.

"Purchaser Share Price" means the deemed price per Purchaser Share of \$92.58.

"Purchaser Termination Fee" means the \$4 million fee payable by CWC to Precision upon the occurrence of a Purchaser Damages Event;

"Record Date" has the close of business on October 2, 2023;

"Registered Shareholders" means Shareholders who hold their Company Shares in their own name;

"Registrar" means the Registrar of Corporations or a Deputy Registrar of Corporations appointed pursuant to section 263 of the ABCA;

"Regulatory Approvals" means any consent, waiver, permit, permission, exemption, review, order, decision or approval of, or any registration and filing with or withdrawal of any objection or successful conclusion of any litigation brought by, any Governmental Authority, or the expiry, waiver or termination of any waiting period imposed by law or a Governmental Authority or pursuant to a written agreement between the Parties and a Governmental Authority to refrain from consummating the Arrangement, in each case required under Applicable Law in connection with the Arrangement, including the Competition Act Clearance;

"Representatives" means the officers, directors, employees, financial advisors, legal counsel, accountants, advisors and all other representatives and agents of either Party, as the context requires;

"Required Regulatory Approval" means the Competition Act Clearance;

"Requisite Shareholder Approval" means the requisite approval for the Arrangement Resolution by the Shareholders, being at least:

- (a) two-thirds of the votes cast by the Shareholders present in person or represented by proxy at the Meeting; and
- (b) a majority of the votes cast on the Arrangement Resolution by the Shareholders present in person or represented by proxy at the Meeting, after excluding the votes cast by those persons whose votes must be excluded in accordance with MI 61-101;

"Resident Holder" has the meaning given to it under the heading *"Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada"*;

"Restricted Award Holders" means holders of Company Restricted Awards;

"Revised Offer" has the meaning given to it under the heading *"The Arrangement – Background to the Arrangement and Recommendations"*;

"Securities Act" means the *Securities Act*, R.S.A. 2000, c. S-4, as such may be amended prior to the Effective Date;

"Securities Authorities" means, collectively, the securities commissions or similar securities regulatory authorities in each of the provinces of Canada (provided that references to Company filing documents with Securities Authorities exclude Québec);

"SEDAR+" means the Canadian Securities Administrator's secure web-based system used by market participants to file, disclose and search for information in Canada's capital markets;

"Share Consideration" means the consideration in the form of Purchaser Shares to be issued on the election or deemed election of a Shareholder under the Plan of Arrangement;

"Share Electing Shareholder" means a Shareholder who has elected to receive the Share Consideration only pursuant to the Arrangement.

"Share Maximum" means 947,909 Purchaser Shares less an amount equal to 86.5% multiplied by the product of: (i) the number of Company Shares, if any, in respect of which Dissent Rights are validly exercised and which exercise remains valid immediately prior to the Effective Time; and (ii) the number obtained by dividing \$101,483,358 by the Total Company Shares and then dividing such product of (i) and (ii) by the Purchaser Share Price of \$92.58;

"Shareholders" means holders of Company Shares from time to time;

"Superior Proposal" means an unsolicited written bona fide Acquisition Proposal made after the date of the Arrangement Agreement, by a person other than Precision to acquire not less than all of the Company Shares or all or substantially all of the assets of Company on a consolidated basis that:

- (a) is not subject to any financing condition and in respect of which any funds or other consideration necessary to complete the Acquisition Proposal has been demonstrated, to the satisfaction of the Company Board, to have been obtained, or in respect of which the Company Board determines in good faith, after receiving advice from its legal counsel and financial advisors that adequate arrangements have been made, to fund completion of the Acquisition Proposal at the time and on the basis set out therein;
- (b) the Company Board and any relevant committee thereof has determined in good faith is reasonably capable of being completed without undue delay, taking into account all financial, legal, regulatory and other aspects of such Acquisition Proposal and the Person making such proposal;
- (c) complies with Applicable Laws and that did not result from or involve a breach of any agreement by the Person making such proposal or a breach of the Arrangement Agreement;
- (d) is not subject to any due diligence or access condition;
- (e) that the Company Board determines in good faith after consultation with its financial advisors and legal counsel, is a transaction that would, if consummated in accordance with its terms (but not assuming away any risk of non- completion), result in a transaction more

favourable to the Shareholders from a financial point of view than the transactions contemplated by the Arrangement Agreement (including in each case after taking into account any modifications to the Arrangement Agreement);

- (f) that the Company Board determines in good faith after consultation with its financial advisors and legal counsel, is a transaction the failure by the Company Board to accept, recommend, approve or enter into a definitive agreement to implement such Acquisition Proposal would be inconsistent with its fiduciary duties under Applicable Law;

"Supporting Shareholders" means the persons who have executed a Company Support Agreement, being all directors and executive officers of the Company, BBU Alta Investments L.P., Brookfield BBP (Canada) L.P. and CPP Investment Board Private Holdings Inc.;

"taxable capital gain" has the meaning given to it under the heading *"Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gains and Capital Losses"*;

"Torys" has the meaning given to it under the heading *"The Arrangement – Background to the Arrangement and Recommendations"*;

"Total Company Shares" means the total number of issued and outstanding Company Shares as at the Effective Time which, for greater certainty, shall include Company Shares held by Dissenting Shareholders.

"TSX" means the Toronto Stock Exchange;

"TSXV" means the TSX Venture Exchange;

"United States" means the United States of America, its territories and possessions, any state of the United States, and the District of Columbia;

"U.S. Exchange Act" means the *United States Securities Exchange Act of 1934*, as amended, and the rules and regulations promulgated thereunder;

"U.S. Securities Act" means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder; and

"Voting Instruction Form" means the voting instruction form provided by Broadridge to Beneficial Shareholders.

Introduction

This Information Circular is furnished in connection with the solicitation of proxies by the management of the Company for use at the Meeting, and any adjournment or postponement thereof. No person has been authorized to give any information or make any representations in connection with the Arrangement or any other matters to be considered at the Meeting other than those contained in this Information Circular and if given or made, any such information or representations may not be relied upon as having been authorized by CWC.

The information concerning Precision contained in this Information Circular, including but not limited to the information under the headings "Pro Forma Information Concerning Precision" and "Information Concerning Precision", has been provided by Precision. Although the Company has no knowledge that would indicate that any of such information is untrue or incomplete, CWC does not assume any responsibility for the accuracy or completeness of such information or the failure by Precision to disclose events which may have occurred or may affect the completeness or accuracy of such information, but which are unknown to CWC.

This Information Circular does not constitute the solicitation of an offer to purchase any securities or the solicitation of a proxy by any person in any jurisdiction in which such solicitation is not authorized or in which the person making such solicitation is not qualified to do so or to any person to whom it is unlawful to make such solicitation. The delivery of this Information Circular will not, under any circumstances, create an implication that there has been no change in the information set forth in this Information Circular since the date as of which such information is given in this Information Circular.

This Information Circular is dated October 2, 2023. The information contained in this Information Circular is given as of October 2, 2023, unless otherwise specifically stated.

The information contained on, or accessible through, CWC's website, Precision's website or any other website does not constitute part of this Information Circular.

All summaries of, and references to, the Arrangement Agreement and the Arrangement or the Plan of Arrangement in this Information Circular are qualified in their entirety by reference to the complete text of the Arrangement Agreement and the Plan of Arrangement, copies of which are attached as Appendix B to this Information Circular and Schedule "A" thereto, respectively. **You are urged to carefully read the full text of the Arrangement Agreement and the Plan of Arrangement.**

All capitalized terms used in this Information Circular but not otherwise defined herein have the meanings set forth in this Information Circular under "Glossary of Terms". The terms and abbreviations used in the Appendices to this Information Circular are defined separately therein. Details of the Arrangement are set forth under the heading "*The Arrangement*". For details of the matters to be considered by the Shareholders, see "*Matters to be Considered at the Meeting*".

All dollar amounts presented in this Information Circular are presented in Canadian dollars, unless otherwise stated.

Forward-Looking Statements

This Information Circular contains certain forward-looking information and forward-looking statements within the meaning of Applicable Canadian Securities Laws (collectively, "*forward-looking information*"). Forward-looking information relates to future events or future performance and is based upon management's current internal expectations, estimates, projections, assumptions and beliefs. All

information other than historical fact may be forward-looking information. Words such as "seek", "plan", "continue", "expect", "intend", "believe", "anticipate", "predict", "estimate", "may", "will", "could", "potential", and other similar words that indicate events or conditions may occur are intended to identify forward-looking information.

In particular, this Information Circular contains forward-looking information pertaining to the following:

- the anticipated benefits of the Arrangement to CWC and Shareholders;
- the structure, steps, timing and effect of the Arrangement;
- the timing of the Meeting, the Final Order and the completion of the Arrangement;
- the anticipated Effective Date;
- the anticipated receipt of all required regulatory and third party approvals for the Arrangement, including the Competition Act Clearance;
- the expected timing of the Competition Bureau's completion of its review of the transaction;
- the ability of CWC and Precision to satisfy the other conditions to, and to complete, the Arrangement;
- the delisting of the Company Shares from the TSXV and the anticipated timing thereof;
- the application by CWC to cease to be a reporting issuer under Applicable Canadian Securities Laws and the anticipated timing thereof;
- the anticipated tax treatment of the Arrangement for Shareholders;
- the anticipated treatment of Shareholders under Applicable Canadian Securities Laws; and
- the exercise of Dissent Rights by Shareholders with regards to the Arrangement.

This forward-looking information is based on certain expectations and assumptions, including the following expectations and assumptions:

- the perceived benefits of the Arrangement are based upon a number of factors, including the terms and conditions of the Arrangement Agreement and current industry, economic and market conditions (see *"The Arrangement – Recommendations"* and *"The Arrangement – Reasons for the Arrangement"*);
- certain steps in, and timing of, the Arrangement and the Effective Date of the Arrangement are based upon the terms of the Arrangement Agreement and advice received from counsel to CWC relating to the expected timing of transaction steps (see *"The Arrangement"* and *"Timing"*); and
- the anticipated tax treatment of the Arrangement for Shareholders is subject to the statements under *"Certain Canadian Federal Income Tax Considerations"*.

By its very nature, forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. The Company believes the expectations reflected in the forward-looking statements contained in this Information Circular are reasonable, but no assurance can be given that these expectations

will prove to be correct and such forward-looking statements included in this Information Circular should not be unduly relied upon. These statements speak only as of the date of this Information Circular.

Some of the risks that could cause results to differ materially from those expressed in the forward-looking information include:

- the conditions to the completion of the Arrangement, including receipt of the Requisite Shareholder Approval, Court approval and the Competition Act Clearance, as applicable, may not be satisfied or waived, which may result in the Arrangement not being completed;
- the timing of the Meeting and the Final Order and the anticipated Effective Date may be changed or delayed;
- the Arrangement Agreement may be terminated by either Party under certain circumstances, including as a result of the occurrence of a Material Adverse Change in respect of CWC;
- CWC will incur costs relating to the Arrangement, regardless of whether the Arrangement is completed or not completed;
- if the Arrangement is completed, Shareholders will receive the Consideration in accordance with the Shareholder's election on the Letter of Transmittal and Election Form, subject to proration and consideration caps set out in the Arrangement Agreement;
- if the Arrangement is not completed, CWC may be required, in certain circumstances, to pay the Purchaser Termination Fee to Precision; and
- if the Arrangement is not completed, Shareholders will not receive the Consideration and CWC will continue to be subject to various risks related to its ongoing business.

Readers are cautioned that the foregoing list of factors are not exhaustive. The forward-looking information contained in this Information Circular is expressly qualified by this cautionary statement. Except as required by law, the Company does not undertake any obligation to publicly update or revise any forward-looking information.

Readers should also carefully consider the matters discussed under the headings "*Risk Factors*", "*Certain Canadian Federal Income Tax Considerations*" and other risks described elsewhere in this Information Circular and in the AIF, the Annual MD&A and the Interim MD&A, which are available on the Company's website at www.cwcenergyservices.com or on CWC's corporate profile on SEDAR+ at www.sedarplus.ca.

Information for Shareholders in the United States

CWC is a corporation organized under the laws of the Province of Alberta. The solicitation of proxies for the Meeting and the transactions contemplated in this Information Circular are not subject to the requirements of section 14(a) of the U.S. Exchange Act. Accordingly, the solicitation of proxies and transactions contemplated in this Information Circular are made in the United States for securities of a Canadian issuer in accordance with Canadian corporate laws and Applicable Canadian Securities Laws, and this Information Circular has been prepared in accordance with disclosure requirements applicable in Canada. Shareholders in the United States should be aware that Canadian corporate laws and Applicable Canadian Securities Laws and disclosure requirements are different from United States corporate and securities laws and disclosure requirements applicable to proxy statements under the U.S. Exchange Act.

The enforcement by Shareholders of civil liabilities under applicable United States federal and state securities laws may be affected adversely by the fact that CWC and Precision are each organized under the laws of a jurisdiction other than the United States, that a significant number of their respective officers and directors are residents of countries other than the United States, that a majority of the assets of CWC are located outside of the United States and that a substantial percentage of Precision's assets are located outside of the United States.

You may not be able to sue a non-United States company, its officers or directors named in this Information Circular in a U.S. or non-U.S. court for violations of United States federal or state securities laws. In addition, the courts of countries other than the United States may not enforce judgments of United States courts obtained in actions against such persons predicated upon civil liabilities under the federal or state securities laws of the United States.

Shareholders in the United States should be aware that the disposition by them of their Company Shares, as described herein, may have tax consequences both in the United States and in Canada. Such U.S. tax consequences for Shareholders have not been described herein.

The Arrangement and the Precision Shares to be issued in connection with the Arrangement have not been approved or disapproved by the United States Securities and Exchange Commission or any other securities regulatory authority, nor has the United States Securities and Exchange Commission or any securities regulatory authority passed upon the fairness or the merits of this transaction or upon the accuracy or adequacy of the information contained in this Information Circular.

Voting and Proxies

Purpose of Solicitation

This Information Circular is furnished in connection with the solicitation of proxies by the management of the Company for use at the Meeting to be held on Monday, November 6, 2023 at 10:00 a.m. (Calgary time), or at any adjournment or postponement thereof, for the purposes set out in the accompanying Notice of Special Meeting. The Meeting will be held in an in-person only format in the Edmund Taylor Room, Stock Exchange Tower, located at 202, 300 – 5th Avenue S.W., Calgary, Alberta. Shareholders will not be able to attend the Meeting online or by teleconference.

Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone by directors, executive officers or employees of CWC or by any other means management of the Company may deem necessary. The cost of any such solicitation by management is expected to be nominal and shall be borne by the Company. If you have any questions or need assistance completing your form of proxy, please contact Computershare Trust Company of Canada, at 1-800-564-6253 (toll-free in North America) or by email at www.computershare.com/service. Beneficial shareholders who have received a Voting Instruction Form from Broadridge must deposit the completed Voting Instruction Form with Broadridge by mail or facsimile at the address or facsimile number noted thereon.

Who Can Vote

Shareholders of record at the close of business on the Record Date are entitled to vote in-person or by proxy at the Meeting. However, to the extent that a Registered Shareholder transfers ownership of their Company Shares after October 2, 2023 and the transferee establishes ownership of those Company Shares and requests, not less than 10 days before the Meeting, to be included in the list of Shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those Company Shares at the Meeting.

Matters to Be Voted On

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass the Arrangement Resolution, a copy of which is attached to this Information Circular as Appendix A, and such other matters which may properly come before the Meeting, or any adjournment or postponement thereof. At the time of printing this Information Circular, the Company knows of no other matter expected to come before the Meeting, other than the vote on the Arrangement Resolution.

How to Vote

As a Registered Shareholder

You are a Registered Shareholder if you hold Company Shares in your name and you have a share certificate.

Registered Shareholders will be entitled to vote in-person and receive a form of proxy with this Information Circular and may vote by proxy as follows:

By Internet or Phone	<ul style="list-style-type: none"> • go to www.investorvote.com or call 1-866-732 VOTE (8683) toll free and in each case follow the instructions; • refer to the 12-digit Control Number, located on the proxy; and • convey your voting instructions electronically over the internet or phone.
By Mail	<ul style="list-style-type: none"> • complete, date and sign the proxy in accordance with the instructions on the proxy; and • return the completed proxy in the envelope provided to Computershare Trust Company of Canada, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1

Please note that if you vote by mail, your proxy must be deposited at the offices of Computershare Trust Company of Canada, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) preceding the Meeting or any adjournment or postponement thereof. If you vote by internet or phone, there is no need to mail back the proxy.

As a Beneficial Shareholder

You are a Beneficial Shareholder if your Company Shares are registered in the name of an Intermediary.

The information set out in this section is of significant importance to many Shareholders, as a substantial number of Shareholders do not hold their Company Shares in their own name. Only Shareholders whose names appear on the records of CWC as the Registered Shareholders and duly appointed proxyholders, are permitted to vote. If Company Shares are listed in an account statement provided to a Shareholder by an Intermediary, such Company Shares will likely be registered under the name of the Intermediary or an agent of that Intermediary. Company Shares held by Intermediaries or their agents can only be voted upon the instructions of the Beneficial Shareholder. Without specific instructions, Intermediaries or their agents are prohibited from voting shares for clients. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Company Shares are communicated. Beneficial Shareholders will receive a Voting Instruction Form with this Information Circular. As a Beneficial Shareholder, you may vote as follows:**

Giving Your Voting Instructions to Your Intermediary

Applicable regulatory rules require Intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every Intermediary has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Company Shares are voted at the Meeting. The majority of Intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge. Broadridge typically provides a scannable Voting Instruction Form, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the completed Voting Instruction Form to the Intermediaries. Beneficial Shareholders are alternatively provided with a toll-free telephone number or a website address where voting instructions can be provided. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Company Shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Voting Instruction Form cannot use that Voting Instruction Form to vote Company Shares directly at the Meeting. The Voting Instruction Form will not be valid unless it is completed as outlined therein and returned to Broadridge well in advance of the Meeting in accordance with the instructions set out therein in order to have the Company Shares voted at the Meeting.**

Beneficial Shareholders should follow the instructions on the Voting Instruction Form that they receive and contact their Intermediaries promptly if they need assistance.

Beneficial Shareholders who have not objected to their Intermediary disclosing certain ownership information about themselves to CWC are referred to as non-objecting beneficial owners or "**NOBOs**". Those Beneficial Shareholders who have objected to their Intermediary disclosing ownership information about themselves to CWC are referred to as objecting beneficial owners or "**OBOs**".

Pursuant to NI 54-101, CWC has distributed copies of proxy-related materials in connection with this Meeting (including this Information Circular) indirectly to all Beneficial Shareholders. CWC is not relying on the notice-and-access delivery procedures outlined in NI 54-101 to distribute copies of the proxy-related materials in connection with the Meeting.

CWC has agreed to pay the postage for Intermediaries to deliver copies of the proxy-related materials and related documents to OBOs (who have not otherwise waived their right to receive proxy-related materials).

Revocation of Proxies

A Shareholder who has submitted a proxy may revoke it as to any matter upon which a vote has not already been cast, pursuant to the authority conferred by the proxy.

A Shareholder may revoke a proxy by voting again on the internet or by phone, or by depositing an instrument in writing, executed by the Shareholder or his or her attorney authorized in writing, or, if the Shareholder is a corporation, under its corporate seal or signed by a duly authorized officer or attorney for such corporation at the offices of CWC, Suite 2910, 605 – 5th Avenue S.W. Calgary, Alberta T2P 3H5, at any time, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Alberta) preceding the Meeting or an adjournment or postponement of the Meeting at which the proxy is to be used.

Voting Securities and Principal Holders Thereof

The only outstanding voting securities of CWC are the Company Shares, of which, as at October 2, 2023, 516,012,894 Company Shares were issued and outstanding. The Company is authorized to issue an unlimited number of Company Shares without nominal or par value.

As at October 2, 2023, 89,000 Company Options were granted under the Company Option Plan and outstanding and 16,320,744 Company Restricted Awards were granted under the Company Restricted Awards Plan and outstanding. Company Options and Company Restricted Awards are not permitted to vote on the Arrangement Resolution.

Each Company Share confers the right to one vote on the Arrangement Resolution. Only Shareholders whose names have been entered in the register of Shareholders on the close of business on the Record Date will be entitled to receive notice of and to vote in-person or by proxy at the Meeting, except to the extent that:

- (a) a Shareholder transfers any of his, her or its Company Shares after the Record Date; and
- (b) the transferee of such Company Shares produces properly endorsed share certificates or otherwise establishes that he, she or it owns the Company Shares and requests, through CWC's transfer agent, Computershare Trust Company of Canada, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, not later than ten days before the Meeting, that the transferee's name be included in the list of Registered Shareholders entitled to vote in-person or by proxy at the Meeting,

such transferee shall be entitled to vote such Company Shares in-person or by proxy at the Meeting.

As of the date of this Information Circular, and to the best of the knowledge of the directors and executive officers of the Company, no person or company beneficially owns or controls or directs, directly or indirectly, 10% or more of the voting rights attached to the Company Shares, other than as follows:

Name	Number of Company Shares	% of Issued and Outstanding Company Shares
BBU Alta Investments L.P.	167,872,893	32.5%
Brookfield BBP (Canada) L.P.	121,430,655	23.5%
CPP Investment Board Private Holdings Inc.	85,504,023	16.5%

SUMMARY OF THE ARRANGEMENT

This summary is qualified in its entirety by the more detailed information appearing elsewhere in this Information Circular, including the Appendices hereto.

The Meeting

The Meeting will be held in an in-person only format at 10:00 a.m. (Calgary time) on Monday, November 6, 2023 in the Edmund Taylor Room, Stock Exchange Tower, located at 202, 300 – 5th Avenue S.W., Calgary, Alberta. At the Meeting, Shareholders will be asked to consider and vote upon the Arrangement Resolution. See "The Arrangement" and "Matters to be Considered at the Meeting".

The Arrangement

Effect of the Arrangement

The following is a summary only of certain of the material terms of the Plan of Arrangement and is qualified in its entirety by the full text of the Arrangement Agreement and the Plan of Arrangement attached to this Information Circular as Appendix B and Schedule "A" thereto, respectively. Shareholders are urged to read the Arrangement Agreement, including the Plan of Arrangement, carefully and in their entirety.

If completed, the Arrangement will result in the acquisition by Precision of all of the outstanding Company Shares. Shareholders will receive a total of 947,909 Purchaser Shares and approximately \$13,725,943 in cash, subject in each case to adjustment for Dissenting Shareholders. Shareholders will have the ability to elect to receive (a) 0.002124306 of a Purchaser Share for each Company Share held, (b) \$0.196668 in cash for each Company Share held, or (c) a combination of cash and Precision shares for all Company Shares of such Shareholder subject to proration and as set out in the Arrangement Agreement and Plan of Arrangement. Upon completion of the Arrangement, existing holders of Company Shares and Purchaser Shares will collectively own approximately 7% and 93% of Precision, respectively.

The Arrangement will be implemented by way of a Court-approved Plan of Arrangement under the ABCA pursuant to the terms of the Arrangement Agreement. For a detailed description of the steps which will occur under the Plan of Arrangement on the Effective Date, assuming all conditions to the implementation of the Arrangement have been satisfied or waived, please see the full text of the Plan of Arrangement attached as Schedule "A" to the Arrangement Agreement which is attached as Appendix B to this Information Circular.

See "The Arrangement – Details of the Arrangement" and "The Arrangement – Effect of the Arrangement".

Background to the Arrangement and Recommendations

The terms of the Arrangement are the result of negotiations between the Company (and CIBC Capital Markets on the Company's behalf) and Precision and the respective legal counsel for Precision and the Company. This Information Circular contains a summary of the events leading up to the negotiation of the Arrangement Agreement and the meetings, negotiations, discussions and actions between the Company and Precision.

See "The Arrangement – Background to the Arrangement and Recommendations".

Reasons for the Arrangement

In reaching the unanimous conclusion that the Arrangement is fair to the Shareholders, that the Arrangement and the entering into of the Arrangement Agreement are in the best interests of the Company and in recommending that the Shareholders vote **FOR** the Arrangement Resolution, the Company Board considered, among other things, the Fairness Opinion and various strategic, financial and operational factors and potential advantages and disadvantages of the Arrangement, including the quantum and form of the Consideration payable to Shareholders. As part of its deliberations, the Company Board considered the potential prospects of CWC and its business. For a list of certain factors and potential advantages and disadvantages considered, see "*The Arrangement – Reasons for the Arrangement*".

Recommendation of the Company Board

The Company Board has unanimously: (a) determined that the Arrangement is fair to the Shareholders; (b) determined that the Arrangement and the entering into of the Arrangement Agreement are in the best interests of CWC; (c) resolved to recommend that the Shareholders vote in favour of the Arrangement; and (d) authorized the execution of and approved the Arrangement Agreement and the transactions contemplated thereby.

Accordingly, the Company Board unanimously recommends that Shareholders vote **FOR** the Arrangement Resolution.

See "*The Arrangement – Recommendations – Recommendation of the Company Board*".

Fairness Opinion

In deciding to recommend approval of the Arrangement, the Company Board, considered, among other things, the Fairness Opinion.

CWC engaged CIBC Capital Markets as its financial advisor to provide the Company Board with various financial advisory services including, without limitation, advice and assistance in evaluating the Arrangement and a fairness opinion, if requested.

The CIBC Engagement Agreement provides for payment to CIBC Capital Markets of certain fees, a portion of which were payable upon delivery of the Fairness Opinion to CWC (which portion was not contingent on completion of the Arrangement) and a portion of which are contingent on closing of the Arrangement. The fees payable to CIBC Capital Markets under the CIBC Engagement Agreement were negotiated and agreed to by CIBC Capital Markets and CWC. No portion of the fees payable to CIBC Capital Markets under the CIBC Engagement Agreement is contingent upon the conclusions reached by CIBC Capital Markets in the Fairness Opinion.

CIBC Capital Markets has provided the Company Board with its opinion that, as of September 6, 2023 and based upon and subject to the assumptions, limitations and qualifications set forth therein, the Consideration to be received by the Shareholders under the Arrangement is fair, from a financial point of view, to such Shareholders. The full text of the Fairness Opinion is attached to this Information Circular as Appendix D.

CIBC Capital Markets has provided the Company Board with the Fairness Opinion for their exclusive use only in connection with their consideration of the Arrangement, and the Fairness Opinion is not to be used or relied upon by any other person except in accordance with CIBC Capital Markets' prior written consent. The Fairness Opinion is not intended to be, nor does it constitute, a recommendation to the Company Board whether to enter into the Arrangement or as to how Shareholders should vote with respect to the

Arrangement or any other matter. This summary of the Fairness Opinion is qualified in its entirety by reference to the full text of the Fairness Opinion. The Company Board urges Shareholders to read the Fairness Opinion carefully and in its entirety.

See "*The Arrangement – Fairness Opinion*" and the full text of the Fairness Opinion, which is attached as Appendix D to this Information Circular.

Support Agreements

The Supporting Shareholders have agreed, among other things, not to dispose of any of their Company Shares prior to the Effective Date and to vote in favour of the Arrangement Resolution. The Supporting Shareholders collectively hold approximately 80.7% of the outstanding Company Shares.

See "*The Arrangement – Support Agreements*".

The Arrangement Agreement

Parties to the Arrangement Agreement

CWC is a publicly-traded contract drilling and well servicing company operating in Canada and the United States with a complementary suite of oilfield services including drilling and service rigs. The Company Shares are listed for trading on the TSXV under the symbol "CWC". For additional information regarding CWC, see "*Information Concerning CWC*".

Precision is a publicly-traded Canadian corporation engaged in provision of services to the energy industry. Precision is a leading provider of safe and environmentally responsible High Performance, High Value services to the energy industry, offering customers access to an extensive fleet of Super Series drilling rigs. Precision has commercialized an industry-leading digital technology portfolio known as Alpha™ technologies that utilizes advanced automation software and analytics to generate efficient, predictable, and repeatable results for energy customers. Additionally, Precision offers well service rigs, camps and rental equipment all backed by a comprehensive mix of technical support services and skilled, experienced personnel. Our drilling services are enhanced by our EverGreen™ suite of environmental solutions, which bolsters our commitment to reducing the environmental impact on our operations. Precision's common shares are listed and posted for trading on the TSX under the symbol "PD" and the NYSE under the symbol "PDS". For additional information regarding Precision, see "*Information Concerning Precision*".

Arrangement Agreement and Plan of Arrangement

The following is a summary only of certain of the material terms of the Arrangement Agreement and is qualified in its entirety by the full text of the Arrangement Agreement and the Plan of Arrangement attached to this Information Circular as Appendix B and Schedule "A" thereto, respectively. Shareholders are urged to read the Arrangement Agreement, including the Plan of Arrangement, carefully and in their entirety.

The completion of the Arrangement is subject to the satisfaction or waiver of certain closing conditions set out in the Arrangement Agreement. These conditions include, among others, approval of the Arrangement Agreement by the Shareholders, Court approval, receipt of the Competition Act Clearance, the Effective Date occurring on or before the Outside Date and holders of not more than 10% of the outstanding Company Shares having validly exercised Dissent Rights that have not been withdrawn as of the Effective Date. As soon as is reasonably practicable, but in any event before the Outside Date following the satisfaction or waiver of all of the conditions to closing set out in the Arrangement Agreement (other than those conditions

that by their nature are to be satisfied at closing of the Arrangement, but subject to satisfaction or waiver of those conditions), CWC is required to file the Articles of Arrangement with the Registrar in order to give effect to the Arrangement.

In addition to certain covenants, representations and warranties made by each of CWC and Precision in the Arrangement Agreement, CWC has provided certain non-solicitation covenants, subject to the right of the Company Board to respond to an unsolicited Acquisition Proposal that constitutes or could reasonably be expected to constitute or lead to a Superior Proposal, and the right of Precision to match any such Superior Proposal within five Business Days.

In the event of the termination of the Arrangement Agreement as a result of a Purchaser Damages Event, including where: (a) the Company Board has withdrawn, amended, modified, changed or qualified, or has proposed publicly to withdraw, amend, modify or change, any of the Company Board Recommendation in a manner adverse to Precision; or (b) the Company Board (or any committee thereof) has accepted, recommended, approved or entered into, or has proposed publicly to accept, recommend, approve or enter into, an agreement, understanding or letter of intent to implement a Superior Proposal, CWC has agreed to pay to Precision the Purchaser Termination Fee of \$4 million.

The Arrangement Agreement may be terminated by mutual written consent of CWC and Precision, or by either Party in certain circumstances as more particularly set forth in the Arrangement Agreement. Subject to certain limitations, either Party may also terminate the Arrangement Agreement if the Effective Date has not occurred by the Outside Date.

See "*The Arrangement Agreement*" and the full text of the Arrangement Agreement, which is attached to this Information Circular as Appendix B.

Procedure for the Arrangement to Become Effective

Procedural Steps

The Arrangement is proposed to be carried out pursuant to section 193 of the ABCA. The following procedural steps must be taken in order for the Arrangement to become effective:

- (a) the Arrangement Resolution must be approved by the Shareholders at the Meeting by the Requisite Shareholder Approval and in the manner set forth in the Interim Order;
- (b) the Court must grant the Final Order approving the Arrangement;
- (c) all conditions precedent to the Arrangement, as set forth in the Arrangement Agreement, must be satisfied or waived by the appropriate Party; and
- (d) the Final Order, the Articles of Arrangement and related documents, in the form prescribed by the ABCA, must be filed with the Registrar.

There is no assurance that the conditions set out in the Arrangement Agreement will be satisfied or waived on a timely basis or at all.

Upon the conditions precedent set forth in the Arrangement Agreement being fulfilled or waived, CWC intends to file a copy of the Final Order and the Articles of Arrangement with the Registrar under the ABCA, together with such other materials as may be required by the Registrar, in order to give effect to the Arrangement.

See "*Procedure for the Arrangement to Become Effective – Procedural Steps*".

Shareholder Approval

Pursuant to the terms of the Interim Order, the Arrangement Resolution must be approved by at least: (a) two-thirds of the votes cast by the Shareholders in-person or represented by proxy at the Meeting and (b) a majority of the votes cast on the Arrangement Resolution by the Shareholders in-person or represented by proxy at the Meeting, after excluding the votes cast by those persons whose votes must be excluded in accordance with MI 61-101.

To the knowledge of CWC and its directors and senior officers, after reasonable inquiry, for the purposes of MI 61-101, it is expected that the votes in respect of an aggregate of 9,475,500 Company Shares (representing approximately 1.8% of the issued and outstanding Company Shares) beneficially owned, or over which control or direction is exercised, directly or indirectly, by Duncan Au, President and Chief Executive Officer and a director, will be excluded in determining whether "majority of the minority" approval for the purposes of MI 61-101 is obtained.

The Arrangement Resolution must receive the Requisite Shareholder Approval in order for CWC to seek the Final Order and implement the Arrangement on the Effective Date in accordance with the terms of the Final Order. If the Arrangement Resolution is not approved by the Requisite Shareholder Approval, the Arrangement cannot be completed.

Pursuant to the Interim Order, the quorum required at the Meeting will be at least two Shareholders present or represented by proxy at the Meeting, and holding or representing at least 5% of the Company Shares entitled to be voted at the Meeting.

See "*Procedure for the Arrangement to Become Effective – Shareholder Approval*" and "*Procedure for the Arrangement to Become Effective – Securities Law Matters*".

Court Approval

On October 2, 2023, the Court granted the Interim Order providing for the calling and holding of the Meeting, the Dissent Rights and certain other procedural matters. The full text of the Interim Order is attached as Appendix C to this Information Circular.

Subject to the terms of the Arrangement Agreement and obtaining the Requisite Shareholder Approval for the Arrangement Resolution at the Meeting, CWC will make an in-person application to the Court for the Final Order at the Calgary Law Courts on November 7, 2023 at 2:00 p.m. (Calgary time) or as soon thereafter as is reasonably practicable. The Notice of Originating Application for the Final Order accompanies this Information Circular. At the application for the Final Order, the Court will consider, among other things, the fairness of the Arrangement.

Any Shareholder or other interested party desiring to support or oppose the application with respect to the Arrangement, may appear in-person at the hearing or by counsel for that purpose, subject to filing with the Court and serving on CWC on or before 4:00 p.m. (Calgary time) on October 31, 2023, a notice of intention to appear setting out their address for service and indicating whether they intend to support or oppose the application or make submissions, together with any evidence or materials which are to be presented to the Court. Service of such notice on CWC is required to be effected by service upon the solicitors for CWC: Burnet, Duckworth & Palmer LLP, 2400, 525 - 8th Avenue S.W., Calgary, Alberta, T2P 1G1, Attn: Craig Alcock.

See "*Procedure for the Arrangement to Become Effective – Court Approval*".

Regulatory Matters

The Arrangement Agreement provides that it is a condition to completion of the Arrangement that Competition Act Clearance has been obtained and is in full force and effect. On September 13, 2023, Precision filed a request for an Advance Ruling Certificate and on September 18, 2023 each of CWC and Precision filed a pre-merger notification.

Following the completion of the Arrangement, it is expected that the Company Shares will be delisted from the TSXV and CWC will make an application to cease to be a reporting issuer under Applicable Canadian Securities Laws to be effective as soon as reasonably practicable thereafter.

See "*Procedure for the Arrangement to Become Effective – Regulatory Matters*".

Securities Law Matters

The Arrangement constitutes a "business combination" under MI 61-101 and, consequently, completion of the Arrangement is subject to obtaining "majority of the minority" approval of the Arrangement Resolution.

In determining "majority of the minority" approval for a business combination, CWC is required to exclude the votes attached to the Company Shares that, to the knowledge of CWC or any "interested party" (as defined in MI 61-101) or their respective directors or senior officers, after reasonable inquiry, are beneficially owned or over which control or direction is exercised, directly or indirectly, by: (a) CWC; (b) an "interested party"; (c) a "related party" of an "interested party", unless the "related party" meets that description solely in its capacity as a director or senior officer of one or more persons that are neither "interested parties" nor "issuer insiders" of CWC; or (d) "joint actors" with any person referred to in (b) or (c) above in respect of the transaction, all as defined in MI 61-101.

To the knowledge of CWC and its directors and senior officers, after reasonable inquiry, for the purposes of MI 61-101, it is expected that the votes in respect of an aggregate of 9,475,500 Company Shares (representing approximately 1.8% of the issued and outstanding Company Shares) beneficially owned, or over which control or direction is exercised, directly or indirectly, by Duncan Au, President and Chief Executive Officer and a director, will be excluded in determining whether "majority of the minority" approval for the purposes of MI 61-101 is obtained.

See "*Procedure for the Arrangement to Become Effective – Securities Law Matters*".

Procedure for Receipt of Consideration

Enclosed with this Information Circular is a Letter of Transmittal and Election Form, which, when properly completed and returned together with the original certificate(s) representing Company Shares and all other required documents, will enable each Registered Shareholder to receive the Consideration that such Shareholder is entitled to receive under the Arrangement. Additional copies of the Letter of Transmittal and Election Form are available by contacting the Depositary at the numbers listed thereon. The Letter of Transmittal and Election Form is also available under the Company's SEDAR+ profile at www.sedarplus.ca.

Any original certificate formerly representing Company Shares that is not deposited, together with all other documents required under the Plan of Arrangement, on or before the last Business Day prior to the third anniversary of the Effective Date and any right or claim to receive the

Consideration that remains outstanding on such day shall cease to represent a claim by or interest of any former Shareholder of any kind or nature against CWC or Precision. On such date, all consideration and other property to which such former Shareholder was entitled shall be deemed to have been surrendered and forfeited to Precision for no consideration.

Beneficial Shareholders must contact their Intermediary to make their elections for Cash Consideration or Share Consideration (or a combination thereof) and to deposit their Company Shares.

See "Procedure for the Arrangement to Become Effective – Procedure for Receipt of Consideration".

Dissent Rights

Pursuant to the Interim Order, Dissenting Shareholders are entitled, in addition to any other right such Dissenting Shareholder may have, to dissent and to be paid by CWC the fair value of the Company Shares held by such Dissenting Shareholder in respect of which such Dissenting Shareholder dissents, determined as of the close of business on the last Business Day before the day on which the Arrangement Resolution is approved by the Shareholders at the Meeting and provided the Arrangement is completed in respect of such Shareholders. A Dissenting Shareholder may dissent only with respect to all of the Company Shares held by such Dissenting Shareholder, or on behalf of any one beneficial owner, and registered in the Dissenting Shareholder's name. Only Registered Shareholders are entitled to dissent. Beneficial Shareholders who wish to dissent should be aware that they may only do so through the registered holder of such Company Shares. An Intermediary (including CDS), who holds Company Shares as nominee for Beneficial Shareholders, some of whom wish to dissent, must exercise the Dissent Right on behalf of such Beneficial Shareholders with respect to all of the Company Shares held for such Beneficial Shareholders. In such case, the written objection to the Arrangement Resolution should set forth the number of Company Shares covered by it.

See "Dissent Rights".

Certain Canadian Federal Income Tax Considerations

This Information Circular contains a summary of certain Canadian federal income tax considerations generally applicable to certain Shareholders who, under the Arrangement, dispose of one or more Company Shares. See "Certain Canadian Federal Income Tax Considerations".

Shareholders should consult their own tax advisors for advice with respect to the Canadian income tax consequences to them in respect of the Arrangement.

This Information Circular does not address the tax consequences of the Arrangement to the Optionholder or holders of Company Restricted Awards. Such holders should consult their own tax advisors in this regard.

Timing

If the Meeting is held as scheduled and is not adjourned or postponed and certain other necessary conditions to the Arrangement are satisfied or waived, the Company will apply to the Court for the Final Order approving the Arrangement on November 7, 2023. If the Final Order is obtained on November 7, 2023, in form and substance satisfactory to CWC and Precision, and all other conditions set forth in the Arrangement Agreement are satisfied or waived, CWC expects the Effective Date to be on or about November 8, 2023.

The Arrangement will become effective upon the filing with the Registrar of the Articles of Arrangement and a copy of the Final Order, together with such other material as may be required by the Registrar.

The Effective Date could be delayed for a number of reasons, including an objection before the Court at the hearing of the application for the Final Order or delays in receiving all Regulatory Approvals (including the Competition Act Clearance).

See "*Timing*".

Risk Factors

Shareholders voting in favour of the Arrangement Resolution will be choosing to receive the Consideration as payment for their Company Shares. If the Arrangement Resolution is approved and the Arrangement is completed, Shareholders will receive the Consideration for every Company Share held by them. The Arrangement involves various risks.

The following is a list of certain risk factors associated with the Arrangement, which Shareholders should carefully consider in evaluating whether to approve the Arrangement Resolution:

- the conditions to the completion of the Arrangement, including receipt of the Requisite Shareholder Approval, Court approval and the Competition Act Clearance, as applicable, may not be satisfied or waived, which may result in the Arrangement not being completed;
- the timing of the Meeting and the Final Order and the anticipated Effective Date may be changed or delayed;
- the Arrangement Agreement may be terminated by either Party under certain circumstances, including as a result of the occurrence of a Material Adverse Change in respect of CWC;
- CWC will incur costs relating to the Arrangement, regardless of whether the Arrangement is completed or not completed;
- the Consideration is fixed and will not be adjusted in the event of any change in either Precision's or CWC's respective share prices;
- if the Arrangement is not completed, CWC may be required, in certain circumstances, to pay the Purchaser Termination Fee to Precision; and
- if the Arrangement is not completed, Shareholders will not receive the Consideration and CWC will continue to be subject to various risks related to its ongoing business.

The risk factors listed above are an abbreviated list of risk factors summarized elsewhere in this Information Circular. Readers are cautioned that such risk factors are not exhaustive. See "*Risk Factors*". **Shareholders should carefully consider all such risk factors in evaluating whether to approve the Arrangement Resolution.**

THE ARRANGEMENT

Effect of the Arrangement

If completed, the Arrangement will result in the acquisition by Precision of all of the outstanding Company Shares. Shareholders will receive a total of 947,909 Purchaser Shares and approximately \$13,725,943 in cash, subject in each case to adjustment for Dissenting Shareholders. Shareholders will have the ability to elect to receive (a) 0.002124306 of a Purchaser Share for each Company Share held, (b) \$0.196668 in cash for each Company Share held, or (c) a combination of cash and Precision shares for all Company Shares of such Shareholder subject to proration and as set out in the Arrangement Agreement and Plan of Arrangement. Upon completion of the Arrangement, existing holders of Company Shares and Purchaser Shares will collectively own approximately 7% and 93% of Precision, respectively.

The Arrangement will be implemented by way of a Court-approved Plan of Arrangement under the ABCA pursuant to the terms of the Arrangement Agreement. For a detailed description of the steps that will occur under the Plan of Arrangement on the Effective Date, assuming all conditions to the implementation of the Arrangement have been satisfied or waived, please see the full text of the Plan of Arrangement attached as Schedule "A" to the Arrangement Agreement which is attached as Appendix B to this Information Circular.

Election

Under the Arrangement, each Shareholder may elect to receive in respect of all, or a portion, of his, her or its Company Shares, the Cash Consideration or the Share Consideration, subject to proration and rounding as described under "*The Arrangement – Effect of the Arrangement – Proration*" and "*The Arrangement – Effect of the Arrangement – No Fractional Precision Shares and Rounding of Cash Consideration*", respectively. Such elections will be made by depositing with the Depositary, prior to the Election Deadline, a duly completed Letter of Transmittal and Election Form indicating such Shareholder's election, together with, as applicable, any certificates representing such Shareholder's Company Shares.

The enclosed Letter of Transmittal and Election Form provides an explanation as to how Registered Shareholders deposit and obtain payment for the Company Shares once the Arrangement is completed. The Letter of Transmittal and Election Form may also be obtained by contacting the Depositary.

To make an effective election, a properly completed and duly executed Letter of Transmittal and Election Form, together with the certificates representing Company Shares must be received by the Depositary by no later than 4:30 p.m. (Calgary time) on the second business day immediately prior to the date of the Meeting or, if the Meeting is adjourned, the adjourned meeting.

Any Registered Shareholder who does not deposit with the Depositary a duly completed Letter of Transmittal and Election Form on or prior to the Election Deadline, or otherwise fails to comply with the requirements of the Plan of Arrangement and the Letter of Transmittal and Election Form (including Shareholders who duly exercise Dissent Rights but are ultimately not entitled, for any reason, to be paid fair value for Company Shares in respect of which they have exercised Dissent Rights), will be deemed to have elected to receive, in exchange for such holder's Company Shares the Combined Consideration in exchange for such holder's Company Shares comprised of: (i) Cash Consideration with respect to 13.5 percent of such holder's Company Shares, rounded down to the nearest whole Company Share; and (ii) Share Consideration with respect to the remaining 86.5 percent of such holder's Company Shares, rounded up to the nearest whole Company Share.

Shareholders that wish to receive a particular form of consideration are urged to properly make an election prior to the Election Deadline. See the section entitled "*Proration*" below, for information on proration in the event that the elections made by the Shareholders cause the Cash Consideration or Share Consideration to exceed the Cash Maximum or Share Maximum, respectively.

Proration

The Plan of Arrangement provides that the maximum number of Precision Shares that may, in the aggregate, be issued to the Shareholders in consideration for Company Shares shall not exceed the Share Maximum, and the maximum amount of Cash Consideration paid to Shareholders in consideration for Company Shares shall not exceed the Cash Maximum. The Plan of Arrangement includes pro-rationing provisions that will deem certain Shareholders to have elected Share Consideration if the Cash Maximum is exceeded or to have elected Cash Consideration if the Share Maximum is exceeded. See "*Details of the Arrangement – Acquisition of Company Shares by Purchaser*" for additional information.

No Fractional Precision Shares and Rounding of Cash Consideration

In no event shall a Shareholder be entitled to receive a fractional Precision Share. Where the aggregate number of Precision Shares to be issued to a Registered Shareholder pursuant to the Plan of Arrangement would otherwise result in a fraction of a Precision Share being issuable, such Shareholder entitlement will be rounded down to the nearest whole number of Precision Shares.

In addition, if the aggregate cash amount which a Shareholder is entitled to receive would otherwise include a fraction of \$0.01, then the aggregate cash amount to which such Shareholder shall be entitled to receive shall be rounded to the nearest whole \$0.01.

Payment of Consideration

Prior to the Effective Time, Precision shall: (i) provide to the Depositary a certified cheque, bank draft or wire transfer of funds in an amount equal to the aggregate amount of cash that the Shareholders are entitled to receive for their Company Shares in accordance with the terms of the Plan of Arrangement; and (ii) issue and deliver to the Depositary an irrevocable treasury order authorizing the Depositary, as the registrar and transfer agent for the Precision Shares, to issue in a book based register the aggregate number of Precision Shares payable to the former holders of Company Shares pursuant to the provisions of the Plan of Arrangement.

Upon the surrender by a Registered Shareholder to the Depositary of a certificate which immediately prior to the Effective Time represented outstanding Company Shares, together with a duly completed and executed Letter of Transmittal and Election Form and such additional documents and instruments as the Depositary may reasonably require, the Depositary shall deliver to the applicable Shareholder, as soon as practicable: (a) a cheque (or other form of immediately available funds) representing the cash amount that such Shareholder is entitled to receive under the Arrangement; and (b) with respect to the Shareholders who receive Share Consideration, the certificate(s) representing, or other evidence of, Precision Shares that such Shareholder is entitled to receive under the Arrangement, in each case less any amounts withheld pursuant to Section 3.3 of the Plan of Arrangement.

The Depositary will act as the agent of Persons who have deposited Company Shares in connection with the Arrangement, for the purpose of receiving payment from Precision or Company and transmitting payment from Precision or Company, as the case may be, to such Persons.

The Depositary will receive reasonable and customary compensation for its services in connection with the Arrangement, will be reimbursed for certain out-of-pocket expenses and will be indemnified by Precision and Company against certain liabilities in certain circumstances.

Beneficial Shareholders will receive the Consideration through their Intermediaries.

Details of the Arrangement

The following is a summary only of the Plan of Arrangement and reference should be made to the full text of the Arrangement Agreement and the Plan of Arrangement attached to this Information Circular as Appendix B and Schedule "A" thereto, respectively. Shareholders are urged to read the Arrangement Agreement, including the Plan of Arrangement, carefully and in its entirety.

Pursuant to the Plan of Arrangement, commencing at the Effective Time, each of the steps, events or transactions set out below shall occur and shall be deemed to occur sequentially in the order set out below without any further authorization, act or formality, in each case, unless stated otherwise, effective as at five-minute intervals starting at the Effective Time (provided that none of the following shall occur unless all of the following occur):

Treatment of Company Restricted Awards

- (a) in accordance with the terms of the Company Restricted Award Plan, the Company Restricted Award Plan shall be terminated and each Company Restricted Award granted under the Company Restricted Award Plan and outstanding at the Effective Time (whether then vested or unvested) shall, without any further action or formality on behalf of the holder thereof and Company, be deemed to be surrendered to Company in exchange for an amount equal to \$0.196668 in cash per Company Restricted Award, payable in cash to the holder and in accordance with Section 5.1(a)(ii) of the Plan of Arrangement, in full satisfaction of Company's obligations under such surrendered Company Restricted Award (as applicable), whereupon all Company Restricted Awards shall be, and shall be deemed to be, cancelled and terminated by Company, all obligations in respect of the Company Restricted Awards shall be deemed to be fully satisfied and the holders thereof shall cease to have any rights or claims in respect thereof other than the right to receive the consideration contemplated under this Plan of Arrangement (and for greater certainty, the Company shall be entitled to withhold or deduct any amounts in accordance with Section 3.3 of the Plan of Arrangement);

Termination of Company Option Plan

- (b) the Company Option Plan shall be terminated without any further action or formality on behalf of the Company;

Dissenting Shareholders

- (c) each Company Share held by a Dissenting Shareholder who has validly exercised and not withdrawn Dissent Rights described in Section 4.1 of the Plan of Arrangement shall be deemed to be transferred by the holder thereof to Company without any further act or formality on the part of the Dissenting Shareholder, free and clear of all encumbrances, and thereupon such holder's name will be removed from the securities register of the Company in respect of such Company Share, and at such time each Dissenting Shareholder will have only the rights set out in Article 4 of the Plan of Arrangement; and

Acquisition of Company Shares by Purchaser

- (d) each issued and outstanding Company Share (other than those transferred to Purchaser pursuant to Section (c)) shall be, and shall be deemed to be, transferred to, and acquired by, Purchaser (free and clear of any encumbrances) and each Shareholder whose Company Shares are so transferred to Purchaser shall be entitled to receive (and, for greater certainty, the Purchaser or the Depositary shall be entitled to withhold or deduct any amounts in accordance with Section 3.3 of the Plan of Arrangement):
 - (i) subject to subsection (e), in the case of each Cash Electing Shareholder, an amount of cash, rounded to the nearest whole cent, equal to the amount obtained by multiplying the Aggregate Consideration by a fraction, rounded to the nearest eight decimal places, the numerator of which is the number of Company Shares for which the cash election is being made by such Cash Electing Shareholder and the denominator of which is the Total Company Shares;
 - (ii) subject to subsection (e), in the case of each Share Electing Shareholder, that number of Purchaser Shares, rounded down to the nearest whole Purchaser Share, equal to the amount obtained by multiplying the Aggregate Consideration by a fraction, rounded to the nearest eight decimal places, the numerator of which is the number of Company Shares for which the share election is being made by such Share Electing Shareholder and the denominator of which is the Total Company Shares and then dividing such amount by the Purchaser Share Price; and
 - (iii) subject to subsection (e), in the case of each Combination Electing Shareholder:
 - (A) for each Company Share for which each Combination Electing Shareholder is electing cash, an amount of cash, rounded to the nearest whole cent, equal to the amount obtained by multiplying the Aggregate Consideration by a fraction, rounded to the nearest eight decimal places, the numerator of which is the number of Company Shares for which the cash election is being made by such Combination Electing Shareholder and the denominator of which is the Total Company Shares; and
 - (B) for each remaining Company Share held by each Combination Electing Shareholder, that number of Purchaser Shares, rounded to the nearest whole Purchaser Share (with all fractions being rounded down), equal to the amount obtained by multiplying the Aggregate Consideration by a fraction, rounded to the nearest eight decimal places, the numerator of which is the number of Company Shares for which the share election is being made by such Combination Electing Shareholder and the denominator of which is the Total Company Shares and then dividing such amount by the Purchaser Share Price.
- (e) Purchaser shall not be required to pay an aggregate amount of Cash Consideration pursuant to Section (d)(i), (d)(iii)(A) and (f)(ii) in excess of the Cash Maximum and shall not be required to issue pursuant to Sections (d)(ii), (d)(iii)(B) and (f)(ii) an aggregate number of Purchaser Shares in excess of the Share Maximum in exchange for Company Shares transferred to Purchaser pursuant to Section (d), and:
 - (i) if the aggregate amount of Cash Consideration that would, but for Section 3.1(e) of the Plan of Arrangement, be paid to the Shareholders in consideration for Company Shares in accordance with the elections of such Shareholders (the "**Aggregate Cash Elected**") exceeds the Cash Maximum, the amount of Cash Consideration paid to each Cash Electing Shareholder and Combination Electing

Shareholder shall be determined by multiplying (A) the fraction, rounded to the nearest eight decimal places, equal to the Cash Maximum divided by the Aggregate Cash Elected by (B) the amount of Cash Consideration that would otherwise be received by such Cash Electing Shareholder and Combination Electing Shareholder pursuant to subsections (d)(i), (d)(iii) or (f)(ii), and each such holder shall be deemed to have elected Cash Consideration for such number of their Company Shares, rounded down to the nearest whole, as is equal to the amount of cash received by such holder, as adjusted in accordance with this Section (e)(i), divided by \$0.196668, and to elect to receive the Share Consideration as if a share election were being made in respect of the balance of such holder's Company Shares; and

- (ii) if the aggregate number of Precision Shares that would, but for Section 3.1(e) of the Plan of Arrangement, be issued to the Shareholders in consideration for Company Shares in accordance with the elections of such Shareholders (the "**Aggregate Shares Elected**") exceeds the Share Maximum, the amount of Share Consideration paid to each Share Electing Shareholder and Combination Electing Shareholder shall be determined by multiplying (A) the fraction, rounded to the nearest eight decimal places, equal to the Share Maximum divided by the Aggregate Shares Elected by (B) the amount of Share Consideration that would otherwise be received pursuant to subsections (d)(ii), (d)(iii) or (f)(ii), and each such holder shall be deemed to have elected Share Consideration for such number of their Company Shares, rounded down to the nearest whole, as is equal to the amount of Share Consideration issuable to such holder, as adjusted in accordance with this Section (e)(ii), divided by 0.002124306, and to elect to receive the Cash Consideration as if a cash election were being made in respect of the balance of such holder's Company Shares.

(f) With respect to the election required to be made by a holder of Company Shares pursuant to subsection (d):

- (i) each of such holders of Company Shares shall be required to make such election by depositing with the Depositary, prior to the Election Deadline, a duly completed Letter of Transmittal and Election Form indicating such holder's election, together with certificates representing such holder's Company Shares; and
- (ii) subject to subsection (e), any Shareholder who does not deposit a duly completed Letter of Transmittal and Election Form with the Depositary prior to the Election Deadline, or otherwise fails to comply with the requirements of subsection (f)(i) or the Letter of Transmittal and Election Form to make an election to exchange Company Shares as contemplated by subsection (d), shall be deemed to have elected to receive Combined Consideration in exchange for such holder's Company Shares comprised of: (i) Cash Consideration with respect to 13.5 percent of such holder's Company Shares, rounded down to the nearest whole Company Share; and (ii) Share Consideration with respect to the remaining 86.5 percent of such holder's Company Shares, rounded up to the nearest whole Company Share.

(g) Where a Shareholder received a combination of Cash Consideration and Share Consideration, whether pursuant to: (x) the elections made pursuant to subsections (d); (y) the deemed elections pursuant to subsection (f)(ii); or (z) as a result of the proration adjustments under subsection (e),

- (i) the Shareholder shall be deemed to have solely exchanged for Purchaser Shares that number of Company Shares (including any fraction thereof) equal to the Company Shares then held by the Shareholder multiplied by the proportion of the value of the Purchaser Shares (calculated based on the Purchaser Share Price) received by Shareholder is of the Aggregate Consideration received by the Shareholder, and to have exchanged such Shareholder's remaining number of Company Shares for the Cash Consideration received; except that
- (ii) notwithstanding (i) hereof, if the Shareholder makes a valid joint election with the Purchaser in accordance with Section 3.4 of the Plan of Arrangement to have the transfer of Company Shares to the Purchaser under this Plan of Arrangement take place pursuant to the provisions of subsection 85(1) or (2) of the ITA (and the analogous provisions of any provincial tax laws), then such Shareholder shall be deemed to have transferred all of such Shareholder's Company Shares to the Purchaser as a single transaction for consideration consisting of the combination of Cash Consideration and Purchaser Shares received under this Plan of Arrangement;

(h) The Share Maximum and Purchaser Share Price will be adjusted to reflect fully the effect of any stock split, reverse split, consolidation, reorganization or recapitalization with respect to Purchaser Shares effected in accordance with the terms of the Arrangement Agreement occurring after the date of the Arrangement Agreement and prior to the Effective Time.

(i) The parties shall, forthwith following the Effective Time, make the appropriate entries into their securities registers to reflect the matters referred to under Section 3.1 of the Plan of Arrangement.

Background to the Arrangement and Recommendations

The terms of the Arrangement are the result of extensive arm's length negotiations between the Company (and CIBC Capital Markets on the Company's behalf) and Precision (and Evercore on Precision's behalf) and the respective legal counsel for the Company and Precision, being Burnet, Duckworth & Palmer LLP ("BDP") and Osler, Hoskin & Harcourt LLP ("Osler"), respectively.

The following is a summary of the material events, meetings, negotiations and discussions among the representatives of CWC, Precision and the Company's largest shareholders, being the Brookfield Shareholders and CPP Investment Board Private Holdings Inc., a wholly-owned subsidiary of Canada Pension Plan Investment Board (collectively, the "**Institutional Shareholders**") that preceded the execution of the Arrangement Agreement, the Company Support Agreements and the public announcement of the Arrangement.

The Institutional Shareholders collectively own approximately 72.6% of the outstanding Company Shares.

The directors and senior management of CWC collectively own approximately 8.1% of the outstanding Company Shares.

The Company's senior management and the Company Board continually reviews and evaluates, among other things, CWC's ongoing business objectives and strategic options intended to enhance and enable the realization of Shareholder value. As part of this ongoing review and evaluation process, the Company Board regularly receives presentations and updates from senior management of the Company with respect to

strategic options intended to enhance and enable the realization of Shareholder value with the primary focus on providing Shareholders with an opportunity to benefit from future growth and scale in the contract drilling and well services industries in Canada and the United States and increased public float and liquidity. For instance, the Company Board reviews and evaluates the merits of potential strategic and synergistic opportunities with respect to potential merger, acquisition and divestment opportunities and other ways to return capital to Shareholders or enhance Shareholder liquidity and value on a quarterly basis at regularly scheduled Board meetings as well as on an annual basis at dedicated strategic review sessions.

Over the past thirteen years, the Company has actively engaged in significant dialogue and negotiations with multiple industry participants and potential strategic and financial acquirors in Canada and the United States in an effort to undertake potential business combinations or transactions that could result in a combined entity benefiting from a larger market capitalization, increased scale, new or complementary business lines, greater access to capital markets, synergy opportunities and increased public float and trading liquidity. This has resulted in the Company, with the support of the Company Board and the Company's largest shareholders, undertaking a number of formal public and informal non-public strategic review processes to enhance Shareholder value over the years.

In particular, in May 2017, the Company initiated a formal public process to review strategic alternatives with a view to maximizing Shareholder value by capitalizing on CWC's strong financial and operational performance, market share and attractive fleet of modern assets. The mandate of this process was broadly defined to include, among other alternatives, a merger, business combination, partnership, joint venture, strategic alliance, sale of the Company or a portion of its assets, an equity or debt financing, or a corporate reorganization. After considering a number of proposals received at this time in connection with this process and in light of the financial inadequacy of such proposals received, the Company Board, with the support of its largest shareholders, determined that the best way to increase shareholder value at that time was to acquire assets and continue to grow the Company. Accordingly, this process ultimately led to CWC's acquisition of all of the service and swabbing rig assets and ongoing operations of C&J Energy Production Services-Canada Ltd. from C&J Energy Services, Inc. for total consideration of \$37.5 million in cash.

In addition, in keeping with the broad strategy developed for the May 2017 strategic alternatives review process, in October 2019, the Company Board with the support of the Company's largest shareholders, informally revisited this process. Both processes revealed that at the time there were no strategic or financial counterparties who would be willing to purchase assets or combine with CWC at an appropriate valuation acceptable to the Company Board.

Subsequent to these two processes undertaken in 2017 and 2019, the Company initiated two other separate and specifically targeted processes. Precision participated in both processes. In February 2021, the Company proposed to acquire certain assets from Precision and in June 2022, Precision evaluated the acquisition of certain assets from CWC. In all instances, the parties were unable to reach mutually acceptable business terms for a transaction.

During the third quarter of 2022, the Company's senior management in consultation with the Company Board engaged in discussions with a potential counterparty interested in a business combination with CWC in a share-for-share transaction. The Company Board was informed of the counterparty's interest in the fourth quarter of 2022 and discussions between the Company's management and the counterparty ensued into mid-2023.

During the second quarter of 2023, and in part as a result of CWC's ongoing discussions with the potential counterparty that began during the third quarter of 2022, Mr. Jim Reid and Mr. Jason Chehade, acting in their capacity as directors of the Company and as representatives of the Brookfield Shareholders, whose support would be important to any potential transaction, shared views with the Company Board that in light

of record earnings of the business, successful integration of recent acquisitions and continued operational excellence demonstrated by CWC, that the Company had met or exceeded its objectives that were intended to deliver Shareholder value. However, it was also acknowledged by the Company Board at this time that the ability for Shareholders to realize this value remained limited given (i) that CWC continued to be a closely-held entity (80.7% collectively owned by the Company's senior management, the Company Board and the Institutional Shareholders) and (ii) the limited liquidity of the remaining publicly-traded float of CWC. Mr. Reid and Mr. Chehade asked the Company Board to consider launching a strategic alternatives review process in an effort to further engage with the potential counterparty which previously expressed its interest in transacting with CWC as described further above and canvass a broader range of additional potential counterparties, with the primary objective of providing Shareholders with options that would allow for improved liquidity and potential participation in a larger entity with broader growth prospects. The Company Board and senior management engaged in discussions to evaluate the Company's business plan, strategic goals, capital allocation and liquidity options in light of current macro-economic factors, increased oilfield service activities and day and hourly rates and the nature of the Company's high-quality assets and equipment. Various potential opportunities were reviewed and considered including additional organic growth, maintaining the status quo, returning capital to Shareholders by way of substantial share buybacks or issuer bids, asset acquisitions to expand the Company's drilling and service rig fleet and strategic corporate mergers and combinations, among others. In connection with this review, the Company Board considered the likelihood of completing transactions with both financial and strategic counterparties.

On May 17, 2023, the Company Board met with representatives of CIBC Capital Markets. At this time, CIBC Capital Markets provided the Company Board with a presentation which included, among other things, an overview of the oilfield services market environment with a particular focus on the macro-economic outlook, the Company's current situation and status in the market and various process suggestions for the Company Board to consider. Among other things, CIBC Capital Markets addressed the forecast growth in Canadian and U.S. oilfield activity with respect to capital expenditures and wells drilled, the investment highlights pertaining to the Company and the differentiation of the Company from that of its peers, a financial and business overview of the Company, a competitor analysis, an overview of potential counterparties to a transaction and various transaction structures, transaction process considerations, timelines and recommendations, the universe of potential strategic and financial buyers and challenges facing certain buyers and preliminary views on values based on market data, trading comparables and precedent transactions analysis. During the course of their presentation, members of the Company Board posed a number of questions to which the representatives of CIBC Capital Markets responded and general discussion then ensued without the representatives of CIBC Capital Markets present and further input and considerations were provided by various members of the Company Board. After further consideration of CIBC Capital Markets' credentials, qualifications, past involvement and history with the Company during its previous strategic review processes, and the independence of CIBC Capital Markets to the Company and to the Institutional Shareholders, the Company Board agreed to authorize management to retain CIBC Capital Markets as a financial advisor to the Company Board. The Company Board unanimously authorized that management take the recommended next steps as outlined by CIBC Capital Markets at this meeting which involved an initial early and confidential approach to a select pool of higher probability counterparties for the purpose of engaging in bilateral discussions to gain feedback on any potential interest, transaction structure and valuation with the goal of enhancing and enabling the realization of Shareholder value and enhancing liquidity.

The Company Board initiated a targeted strategic review process in order to assess alternatives, including a potential sale of the Company with the primary objective of providing Shareholders with options that would allow for improved liquidity and potential participation in a larger entity with broader growth prospects (this targeted confidential process is referred to herein as the "**2023 Strategic Alternatives Initiative**"). The negotiation of the terms of the engagement of CIBC Capital Markets as financial advisor

in connection with the 2023 Strategic Alternatives Initiative then commenced shortly after this meeting on May 17, 2023.

Following the May 17, 2023 meeting of the Company Board, CIBC Capital Markets was formally retained as financial advisor to the Company, pursuant to an engagement agreement dated August 3, 2023, to provide financial advisory and investment banking services related to the 2023 Strategic Alternatives Initiative, which included soliciting proposals as well as negotiating, reviewing, evaluating and advising on any proposals received and, if requested, providing a Fairness Opinion. Incorporating the advice provided by CIBC Capital Markets, the Company Board approved a confidential targeted marketing process to a select short list of five potential counterparties that had indicated interest in the past or were likely to be interested in a corporate or asset transaction in connection with the 2023 Strategic Alternatives Initiative. Also important in the selection of the counterparties was their demonstrated focus on strategic acquisitions within the oilfield services sector, realizable synergies which could result in a more favourable valuation of the Company's assets, the ability to complete a transaction that may be financially acceptable to CWC in an expedient manner as well as the desire to maintain a high degree of confidentiality in order to avoid negatively impacting CWC's future business prospects or employee retention.

On May 19, 2023, CIBC Capital Markets met with the Company's senior management and Mr. Chehade to confirm the list of qualified and higher probability counterparties, as discussed with the Company Board on May 17, 2023, to approach in connection with the 2023 Strategic Alternatives Initiative and the strategies to be utilized in connection therewith.

From May to July 2023, CIBC Capital Markets initiated this targeted and confidential outreach to the select identified potential counterparties to assess their interest in completing a transaction with CWC, with a number of parties executing confidentiality and standstill agreements. During this time, initially with input from the Company's management and members of the Company Board, CIBC Capital Markets engaged in discussions with the counterparties to support CWC's request for each party to submit a formal, written non-binding proposal to the Company Board. Those parties that executed confidentiality and standstill agreements were provided with access to a virtual data room containing financial and operational information on CWC and its assets and equipment. During this time, CIBC Capital Markets received a number of written non-binding proposals or expression of interests from a number of counterparties.

On June 29, 2023, as part of the outreach associated with the 2023 Strategic Alternatives Initiative, CIBC Capital Markets confirmed that Precision would be included in the process.

On July 7, 2023, CIBC Capital Markets received a written expression of interest from Precision which outlined, among other things, a potential acquisition of the Company by Precision based on an expressed enterprise value of \$140 to \$156 million, which CIBC Capital Markets advised would imply a share price range of \$0.18 to \$0.21 per Company Share, payable in Precision shares and cash.

On July 12, 2023, the Company Board met to review the proposals received, including the non-binding proposal from Precision received on July 7, 2023. In light of the proposals received and after considering a number of related factors, including the short and long-term business plan for CWC, the Company Board authorized further negotiations by CIBC Capital Markets with certain interested counterparties with respect to a potential transaction.

On July 13, 2023, CIBC Capital Markets provided Precision with the Company Board's feedback on their proposal. At this time, Precision was asked for clarification on the value of the consideration offered including the specific composition of cash and shares, and confirmation of their ability to move quickly and devote all necessary resources to complete a transaction. At this time, Precision was provided with a form of confidentiality and standstill agreement.

On July 20, 2023, Precision and the Company entered into the confidentiality and standstill agreement effective July 14, 2023, and Precision continued its due diligence review and investigation of the Company.

On July 24, 2023, Precision and other parties were provided with access to virtual data rooms which contained, among other things, drafts of the Company's second quarter financial results. After reviewing such financial results, Precision provided the Company with feedback on the Company's value and the financial terms of the transaction.

On July 27, 2023, CWC publicly released its second quarter financial results, and CIBC Capital Markets presented a process update to the Company Board regarding the status and negotiations with the potential counterparties.

On August 2, 2023, CWC received a written non-binding letter of intent (the "**Initial Offer**") from Precision to acquire the Company for an enterprise value of \$149 million, which CIBC Capital Markets advised would imply a share price of \$0.20 per Company Share, payable in Precision shares and cash, subject to certain financial and other assumptions. The Initial Offer contemplated further due diligence review of CWC by Precision and the entering into of a period of exclusive negotiation.

During the period from August 4, 2023 to August 11, 2023, CIBC Capital Markets communicated with representatives of Precision to request and discuss certain revisions to the Initial Offer, including an increase in the consideration per Company Share being offered. After a number of discussions and further negotiations amongst the parties with respect to valuation and the receipt of additional written non-binding offers from Precision, CWC received a further amended non-binding letter of intent (the "**Revised Offer**") from Precision to acquire all of the outstanding Company Shares for cash and share consideration at an implied value of \$0.203 per Company Share.

On August 15, 2023, the Company Board met together and without the members of management being present, and with BDP and CIBC Capital Markets, to review and consider the Revised Offer. The Company Board received information from CIBC Capital Markets and BDP regarding the terms of the Revised Offer and the proposed transaction contemplated therein. CIBC Capital Markets discussed the status of discussions with other parties and alternative transactions available. After considering the status of the discussions with other parties and the potential challenges that would be associated with the alternative transactions available, including the inadequacy of the financial terms of such transactions, the Company Board believed that having continued negotiations with Precision on an exclusive basis would be the most desirable option for the Company and its Shareholders. The Company Board also received information from management on CWC's future business plan if it maintained the status quo. Upon considering all the alternatives and proposals available to CWC at the time, including maintaining the status quo, the Company Board determined that the Revised Offer represented the most compelling opportunity for the Company and was in the best interest of Shareholders. At this meeting of the Company Board on August 15, 2023, the Company Board unanimously agreed to accept the Revised Offer and to enter into exclusive negotiations with Precision until September 5, 2023. The Company Board directed management and CIBC Capital Markets to continue to negotiate certain details in the Revised Offer, including the proposed purchase price, with Precision.

From August 15, 2023 to September 6, 2023, Precision undertook further due diligence review of the Company which included specific site visits and equipment inspections at certain of the Company's facilities in Canada and the United States. During this time, representatives of the Company and Precision and their respective financial advisors continued to meet on a regular basis to discuss the business and the proposed transaction.

On August 16, 2023, Precision was provided with an initial draft of the Arrangement Agreement which was prepared in advance by CWC in connection with the 2023 Strategic Alternatives Initiative. From August 16, 2023 to September 7, 2023, representatives of CWC and Precision and their respective legal and financial advisors held numerous internal and/or party conference calls to discuss the progress of business and legal due diligence and to negotiate the Arrangement Agreement and ancillary documents including the Company Support Agreements. Numerous drafts of the Arrangement Agreement and ancillary documents were exchanged by the parties and their legal advisors over this period.

Also during this period, the Company Board met on a weekly basis to receive regular updates from CIBC Capital Markets and BDP on the status of the negotiations and process. At each of such weekly update meetings, the Company Board also met with CIBC Capital Markets and BDP without the members of management, Mr. Reid or Mr. Chehade in order to discuss various matters pertaining to the process and to have the opportunity to ask questions and freely express any views with respect to the process that any such members of the Company Board may have.

On August 31, 2023, the Company Board met and authorized the Company's President and Chief Executive Officer to extend the exclusivity period for an additional week should it be required. Later in the day on August 31, 2023, Precision contacted CIBC Capital Markets about certain concerns it had with respect to the valuation of the transaction.

On September 1, 2023, CIBC Capital Markets, Precision, Evercore and, at Precision's request, Mr. Chehade met to discuss Precision's financial assumptions and the financial prospects of the business. This meeting resulted in a further exchange of analysis and views with Precision later in the day on September 1, 2023, which resulted in further negotiations amongst the parties.

Later in the evening on September 1, 2023, and after further negotiations and discussions, Precision presented an amended written offer (the "**Amended Offer**") resulting in 947,909 Precision Shares and approximately \$13.7 million in cash for all the Company Shares, resulting in an implied blended offer price of approximately \$0.197 per CWC Share based on the closing price of the Precision Shares of \$92.58 on September 1, 2023. CIBC Capital Markets then presented the Amended Offer to the Company's management, Mr. Reid and Mr. Chehade later in the day on September 1, 2023.

During the course of the September long weekend, from September 1, 2023 to September 4, 2023, all of the members of the Company Board were updated on the developments that occurred on September 1, 2023. The parties and their advisors continued to work on the transaction and advance the drafts of the definitive agreements in view of potential support for the transaction subject to the Company holding a Company Board meeting to discuss and approve the Amended Offer.

After the September long weekend, the Institutional Shareholders and their legal counsel, Torys LLP ("**Torys**"), were provided with drafts of the Company Support Agreements. Over the following two days until late in the evening of September 6, 2023, Torys, on behalf of the Institutional Shareholders, provided comments on the Company Support Agreements to Osler and BDP, and the Company Support Agreements were negotiated and finalized amongst the parties.

During the morning of September 5, 2023, the Company and Precision agreed to extend the exclusivity period until 11:59 p.m. on September 8, 2023 (the "**Exclusivity Extension**") and a letter agreement with respect to the Exclusivity Extension was entered into by the parties.

Later in the day on September 5, 2023, the Company Board met together and without the members of management, Mr. Reid or Mr. Chehade. At the portion of the meeting management was present, the Company Board received an update from management and CIBC Capital Markets on the status of the

proposed transaction and the details of the Amended Offer. The Company Board considered the merits of the Amended Offer and the likelihood of completing an alternative transaction as well as the future business plan if the status quo was maintained. At this meeting, the Company Board also undertook a further detailed financial analysis of the Amended Offer with input and advice from CIBC Capital Markets, including preliminary views on values based on market data, trading comparables and precedent transactions analysis. The Amended Offer was not entered into by the parties at the request of the Company Board as it was determined that it would be a more efficient use of time to proceed with the negotiation and finalization of the definitive agreements.

In the course of negotiating the Arrangement Agreement during the period between August 16, 2023 and September 4, 2023, Precision continued its due diligence investigation of CWC and inquiries were addressed by CWC's management and CIBC Capital Markets.

CWC also conducted due diligence investigations of Precision during this time and was afforded an opportunity to ask a number of questions of Precision's senior management at a due diligence session held on September 6, 2023 specifically for such purpose.

Between September 4, 2023 and September 6, 2023, Precision and its legal counsel, Osler, completed their due diligence investigation of CWC and its business, and CWC, assisted by BDP, and Precision, assisted by Osler, continued to negotiate the terms of the Arrangement and the terms and conditions of the Arrangement Agreement and related documentation with, in the case of CWC, supervision, input and guidance, as appropriate, from the Company Board and CIBC Capital Markets.

On September 6, 2023, the terms of the Arrangement Agreement and the Company Support Agreements were substantially agreed to among the respective parties thereto.

During the afternoon of September 6, 2023, the Company Board met together and without the members of management, Mr. Reid or Mr. Chehade to consider the merits of the Arrangement and final terms and conditions of the Arrangement Agreement and ancillary documents. The Company Board members were joined by CIBC Capital Markets, BDP and members of management for a portion of the meeting. During this meeting, the Company Board undertook a further review of the potential benefits and risks of the Arrangement, including key transaction terms and conditions, and the results of Company's due diligence investigation with respect to Precision. BDP also provided an overview of the specific terms and conditions of the Arrangement Agreement and other ancillary documents, and answered questions from the Company Board. The Company Board carefully considered the advice and recommendations of its advisors, the amount of the Purchaser Termination Fee, the ability to consider a Superior Proposal and other terms of the Arrangement Agreement and the Plan of Arrangement. At this meeting, the Company Board also considered, with input from CIBC Capital Markets, various value analysis methodologies in connection with the Arrangement and engaged in a detailed analysis of, among other things, market data, trading comparables, precedent transactions and discount cash flow values and then received a verbal opinion from CIBC Capital Markets, confirmed by delivery of the Fairness Opinion dated effective September 6, 2023, to the effect that, as of such date and based upon and subject to the assumptions, limitations and qualifications set forth in the Fairness Opinion, the Consideration to be received by the Shareholders pursuant to the Arrangement is fair, from a financial point of view, to such Shareholders. The Company Board also further considered their fiduciary duties and the impact of the proposed transaction on the Shareholders and all other stakeholders of CWC including the CWC employees. As part of its deliberations, the Company Board considered the matters described under the headings "*The Arrangement – Reasons for the Arrangement*" and "*The Arrangement – Recommendations*" below. Thereafter, the Company Board reviewed, considered and unanimously resolved that: (a) the Arrangement is fair to the Shareholders; (b) the Company Board recommend that the Shareholders vote in favour of the Arrangement Resolution; and (c) the Arrangement and the entering into of the Arrangement Agreement are in the best interests of CWC,

subject to finalizing the Company Support Agreements and the Arrangement Agreement and the Company's press release announcing the Arrangement.

Following the approval by the Company Board and the finalization of the Company Support Agreements, the Arrangement Agreement and the Company's press release announcing the Arrangement, the Company Support Agreements and the Arrangement Agreement were executed and were delivered to the respective parties thereto during the early morning hours of September 7, 2023. The Arrangement was then announced by both the Company and Precision shortly thereafter and prior to market open the morning of September 7, 2023.

Determination of the Company Board

In reaching the unanimous conclusion that the Arrangement is fair to the Shareholders, that the Arrangement and the entering into of the Arrangement Agreement are in the best interests of CWC, and in recommending that the Shareholders vote **FOR** the Arrangement Resolution, the Company Board considered the regular review undertaken by the Company Board of the strategy and business alternatives available to CWC. Among other alternatives to the Arrangement, the Company Board considered the reasonable likelihood and consequences of, among other things, the following items:

- all proposals received and other strategic alternatives available to CWC;
- information concerning the business, operations, property, assets, financial condition, operating results and prospects of CWC;
- future growth opportunities within the oilfield services industry;
- historical information regarding the trading prices and volumes of the Company Shares;
- industry forecasts regarding the prices and price trends of oil, natural gas and natural gas liquids;
- current and prospective industry, economic and market conditions and trends affecting CWC;
- the Fairness Opinion;
- the expected benefits of the Arrangement;
- the right, in certain circumstances, to accept a Superior Proposal;
- the Consideration offered by Precision is a combination of cash and shares and is not subject to any financing condition;
- the flexibility for Shareholders to elect whether they wish to receive the Cash Consideration or the Share Consideration, subject to proration in accordance with the Plan of Arrangement;
- the ability for Canadian resident Shareholders who elect (or are deemed to have elected) to receive the Share Consideration to receive Precision Shares on a tax deferred basis;
- the opportunity for Shareholders who elect (or are deemed to have elected) the Share Consideration to participate in the future potential growth of Precision;

- the risks and possible benefits associated with pursuing alternatives to the Arrangement, including pursuing CWC's business plan; and
- the risks associated with completion of the Arrangement.

After considering such matters as they considered necessary or appropriate, including the foregoing, the Company Board concluded that the Arrangement represented the best available alternative for Shareholders in light of the current circumstances of CWC.

The foregoing discussion of the information and factors considered by the Company Board is not intended to be exhaustive but includes material factors considered by the Company Board. In view of the wide variety of factors considered in connection with its evaluation of the Arrangement and possible alternatives and the complexity of these matters, the Company Board did not find it useful to, and did not attempt to, quantify, rank or otherwise assign relative weights to these factors and potential advantages and disadvantages. In addition, individual directors may have given different weight to different factors.

Reasons for the Arrangement

In reaching the unanimous conclusion that the Arrangement is fair, to the Shareholders, that the Arrangement and the entering into of the Arrangement Agreement are in the best interests of CWC, and in recommending that the Shareholders vote **FOR** the Arrangement Resolution, the Company Board considered, among other things and as applicable, the Fairness Opinion and various strategic, financial and operational factors and potential advantages and disadvantages of the Arrangement, as set forth below.

The Company Board realizes that there are risks associated with the Arrangement. The Company Board believes that the factors in favour of the Arrangement outweigh the risks and potential disadvantages of completing the Arrangement, although there can be no assurance in this regard. See "Risk Factors".

Process and Qualitative Factors

In connection with their review and recommendations, the Company Board considered among other factors, the following:

- CWC retained CIBC Capital Markets to provide financial advice to the Company Board in connection with the Arrangement, and requested that CIBC Capital Markets prepare and deliver the Fairness Opinion to the Company Board, the full text of which can be found in Appendix D to this Information Circular. The Company Board directed and monitored the work of CIBC Capital Markets, who confirmed that they received full cooperation from management of CWC in conducting their work;
- the Company Board's judgment, after discussion with CIBC Capital Markets, that there were few, if any, potentially interested and capable alternative counterparties to Precision for an alternative transaction;
- the Company Board was satisfied that the Arrangement is fair, to the Shareholders and believe that the financial terms of the Arrangement warrant providing the Shareholders the opportunity to consider and vote on the Arrangement;
- the Fairness Opinion states that, as of September 6, 2023 and based upon and subject to the assumptions, limitations and qualifications set forth therein, CIBC Capital Markets is of the opinion that the Consideration to be received by the Shareholders pursuant to the Arrangement is fair, from a financial point of view, to such Shareholders;

- while the Arrangement Agreement contains a covenant prohibiting CWC from soliciting third party Acquisition Proposals, the Arrangement Agreement does not preclude unsolicited Acquisition Proposals from other parties that constitute, or could be expected to constitute or lead to, a Superior Proposal. The Arrangement Agreement permits CWC, prior to obtaining the approval of the Shareholders of the Arrangement Resolution, to discuss and negotiate, under specified circumstances, an unsolicited Acquisition Proposal should one be received and, if the Company Board determines in good faith, after consultation with its outside legal counsel and financial advisors, that the unsolicited Acquisition Proposal constitutes or could reasonably be expected to lead to a Superior Proposal and that the failure to pursue such Superior Proposal would be inconsistent with the Company Board's fiduciary duties under Applicable Laws, the Company Board is permitted, after taking certain steps (including the payment of the Purchaser Termination Fee), to terminate the Arrangement Agreement in order to enter into a definitive agreement to implement such Superior Proposal;
- Precision's obligation to complete the Arrangement being subject to a limited number of conditions, which the Company Board believes are reasonable under the circumstances, with the completion of the Arrangement not being subject to a financing condition, due diligence condition or the approval of Precision's Shareholders, and the fact that the conditions to completion of the Arrangement are specific and limited in scope;
- the business reputation and capabilities of Precision, and the Company Board's assessment that Precision is willing to devote the resources necessary to complete the Arrangement in an expeditious manner;
- that the Combined Consideration primarily included Purchaser Shares, allowing Shareholders to participate in the anticipated value creation opportunities of the Arrangement;
- CWC, combined with Precision, will benefit from expanded opportunities for its employees and enhanced services for its customers;
- the Arrangement will only become effective if, after hearing from all interested persons who choose to appear before it, the Court determines that the Arrangement is fair and reasonable, substantively and procedurally, to the Shareholders;
- the Supporting Shareholders have agreed to vote in favour of the Arrangement Resolution pursuant to the Company Support Agreements;
- if CWC terminates the Arrangement Agreement in accordance with its terms (including to accept a Superior Proposal), the Company Support Agreements will terminate and as such, the Company Support Agreements do not act as an impediment to accepting and implementing a Superior Proposal; and
- the terms and conditions of the Arrangement were arrived at through a process of negotiations between the Company Board, on behalf of CWC (and CIBC Capital Markets on CWC's behalf) and Precision (and Evercore on Precision's behalf) and the respective financial advisor and legal counsel for Precision and the Company.

After considering the foregoing, the Company Board concluded that the Arrangement represented the best available alternative for Shareholders in light of CWC's current circumstances.

Potential Advantages and Disadvantages of the Arrangement

The Company Board also considered various factors and potential advantages and disadvantages of the Arrangement, including the following:

- *Enhanced Value and Increased Liquidity for the Shareholders.* The Arrangement is anticipated to enhance value for the Shareholders through the Consideration. The Shareholders will benefit from increased liquidity from the Cash Consideration and free trading TSX and NYSE-listed Purchaser Shares which attract greater attention from institutional and other strategic investors;
- *Future uncertainties.* The Company Board's assessment of the current and anticipated future commodity price environment, opportunities and risks associated with the business, operations, assets, financial performance and condition of CWC should the Arrangement not be completed, and in that regard and in considering CWC continuing in its current form as an alternative to pursuing the Arrangement;
- in light of the foregoing, the Company Board concluded that the Consideration is more likely to provide higher value along with greater certainty to Shareholders in the circumstances than CWC continuing in its current form;
- if the Arrangement is not approved by Shareholders and the Company Board decides to seek another transaction, there can be no assurance that CWC will be able to find a party willing to pay an equivalent or higher price than the Consideration or that such other transaction will proceed or be successful;
- the Arrangement Resolution must receive the Requisite Shareholder Approval. See "*Procedure for the Arrangement to Become Effective*";
- Registered Shareholders who do not approve the Arrangement may exercise Dissent Rights if the Arrangement proceeds in respect of such Registered Shareholder;
- the Arrangement is structured in a way so that certain CWC Shareholders receiving Share Consideration will generally be entitled to tax deferral for Canadian federal income tax purposes – see "*Certain Canadian Federal Income Tax Considerations*"; and
- the Company Board believes that the Arrangement is likely to be completed in accordance with its terms and within a reasonable time, with closing of the Arrangement currently expected to occur on or about November 8, 2023, if all of the necessary conditions to the Arrangement under the Arrangement Agreement are satisfied or waived by that time.

Recommendations

The foregoing discussion of the information and factors considered and given weight by the Company Board is not intended to be exhaustive. In addition, in reaching the determination to approve and recommend the Arrangement, the Company Board did not assign any relative or specific weights to the following and foregoing factors which were considered, and individual directors may have given differing weights to different factors.

The Company Board realized that there are risks associated with the Arrangement, including that some of the potential benefits described in this Information Circular may not be realized or that there may be significant costs associated with realizing such benefits. The Company Board believes that the factors in favour of the Arrangement outweigh the risks and potential disadvantages, although there can be no assurance in this regard. See "*Risk Factors*".

Recommendation of the Company Board

The Company Board, following receipt of the Fairness Opinion from CIBC Capital Markets and advice from legal counsel, and having undertaken a thorough review of, and having carefully considered the Arrangement, the terms of the Arrangement Agreement and such other matters as it considered necessary or appropriate, including the factors and risks described in the paragraph below and elsewhere in this Information Circular, has unanimously: (a) determined that the Arrangement is fair to the Shareholders; (b) determined that the Arrangement and the entering into of the Arrangement Agreement are in the best interests of CWC; (c) resolved to recommend that the Shareholders vote in favour of the Arrangement Resolution; and (d) authorized the execution of and approved the Arrangement Agreement and the transactions contemplated thereby.

Accordingly, the Company Board unanimously recommends that Shareholders vote FOR the Arrangement Resolution.

In coming to its conclusion and unanimous recommendation to the Shareholders, the Company Board considered, among others, the following factors (which are not intended to be exhaustive):

- the Fairness Opinion;
- the purpose and anticipated benefits of the Arrangement as outlined elsewhere in this Information Circular, including under the heading "*The Arrangement – Reasons for the Arrangement*"; and
- information concerning the financial condition, results of operations, business plans and prospects of CWC, and the alternatives available thereto.

On September 7, 2023, CWC and Precision executed the Arrangement Agreement and CWC concurrently delivered the Company Support Agreements to Precision. A news release of CWC announcing the proposed Arrangement and the Arrangement Agreement was disseminated on September 7, 2023.

On October 2, 2023, the Court granted the Interim Order, the full text of which is attached as Appendix C to this Information Circular. Effective October 2, 2023, the Company Board approved the contents and mailing of this Information Circular to Shareholders.

Fairness Opinion

In deciding to recommend approval of the Arrangement, the Company Board, considered, among other things, the Fairness Opinion.

CWC engaged CIBC Capital Markets to, among other things, provide financial advice to and the Company Board in connection therewith, and requested that CIBC Capital Markets prepare and deliver an opinion regarding the fairness, from a financial point of view, of the Consideration to be received by the Shareholders under the Arrangement.

CIBC Capital Markets provided the Company Board with the Fairness Opinion for its exclusive use only in connection with its consideration of the Arrangement, and the Fairness Opinion is not to be used or relied upon by any other person except in accordance with CIBC Capital Markets' prior written consent. The Fairness Opinion is not intended to be, nor does it constitute, a recommendation to the Company Board whether to enter into the Arrangement or as to how Shareholders should vote with respect to the Arrangement or any other matter. This summary of the Fairness Opinion is qualified in its entirety by

reference to the full text of the Fairness Opinion. The Company Board urges Shareholders to read the Fairness Opinion carefully and in its entirety.

The Fairness Opinion provides that, in the opinion of CIBC Capital Markets, as of September 6, 2023 and based upon and subject to the assumptions, limitations and qualifications set forth therein, the Consideration to be received by the Shareholders under the Arrangement is fair, from a financial point of view, to such Shareholders.

See the Fairness Opinion attached as Appendix D.

CIBC Capital Markets' Engagement and Qualifications

CIBC Capital Markets was formally appointed as a financial advisor pursuant to the CIBC Engagement Agreement in connection with the Arrangement and any alternative transaction. Subsequently, on September 6, 2023, CWC formally requested that CIBC Capital Markets provide an opinion concerning the fairness, from a financial point of view, of the Consideration to be received by the Shareholders under the Arrangement.

CIBC Capital Markets is one of Canada's largest investment banking firms with operations in all facets of corporate and government finance, mergers and acquisitions, equity and fixed income sales and trading and investment research. The Fairness Opinion is the opinion of CIBC Capital Markets and the form and content of such has been approved for release by a committee of its managing directors and internal counsel, each of whom is experienced in merger, acquisition, divestiture and valuation matters.

Details regarding CIBC Capital Markets' qualifications, credentials, scope of review and assumptions and limitations are set forth under the headings "*Credentials of CIBC*", "*Scope of Review*" and "*Assumptions and Limitations*" in the Fairness Opinion.

CIBC Capital Markets has advised CWC that, as at the date of the Fairness Opinion (September 6, 2023), CIBC Capital Markets owned no outstanding Company Shares and 1,700 shares of Precision.

Fees Payable to CIBC Capital Markets

Pursuant to the terms of the CIBC Engagement Agreement, CWC is obligated to pay CIBC Capital Markets certain fees for its services, a portion of which was payable upon delivery of the Fairness Opinion to CWC (which portion was not contingent on completion of the Arrangement) and a portion of which is contingent on closing of the Arrangement. The fees payable to CIBC Capital Markets under the CIBC Engagement Agreement were negotiated and agreed to by CIBC Capital Markets and CWC. No portion of the fees payable to CIBC Capital Markets under the CIBC Engagement Agreement is contingent upon the conclusions reached by CIBC Capital Markets in the Fairness Opinion.

Under the CIBC Engagement Agreement, CIBC Capital Markets is also entitled to be reimbursed for all reasonable out-of-pocket expenses incurred by it in connection with its engagement. CWC has also agreed to indemnify CIBC Capital Markets in respect of certain liabilities which may arise out of its engagement.

Source of Funds for the Arrangement

As of the date of this Information Circular, 516,012,894 Company Shares are issued and outstanding. Pursuant to the terms of the Arrangement, Precision expects to fund the maximum aggregate amount of cash payable to the Shareholders with available cash on hand.

As of the date of this Information Circular, 89,000 Company Options are outstanding. Based on the Conditional Option Exercise and Surrender Agreement and the In-the-Money Amount set out thereunder, the aggregate amount payable to the Optionholder is approximately \$8,603.

As of the date of this Information Circular, 16,320,744 Company Restricted Awards are outstanding. Based on the exercise price of such Company Restricted Awards relative to the Consideration, the aggregate amount payable to Restricted Award Holders is approximately \$3,209,768.

The Company intends to fund the payments to the Optionholder and holders of Company Restricted Awards on the Effective Date using the Company Credit Facility.

Support Agreements

Each of the Supporting Shareholder has agreed, among other things, not to dispose of any of their Company Shares, Company Options or Company Restricted Awards prior to the Effective Date and to vote in favour of the Arrangement Resolution. The Supporting Shareholders collectively hold approximately 80.7% of the outstanding Company Shares.

More specifically, pursuant to the Company Support Agreements each of the Supporting Shareholders have agreed to vote all of the Company Shares they own or control (or acquire prior to the date of the Meeting) in favour of the Arrangement and against any resolution, transaction or other action that is inconsistent therewith or could reasonably be likely to impede, interfere with, delay, postpone or adversely affect the Arrangement and not to sell or otherwise dispose the Company Shares they own or control (or acquire prior to the date of the Meeting) until the completion of the Arrangement or the termination of the Company Support Agreements.

The Company Support Agreements will terminate in certain circumstances, including if (i) the Arrangement Agreement is terminated in accordance with its terms, including as a result of the Company accepting, recommending, approving or entering into an agreement to implement a Superior Proposal, provided that the Company concurrently pays the Purchaser Termination Fee to Precision (if payable concurrently with such termination), (ii) Precision, whether by amendment, waiver or modification of the Arrangement Agreement, (A) reduces or changes the form of consideration payable for the Company Shares held by the Supporting Shareholders in a manner adverse to the Supporting Shareholders (B) otherwise modifies or amends the Arrangement Agreement in a manner materially adverse to holders of Company Shares, or (C) imposes any restrictions or additional conditions on the payment or issuance of the consideration payable to the Supporting Shareholders in a manner materially adverse to the Supporting Shareholders, or (iii) the Arrangement has not been completed by March 31, 2024.

The description of the terms of the Company Support Agreements contained herein is a summary only and is qualified in its entirety by the terms of the Company Support Agreements. Copies of Company Support Agreements among the Company and each of BBU Alta Investments L.P., Brookfield BBP (Canada) L.P. and CPP Investment Board Private Holdings Inc. have been filed by the Company under the Company's SEDAR+ profile at www.sedarplus.ca.

THE ARRANGEMENT AGREEMENT

The following is a summary only of certain of the material terms of the Arrangement Agreement and is qualified in its entirety by the full text of the Arrangement Agreement attached to this Information Circular as Appendix B. Shareholders are urged to read the Arrangement Agreement and the Plan of Arrangement carefully and in their entirety.

General

The Arrangement will be effected pursuant to the Plan of Arrangement, which is attached as Schedule "A" to the Arrangement Agreement which is attached as Appendix B to this Information Circular. The Arrangement Agreement contains covenants, representations and warranties of and from each of CWC and Precision and various conditions precedent, both mutual and with respect to CWC and Precision. Unless all such conditions are satisfied or waived (to the extent capable of being waived) by the Party for whose benefit such conditions exist, the Arrangement will not proceed. There is no assurance that the conditions set out in the Arrangement Agreement will be satisfied or waived on a timely basis or at all.

Representations and Warranties of the Parties

The Arrangement Agreement contains certain customary representations and warranties of each of CWC and Precision relating to, among other things, their respective organization, qualification and authorization to enter into the Arrangement Agreement and to consummate the Arrangement, as well as certain representations and warranties related to the absence of any violation of, or conflict with, among other things, such Party's constating documents or Applicable Laws. In addition, CWC has made certain representations and warranties with respect to its business, operations and assets. The representations and warranties made by the Parties are, in certain cases, subject to specified exceptions or qualifications. For the complete text of the applicable provisions, see Schedule "C" and Schedule "D" of the Arrangement Agreement.

Mutual Conditions

The respective obligations of the Parties to consummate the transactions contemplated by the Arrangement Agreement, and, in particular, the Arrangement, are subject to the satisfaction, on or before the Effective Date or such other time specified, of the following conditions, any of which may be waived, in whole or in part, by either Party (with respect to such Party) in its sole discretion at any time and without prejudice to any other rights that such Party may have:

- (a) Interim Order. The Interim Order shall have been obtained in form and substance satisfactory to each of Precision and CWC, acting reasonably, on terms consistent with the Arrangement and such order shall not have been set aside or materially modified in a manner unacceptable to Precision and CWC, each acting reasonably, on appeal or otherwise.
- (b) Arrangement Resolution. The Arrangement Resolution shall have been passed by the Shareholders in accordance with the Interim Order.
- (c) Final Order. The Final Order shall have been granted in form and substance satisfactory to Precision and CWC, each acting reasonably, on terms consistent with the Arrangement and such order shall not have been set aside or materially modified in a manner unacceptable to Precision and CWC, each acting reasonably, on appeal or otherwise.

- (d) Articles of Arrangement. The Articles of Arrangement to be filed with the Registrar in accordance with the Arrangement shall be in form and substance satisfactory to each of Precision and CWC, each acting reasonably.
- (e) Regulatory Approvals. The Required Regulatory Approval has been obtained and shall be in full force and effect.
- (f) Outside Date. The Effective Date shall be on or before the Outside Date.
- (g) Purchaser Shares. The TSX and NYSE shall have conditionally approved for listing all of the Purchaser Shares issuable to the Shareholders pursuant to the Arrangement.
- (h) No Actions. There shall be no action taken under any existing Applicable Laws, nor any statute, rule, regulation or order which is enacted, enforced, promulgated or issued by any Governmental Authority which makes illegal or otherwise directly or indirectly restrains, enjoins or prohibits the Arrangement.

Conditions to the Obligations of Precision

The obligation of Precision to consummate the transactions contemplated by the Arrangement Agreement, and in particular the Arrangement, is subject to the following conditions:

- (a) Representations and Warranties. The representations and warranties of CWC set forth:
 - (i) in Paragraphs (a) [*Organization and Qualification*], (b) [*Authority Relative to the Arrangement Agreement*], (c) [*Subsidiaries, Joint Ventures and Partnerships*], (d) [*No Violations*] and (g) [*Bankruptcy and Insolvency*] of Schedule "D" of the Arrangement Agreement shall be true and correct in all material respects as of the date of the Arrangement Agreement and as of the Effective Time, as if made at and as of such time;
 - (ii) in Paragraph (j) [*Capitalization*] of Schedule "D" to the Arrangement Agreement shall be true and correct in all respects as of the date of the Arrangement Agreement and as of the Effective Time as if made at and as of such time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date) (except for de minimis inaccuracies and it being understood the number of Company Shares outstanding may increase from the number outstanding on the date of the Arrangement Agreement solely as a result of the conversion of securities of Company convertible into Company Shares, and that the number of Company Restricted Awards may change due to their vesting, expiry or termination in accordance with their terms); and
 - (iii) the other representations and warranties of Company set forth in the Arrangement Agreement shall be true and correct as of the Effective Time as if made as of such time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date), except to the extent that the failure or failures of such representations and warranties to be so true and correct, individually or in the aggregate, would not have a Material Adverse Effect with respect to Company (and, for this purpose, any reference to

"material", "Material Adverse Effect" or other concepts of materiality in such representations and warranties shall be ignored),

and Company shall have provided to Precision a certificate of two senior officers of Company certifying the foregoing on the Effective Date.

- (b) **Covenants.** CWC shall have complied in all material respects with its covenants in the Arrangement Agreement, and CWC shall have provided to Precision a certificate of two senior officers of the Company certifying compliance with such covenants.
- (c) **No Actions.** No act, action, suit, proceeding, objection or opposition shall have been threatened or taken against CWC before or by any Governmental Authority or by any elected or appointed public official or private person in Canada or elsewhere, whether or not having the force of law, and no law, regulation, policy, judgment, decision, order, ruling or directive, whether or not having the force of law, shall have been proposed, enacted, promulgated, amended or applied, which in the sole judgment of Precision, acting reasonably, in either case has had or, if the Arrangement was consummated, would result in a Material Adverse Effect with respect to the Company.
- (d) **No Material Adverse Change.** Between the date of the Arrangement Agreement and the Effective Time, there shall not have occurred any Material Adverse Change with respect to CWC.
- (e) **Company Board and Shareholders.** CWC shall have furnished Precision with: (i) a certified copy of the resolutions duly passed by the Company Board approving the Arrangement Agreement and the consummation of the transactions contemplated by the Arrangement Agreement; and (ii) a certified copy of the resolution of the Shareholders, duly passed at the Meeting, approving the Arrangement Resolution.
- (f) **Company Transaction Costs.** The Company Transaction Costs paid, incurred or that will be payable on or after the Effective Date shall not exceed the amount set forth in the Arrangement Agreement.
- (g) **Dissent Rights.** Holders of not greater than 10% of the outstanding Company Shares shall have validly exercised Dissent Rights in respect of the Arrangement that have not been withdrawn as of the Effective Date.

The foregoing conditions are for the exclusive benefit of Precision and may be asserted by Precision regardless of the circumstances or may be waived by Precision in writing in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Precision may have.

Conditions to the Obligations of CWC

The obligation of CWC to consummate the transactions contemplated by the Arrangement Agreement, and in particular the Arrangement, is subject to the following conditions:

- (a) **Representations and Warranties.** The representations and warranties of Precision set forth:
 - (i) in Paragraphs (a) [*Organization and Qualification*], (b) [*Authority Relative to the Arrangement Agreement*], (c) [*Subsidiaries, Joint Ventures and Partnerships*], (e) [*No Violations*] and (g) [*Bankruptcy and Insolvency*] of Schedule "C" of the

Arrangement Agreement shall be true and correct in all material respects as of the date of the Arrangement Agreement and as of the Effective Time, as if made at and as of such time;

- (ii) in Paragraph (m) [*Capitalization*] of Schedule "C" of the Arrangement Agreement shall be true and correct in all respects as of the date of the Arrangement Agreement and as of the Effective Time as if made at and as of such time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date) (except, in each case, for de minimis inaccuracies and it being understood the number of Purchaser Shares outstanding may increase from the number outstanding on the date of the Arrangement Agreement as a result of the conversion of securities of Precision convertible into Purchaser Shares, that the number of Precision convertible securities may change due to their vesting, expiry or termination in accordance with their terms, the number of Purchaser Shares may decrease as a result of purchases under any normal course issuer bid, and the number of Purchaser Shares may increase as a result of the share issuances pursuant to the Arrangement Agreement); and
- (iii) the other representations and warranties of Precision set forth in the Arrangement Agreement shall be true and correct as of the Effective Time as if made as of such time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date), except to the extent that the failure or failures of such representations and warranties to be so true and correct, individually or in the aggregate, would not have a Material Adverse Effect with respect to Precision (and, for this purpose, any reference to "material", "Material Adverse Effect" or other concepts of materiality in such representations and warranties shall be ignored),

and Precision shall have provided to Company a certificate of two senior officers of Precision certifying the foregoing on the Effective Date.

- (b) **Covenants.** Precision shall have complied in all material respects with its covenants under the Arrangement Agreement, and Precision shall have provided to CWC a certificate of two senior officers certifying compliance with such covenants.
- (c) **No Material Adverse Change.** Between the date of the Arrangement Agreement and the Effective Time, there shall not have occurred any Material Adverse Change with respect to Precision.
- (d) **Payment of Consideration.** Precision shall have deposited, or caused to be deposited, with the Depositary, sufficient funds and Purchaser Shares (or an irrevocable direction to the Depositary to issuer Purchaser Shares in accordance with the Plan of Arrangement upon filing of the Articles of Arrangement) to satisfy Precision's obligations under the Arrangement Agreement and the Depositary will have confirmed to CWC receipt from or on behalf of Precision of the funds contemplated thereunder.

The foregoing conditions are for the exclusive benefit of CWC and may be asserted by CWC regardless of the circumstances or may be waived by CWC in writing in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which CWC may have.

Covenants

The Arrangement Agreement also contains customary negative and affirmative covenants of CWC and Precision, including the following mutual covenants:

- (a) from the date of the Arrangement Agreement until the Effective Date or termination of the Arrangement Agreement, each of Precision and CWC will use commercially reasonable efforts:
 - (i) to promptly oppose, lift or rescind any injunction or restraining or other order seeking to stop, or otherwise adversely affecting its ability to consummate, the Arrangement and to defend, or cause to be defended, all lawsuits or other legal, regulatory or other proceedings to which it is a party or brought against it or its directors or officers challenging or affecting the Arrangement or the Arrangement Agreement or the consummation of the transactions contemplated therein;
 - (ii) to cooperate with each other in taking, or causing to be taken, all actions necessary to delist the Company Shares from the TSXV; provided, however, that such delisting will not be effective until after the Effective Time; and
 - (iii) to use commercially reasonable efforts to ensure that the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) of the U.S. Securities Act and exemptions from applicable U.S. state securities laws are available for the issuance of the Purchaser Shares pursuant to the Plan of Arrangement.
- (b) to make all necessary filings and applications under Applicable Laws, including Applicable Canadian Securities Laws and U.S. securities laws, if applicable, required to be made on the part of such Party in connection with the transactions contemplated in the Arrangement Agreement and to use or take all commercially reasonable action necessary to be in compliance with such Applicable Laws;
- (c) to use best commercial efforts to obtain any Regulatory Approvals required by it in connection with the Arrangement Agreement as soon as is practicable and in any event, no later than the Outside Date;
- (d) For certainty, in addition to the foregoing, Purchaser's best commercial efforts shall include, Purchaser or any of its affiliates, as a condition of obtaining Regulatory Approvals, to offer, accept or agree to: (i) the sale, divestiture, holding separate, licensing, or disposition of any part of the businesses or assets of Purchaser, Company, or any of their respective affiliates; or (ii) the taking of any other remedial action, including without limitation the termination of any existing contractual rights, relationships and obligations, or entry into, or amendment of, any such contractual arrangements. Notwithstanding the foregoing, in no event shall Purchaser or any of its affiliates, be required to offer, accept or agree to any of the items in part (i) or (ii) of the foregoing sentence which would individually, or together with all other such items, be reasonably expected to have a material adverse effect on any of: (i) the Canadian well servicing business of either Company or Purchaser, taken separately; (ii) the Canadian drilling business of either Company or Purchaser, taken separately; or (iii) the U.S. businesses of either Company or Purchaser, taken separately; and

- (e) to not to take any action, refrain from taking any action, or permit any action to be taken or not taken, inconsistent with the Arrangement Agreement, which might directly or indirectly interfere with or affect the consummation of the Arrangement and the transactions contemplated by the Arrangement Agreement.

For the complete text of the applicable provisions, see Sections 3.1, 3.3, 3.4 and 3.5 of the Arrangement Agreement.

Covenants Relating to the Conduct of Business of CWC

In the Arrangement Agreement, CWC has agreed to certain negative and affirmative covenants relating to the operation of its business during the period from the date of the Arrangement Agreement until the earlier of the Effective Date and the date on which the Arrangement Agreement is terminated in accordance with its terms, including, among other things, that the business of CWC shall be conducted only in, and CWC shall not take any action except in, the usual and ordinary course of business consistent with past practices and in accordance with good business practices, and CWC shall use all commercially reasonable efforts to maintain and preserve its business, assets, properties, goodwill and employees and business relationships with suppliers, distributors, customers, joint venture partners and others having business relationships with it and shall, subject to certain limitations set forth in the Arrangement Agreement, keep Precision apprised of all material developments in the ongoing business and affairs of CWC. CWC shall except as contemplated in the Arrangement Agreement, not take any action, refrain from taking any action, or permit any action to be taken by it that would render, or may reasonably be expected to render, any representation or warranty made by it in the Arrangement Agreement untrue in any material respect at any time prior to the Effective Date or termination of the Arrangement Agreement, whichever first occurs. For the complete text of the applicable provisions, see Section 3.3 of the Arrangement Agreement.

Covenants of CWC Regarding Non-Solicitation

In the Arrangement Agreement, CWC has agreed to certain non-solicitation covenants in favour of Precision, including that CWC shall not, except as provided in the Arrangement Agreement, directly or indirectly, do or authorize or permit any of its Representatives to do, any of the following:

- (a) solicit, assist, initiate or knowingly facilitate or encourage or take any action to solicit or knowingly facilitate, initiate or encourage any Acquisition Proposal, or engage in any communication regarding the making of any proposal or offer that constitutes or may constitute or may reasonably be expected to lead to an Acquisition Proposal, including by way of furnishing information or access to properties, facilities or books and records;
- (b) enter into or otherwise engage or participate in any discussions or negotiations regarding any inquiry, proposal or offer that constitutes or may constitute or may reasonably be expected to lead to an Acquisition Proposal, or furnish or provide access to any information with respect to its businesses, properties, operations, prospects, securities or conditions (financial or otherwise) in connection with or in furtherance of an Acquisition Proposal or otherwise cooperate in any way with, or assist or participate in, knowingly facilitate or encourage, any effort or attempt of any other person to do or seek to do any of the foregoing;
- (c) (A) withdraw, amend, modify or qualify, or propose publicly to withdraw, amend, modify or qualify, in any manner adverse to Precision, the Company Board Recommendation, or

(B) make any public announcement or take any other action inconsistent with the Company Board Recommendation, except in each case, in the manner contemplated by the Arrangement Agreement;

(d) waive, modify or release any third party from or otherwise forbear in the enforcement of, or enter into or participate in any discussions, negotiations or agreements to waive, modify, release any third party from, or provide any consent to any third party under, or otherwise forbear in respect of, any rights or other benefits under confidential information, non-disclosure or similar agreements, including, without limitation, any "**standstill provisions**" thereunder; provided that it is acknowledged by Precision that the automatic termination or release of any such agreement or restriction solely as a result of entering into the Arrangement Agreement shall not be a violation of the Arrangement Agreement;

(e) accept, recommend, approve, agree to, endorse, or propose publicly to accept, recommend, approve, agree to, or endorse, an Acquisition Proposal;

(f) for a period in excess of five Business Days, take no position or a neutral position with respect to, a publicly announced or publicly proposed Acquisition Proposal; or

(g) otherwise take any action that could reasonably be expected to lead to an Acquisition Proposal.

The foregoing restrictions are, however, subject to a "**fiduciary out**" provision which provides that CWC and its Representatives may at any time prior to obtaining the approval of the Shareholders of the Arrangement Resolution:

(a) enter into or participate in any discussions or negotiations with an arm's length third party who (without any solicitation, initiation or encouragement, directly or indirectly, after the date of the Arrangement Agreement, by CWC or any of its Representatives) seeks to initiate such discussions or negotiations with CWC that do not result from a breach of the Arrangement Agreement and, subject to execution of a confidentiality and standstill agreement on terms that are no less favourable to CWC than those contained in the confidentiality agreement entered into by the Parties (provided that, such confidentiality agreement shall provide for disclosure thereof (along with all information provided thereunder) to Precision as set out below and shall not grant such third party the exclusive right to negotiate with CWC), may furnish to such third party information concerning CWC and its business, properties and assets (on the condition that such third party is not furnished with greater access or information than Precision), in each case if, and only to the extent that:

(i) the third party has first made a written bona fide Acquisition Proposal which did not result from a breach of the Arrangement Agreement and in respect of which the Company Board determines in good faith, after consultation with its legal counsel and financial advisors, constitutes or could reasonably be expected to constitute or lead to, a Superior Proposal;

(ii) such third party making the Acquisition Proposal was not restricted from making such Acquisition Proposal pursuant to an existing confidentiality, standstill, non-disclosure, non-solicitation or similar agreement, restriction or covenant with the Company or any of its subsidiaries;

- (iii) prior to furnishing such information to or entering into or participating in any such discussions or negotiations with such third party, CWC provides prompt written notice to Precision to the effect that it is furnishing information to or entering into or participating in discussions or negotiations with such person together with a copy of the confidentiality and standstill agreement referenced above and, if not previously provided to Precision, copies of all information provided to such third party concurrently with the provision of such information to such third party, and provided further that CWC shall notify Precision orally and in writing of any inquiries, offers or proposals with respect to an Acquisition Proposal (which written notice shall include, a copy of any such proposal (and any amendments or supplements thereto), the identity of the person making it, and, if not previously provided to Precision, copies of all information provided to such party), within 24 hours of the receipt thereof, shall keep Precision promptly and fully informed of the status of material developments, discussions and negotiations with respect to the Acquisition Proposal and of each change in the proposed consideration to be offered pursuant to such Acquisition Proposal and each material change in any of the terms of such Acquisition Proposal; and
- (iv) CWC shall continue to be, at all times, in compliance with the Arrangement Agreement.

(b) at any time prior to obtaining the approval of the Shareholders of the Arrangement Resolution, withdraw any approval or recommendation contemplated by Section 6.1(b)(iii) of the Arrangement Agreement (see item (c) under "*The Arrangement Agreement – Covenants of CWC Regarding Non-Solicitation*" above) and accept, recommend, approve or enter into an agreement to implement a Superior Proposal from a third party, but only if prior to such acceptance, recommendation, approval or implementation: (i) the Company Board shall have concluded in good faith, after considering all proposals to adjust the terms and conditions of the Arrangement Agreement as contemplated by the Arrangement Agreement and after receiving the advice of legal counsel and financial advisors, as reflected in the minutes of the Company Board, that the failure by the Company Board to take such action would be inconsistent with its fiduciary duties under Applicable Laws; (ii) the Person making the Acquisition Proposal was not restricted from making such Acquisition Proposal pursuant to an existing confidentiality, standstill, non-disclosure, non-solicitation or similar agreement, restriction or covenant with the Company or any of its subsidiaries, (iii) CWC complies, and at all times has complied, with all of its obligations set forth the Arrangement Agreement; and (iv) CWC terminates the Arrangement Agreement in accordance with the Arrangement Agreement and concurrently therewith pays the Purchaser Termination Fee to Precision.

CWC shall promptly (and in any event within 24 hours) notify Precision of any Acquisition Proposal (or any amendment thereto) or any request for non-public information relating to CWC or its assets in connection with an Acquisition Proposal, or any amendments to the foregoing or if it otherwise become aware of any inquiry, proposal or offer that constitute or may reasonably be expected to constitute or lead to an Acquisition Proposal. Such notice shall include a full and complete copy of any written Acquisition Proposal (and any amendment thereto) which has been received or, if no written Acquisition Proposal has been received, a description of the material terms and conditions of, and the identity of the person making, any inquiry, proposal, offer or request. CWC shall keep Precision promptly and fully informed of the status of material developments, discussion and negotiations with respect to the Acquisition Proposal and of each change in the proposed consideration to be offered pursuant to such Acquisition Proposal and of each material change in any of the terms of such Acquisition Proposal and shall provide to Precision copies of

all correspondence with the person making such Acquisition Proposal, with respect to such Acquisition Proposal or proposal, inquiry, offer or request if in writing or in electronic form, and if not in writing or in electronic form, a description of the terms of such correspondence.

For the complete text of the applicable provisions, see Section 6.1 of the Arrangement Agreement.

Matching Right

CWC shall give Precision at least five Business Days' advance notice of any decision by the Company Board to accept, recommend, approve or enter into an agreement to implement a Superior Proposal, which shall:

- (a) confirm that the Company Board (and any relevant committee thereof), in consultation with its financial advisors and legal counsel, has determined in good faith that such Acquisition Proposal constitutes a Superior Proposal;
- (b) identify the third party making the Superior Proposal; and
- (c) confirm that a definitive agreement to implement such Superior Proposal has been settled between CWC and such third party in all material respects (including in respect of the value and financial terms) and the value ascribed to any non-cash consideration offered under such Acquisition Proposal, and CWC will concurrently provide a true and complete copy thereof, together with all supporting materials, including any financing documents supplied to CWC in connection therewith, and will thereafter promptly provide any amendments thereto, to Precision.

During the five Business Day period commencing on delivery of such notice that complies with the Arrangement Agreement, CWC agrees not to accept, recommend, approve or enter into any agreement to implement such Superior Proposal and not to release the party making the Superior Proposal from any standstill provision and shall not withdraw, redefine, modify or change the recommendation of its directors regarding the Arrangement. During such five Business Day period, Precision shall have the opportunity (but not the obligation) to offer to amend the Arrangement Agreement and the Arrangement in order for such Acquisition Proposal to cease to be a Superior Proposal. In addition, during such five Business Day period, CWC shall, and shall cause its Representatives to, if so requested by Precision, negotiate in good faith with Precision and its Representatives in respect of any proposed adjustments in the terms and conditions of the Arrangement Agreement and the Arrangement as Precision deems appropriate. The Company Board shall review any proposal by Precision to amend the terms of the transactions contemplated in the Arrangement Agreement and the Arrangement in order to determine, in good faith in the exercise of its fiduciary duties, whether Precision's proposal to amend the transactions contemplated by the Arrangement Agreement and the Arrangement would result in the Acquisition Proposal not being a Superior Proposal compared to the proposed amendments to the transactions contemplated by the Arrangement Agreement and the Arrangement. In the event Precision proposes to amend the Arrangement Agreement such that the Acquisition Proposal ceases to be a Superior Proposal, and so advises the Company Board in writing prior to the expiry of such five Business Day period, the Company Board shall not accept, recommend, approve or enter into any agreement to implement such Superior Proposal and shall not withdraw, redefine, modify or change its recommendation in respect of the Arrangement and Precision and CWC shall enter into an amended version of the Arrangement Agreement reflecting such proposed amendments prior to the expiry of such five Business Day period, and upon execution thereof, the Company Board shall promptly reaffirm its recommendations and determinations referred to in the Arrangement Agreement by press release. For greater certainty, each successive amendment to an Acquisition Proposal

shall constitute a new Acquisition Proposal for the purposes of the Arrangement Agreement and shall initiate a new five Business Day match right period.

In the event that CWC provides the notice contemplated by the Arrangement Agreement on a date which is less than ten Business Days prior to the Meeting, Precision shall be entitled to require CWC to adjourn or postpone the Meeting to a date acceptable to Precision, acting reasonably, provided that such adjournment or postponement may not exceed ten Business Days without the consent of CWC.

For the complete text of the applicable provisions, see Section 6.1 of the Arrangement Agreement.

Termination of the Arrangement Agreement

The Arrangement Agreement may be terminated at any time prior to the Effective Date by:

- (a) the mutual written consent of each of Precision and CWC;
- (b) either Precision or CWC if the Arrangement Resolution shall have failed to receive the requisite votes of the Shareholders for approval at the Meeting (including any adjournment or postponement thereof) in accordance with the Interim Order;
- (c) either Precision or CWC if a change in Applicable Laws is enacted, made, enforced or amended that makes the consummation of the Arrangement illegal or otherwise prohibits or enjoins the Parties from completing the Arrangement, and such Applicable Law has, if applicable, become final and non-appealable, on the condition that: (A) the Party seeking to terminate the Arrangement Agreement has used its commercially reasonable efforts to, as applicable, appeal or overturn such Applicable Law or otherwise have it lifted or rendered non-applicable in respect of the Arrangement; and (B) the enactment, making, enforcement or amendment of such Applicable Law was not primarily due to the failure of such Party to perform any of its covenants or agreements under the Arrangement Agreement;
- (d) either Precision or CWC if the Effective Time shall not have occurred on or prior to the Outside Date, except that the right to terminate the Arrangement Agreement under this provision shall not be available to the Party whose failure to fulfill any of its covenants or obligations in the Arrangement Agreement has been the sole cause of, or resulted in, the failure of the Effective Time to occur by such date;
- (e) Precision if the conditions to its obligations set forth in the Arrangement Agreement (other than those conditions that by their nature are to be satisfied at closing of the Arrangement, but subject to satisfaction or waiver of those conditions) have not been satisfied or waived by the Outside Date or such condition is incapable of being satisfied by the Outside Date; provided that, Precision has complied with the Arrangement Agreement and Precision is not then in breach of the Arrangement Agreement so as to cause any of such conditions not to be satisfied;
- (f) CWC if the conditions to its obligations set forth in the Arrangement Agreement (other than those conditions that by their nature are to be satisfied at closing of the Arrangement, but subject to satisfaction or waiver of those conditions) have not been satisfied or waived by the Outside Date or such condition is incapable of being satisfied by the Outside Date; provided that, CWC has complied with the Arrangement Agreement and CWC is not then

in breach of the Arrangement Agreement so as to cause any of such conditions not to be satisfied;

- (g) Precision upon the occurrence of a Purchaser Damages Event; or
- (h) CWC to accept, recommend, approve or enter into an agreement to implement a Superior Proposal; provided that: (i) CWC has complied with its non-solicitation obligations in the Arrangement Agreement; and (ii) CWC concurrently pays the Purchaser Termination Fee to Precision.

For the complete text of the applicable provisions, see Section 8.1 of the Arrangement Agreement.

Termination Fee

Pursuant to the Arrangement Agreement, if a Purchaser Damages Event occurs and the Arrangement Agreement is terminated pursuant to any of items (b), (f) or (g) under "*The Arrangement Agreement – Termination of the Arrangement Agreement*" above, CWC shall pay the Purchaser Termination Fee in accordance with Section 6.2 of the Arrangement Agreement as liquidated damages.

For the purposes of the Arrangement Agreement, "**Purchaser Damages Event**" means the occurrence of any of the following circumstances:

- (a) CWC: (i) fails to make any of the Company Board Recommendation, including in any press release contemplated by the Arrangement Agreement that is issued by CWC with respect to the Arrangement Agreement or the Arrangement or as otherwise required by the Arrangement Agreement; (ii) withdraws, amends, changes or qualifies, or proposes publicly to withdraw, amend, change or qualify, any of the Company Board Recommendation in a manner adverse to Precision (it being understood that the taking of a neutral position or no position with respect to an announced Acquisition Proposal beyond the earlier of a period of two Business Days following such announcement or the date which is the day prior to the date proxies in respect of the Meeting must be deposited shall be considered an adverse modification to such recommendation); or (iii) resolves to do any of the foregoing and that the Arrangement Agreement is terminated;
- (b) the Company Board shall have failed to reaffirm publicly any of the Company Board Recommendation (A) in the manner and within the time period set out in Section 6.1(d) of the Arrangement Agreement or (B) within five Business Days after having been requested to do so by Precision, and the Arrangement Agreement is terminated in accordance with Section 8.1(a)(vii) (see "*The Arrangement Agreement – Termination of the Arrangement Agreement*" above);
- (c) the Arrangement Agreement is terminated by either Party pursuant to Section 8.1(a)(ii) or Section 8.1(a)(iv) or by Precision (prior to the Meeting and due to willful breach) pursuant to Section 8.1(a)(v) of the Arrangement Agreement (see item (b) under "*The Arrangement Agreement – Termination of the Arrangement Agreement*" above), and in each case prior to such termination an Acquisition Proposal (or an intention to make an Acquisition Proposal) is or has been publicly announced, proposed, disclosed, offered or made by any person (other than Precision or its affiliates) and, within 12 months following the date of such termination:

- (i) the Company Board recommends any Acquisition Proposal which is subsequently consummated at any time thereafter (whether or not within such 12-month period);
- (ii) CWC enters into a binding definitive agreement in respect of any Acquisition Proposal which is subsequently consummated at any time thereafter (whether or not within such 12-month period); or
- (iii) any Acquisition Proposal is consummated;

- (d) the Company Board (or any committee thereof) accepts, recommends, approves or enters into, or proposes publicly to accept, recommend, approve or enter into, an agreement, understanding or letter of intent to implement a Superior Proposal or the Arrangement is terminated pursuant to Section 8.1(a)(viii); or
- (e) CWC breaches any of its non-solicitation obligations under the Arrangement Agreement in any material respect and the Arrangement Agreement is terminated.

For the complete text of the applicable provisions, see Section 6.2 of the Arrangement Agreement.

Liquidated Damages

Pursuant to the Arrangement Agreement, each Party acknowledges that the Purchaser Termination Fee represents liquidated damages, which is a genuine pre-estimate of the damages, including opportunity costs, reputational damage and out-of-pocket expenditures, which Precision and its affiliates will suffer or incur as a result of the event giving rise to such damages and the resultant termination of the Arrangement Agreement and is not a penalty. Each Party irrevocably waives any right it may have to raise as a defence that any such liquidated damages are excessive or punitive. For greater certainty, the Parties agree that the payment of the amount pursuant to Section 6.2 of the Arrangement Agreement (see "*The Arrangement Agreement – Termination Fee*" above) is the sole monetary remedy of Precision in respect of the events contemplated therein; provided, however, that this limitation shall not apply in the event of fraud or willful or intentional breach of the Arrangement Agreement by CWC and, in such circumstances, Precision may pursue an action against CWC for damages. Nothing in the Arrangement Agreement shall, in circumstances where a Purchaser Termination Fee is not payable, otherwise preclude Precision from pursuing an action against CWC for damages under a breach of the Arrangement Agreement or any remedies under Section 10.8 of the Arrangement Agreement, including seeking and obtaining injunctive relief to restrain any breach or threatened breach of the covenants or agreements of CWC set forth in the Arrangement Agreement or the confidentiality agreement entered into by the Parties in relation thereto, or otherwise to obtain specific performance of any of such acts, covenants or agreements, without the necessity of posting bond or security in connection therewith. In no event shall CWC be obligated to pay the Purchaser Termination Fee on more than one occasion whether or not such fee may be payable at different times or upon the occurrence of different events.

Other Required Approvals

Except as otherwise disclosed in this Information Circular, CWC is not aware of any other consents or approvals of any Governmental Authority required in connection with the Arrangement.

Fees and Expenses of the Arrangement

Except as otherwise expressly provided for in the Arrangement Agreement, all fees, costs and expenses incurred in connection with the Arrangement Agreement and the transactions contemplated by the

Arrangement Agreement shall be paid by the Party incurring such cost or expense, whether or not the Arrangement is completed. See Section 10.5 of the Arrangement Agreement.

CWC currently estimates that, if the Arrangement is consummated, the aggregate costs incurred by CWC relating to the Arrangement, including, fees and expenses of financial and accounting advisors, printing, mailing, solicitation, proxy solicitation services (other than for fees incurred for proxy solicitation services that are requested by Precision which will be for the account of Precision) and shareholder communication costs, Meeting costs, legal fees and disbursements, the amount to be paid to holders of Company Options and Company Restricted Awards under the Conditional Option Exercise and Surrender Agreement and the Arrangement, as applicable, the Company Employee Costs, and the cost of Equivalent Insurance (the cost and premiums of which for the duration of the Equivalent Insurance will be paid in full by Company on or prior to the Effective Date) will not exceed the amount set forth as a condition in the Arrangement Agreement.

PROCEDURE FOR THE ARRANGEMENT TO BECOME EFFECTIVE

Procedural Steps

The Arrangement is proposed to be carried out pursuant to section 193 of the ABCA. The following procedural steps must be taken in order for the Arrangement to become effective:

- (a) the Arrangement Resolution must be approved by the Shareholders at the Meeting by the Requisite Shareholder Approval and in the manner set forth in the Interim Order;
- (b) the Court must grant the Final Order approving the Arrangement;
- (c) all conditions precedent to the Arrangement, as set forth in the Arrangement Agreement, must be satisfied or waived by the appropriate Party; and
- (d) the Final Order, the Articles of Arrangement and related documents, in the form prescribed by the ABCA, must be filed with the Registrar.

There is no assurance that the conditions set out in the Arrangement Agreement will be satisfied or waived on a timely basis or at all.

Upon the conditions precedent set forth in the Arrangement Agreement being fulfilled or waived, the Company intends to file a copy of the Final Order and the Articles of Arrangement with the Registrar under the ABCA, together with such other materials as may be required by the Registrar, in order to give effect to the Arrangement.

Shareholder Approval

Pursuant to the terms of the Interim Order, the Arrangement Resolution must, subject to further order of the Court, be approved by at least:

- (a) two-thirds of the votes cast by the Shareholders represented in-person or by proxy at the Meeting; and
- (b) a majority of the votes cast on the Arrangement Resolution by the Shareholders represented in-person or by proxy at the Meeting, after excluding the votes cast by those persons whose votes must be excluded in accordance with MI 61-101.

To the knowledge of CWC and its directors and senior officers, after reasonable inquiry, for the purposes of MI 61-101, it is expected that the votes in respect of an aggregate of 9,475,500 Company Shares (representing approximately 1.8% of the issued and outstanding Company Shares) beneficially owned, or over which control or direction is exercised, directly or indirectly, by Duncan Au, President and Chief Executive Officer and a director, will be excluded in determining whether "majority of the minority" approval for the purposes of MI 61-101 is obtained. See "*Procedure for the Arrangement to Become Effective – Securities Law Matters – Directors and Executive Employees of CWC*".

The Arrangement Resolution must receive the Requisite Shareholder Approval in order for CWC to seek the Final Order and implement the Arrangement on the Effective Date in accordance with the terms of the Final Order. If the Arrangement Resolution is not approved by the Requisite Shareholder Approval, the Arrangement cannot be completed. See "*Procedure for the Arrangement to Become Effective – Securities Law Matters*" and "*Matters to be Considered at the Meeting*".

Pursuant to the Interim Order, the quorum required at the Meeting will be at least two Shareholders present in person or represented by proxy at the Meeting, and holding or representing at least 5% of the Company Shares entitled to be voted at the Meeting.

Unless instructed otherwise, the persons designated by management of CWC in the enclosed form of proxy intend to vote FOR the approval of the Arrangement Resolution set forth in Appendix A to this Information Circular.

Notwithstanding the foregoing, the Arrangement Resolution proposed for consideration by the Shareholders authorizes the Company Board, without further notice to or approval of the Shareholders:

- (a) to amend the Arrangement Agreement or the Plan of Arrangement, to the extent permitted by the Arrangement Agreement or the Plan of Arrangement, and
- (b) subject to the terms of the Arrangement Agreement, to disregard the approval of the Shareholders and not proceed with the Arrangement, at any time prior to the issuance of the Certificate of Arrangement or proof of filing of the Articles of Arrangement. See Appendix A to this Information Circular for the full text of the Arrangement Resolution.

Court Approval

Interim Order

On October 2, 2023, the Court granted the Interim Order providing for the calling and holding of the Meeting, the Dissent Rights and certain other procedural matters. The full text of the Interim Order is attached as Appendix C to this Information Circular.

Final Order

Subject to the terms of the Arrangement Agreement and obtaining the Requisite Shareholder Approval for the Arrangement Resolution at the Meeting, CWC will make an in-person application to the Court for the Final Order at the Calgary Law Courts on November 7, 2023 at 2:00 p.m. (Calgary time) or as soon thereafter as is reasonably practicable. The Notice of Originating Application for the Final Order accompanies this Information Circular. At the application for the Final Order, the Court will consider, among other things, the fairness of the Arrangement.

Any Shareholder or other interested party desiring to support or oppose the application with respect to the Arrangement, may appear at the hearing in-person or by counsel for that purpose, subject to filing with the Court and serving on CWC on or before 4:00 p.m. (Calgary time) on October 31, 2023, a notice of intention to appear setting out their address for service and indicating whether they intend to support or oppose the application or make submissions, together with any evidence or materials which are to be presented to the Court. Service of such notice on CWC is required to be effected by service upon the solicitors for CWC: Burnet, Duckworth & Palmer LLP, Suite 2400, 525 – 8th Avenue S.W., Calgary, Alberta, T2P 1G1, ATTN: Craig Alcock.

CWC has been advised by its counsel that the Court has broad discretion under the ABCA when making orders with respect to the Arrangement and that the Court, in hearing the application for the Final Order, will consider, among other things, the fairness of the Arrangement to the Shareholders and any other interested party as the Court determines appropriate. The Court may approve the Arrangement either as proposed or as amended in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court may determine appropriate. Either CWC or Precision may, subject to the terms of the Arrangement Agreement, determine not to proceed with the Arrangement in the event that any amendment ordered by the Court is not satisfactory to such Party, acting reasonably.

The Court has been advised prior to the hearing of the application for the Final Order that the Final Order, if granted, will constitute the basis for an exemption from the registration requirements of the U.S. Securities Act, pursuant to Section 3(a)(10) thereof with respect to the issuance of the Precision Shares to be issued to Shareholders in exchange for their Company Shares pursuant to the Arrangement. Consequently, if the Final Order is granted, the issuance of the Precision Shares to Shareholders pursuant to the Arrangement will not require registration under the U.S. Securities Act.

Regulatory Matters

The Arrangement Agreement provides that, subject to certain exceptions, receipt of all Regulatory Approvals, including the Competition Act Clearance, is a condition to the Arrangement becoming effective. See "*The Arrangement Agreement – Mutual Conditions*".

Competition Act Clearance

The Arrangement is a "notifiable transaction" for the purposes of Part IX of the Competition Act. Parties to a notifiable transaction must (a) each submit certain prescribed information (a "**pre-merger notification**") to the Commissioner under Part IX of the Competition Act, or (b) either alternatively or in addition to submitting pre-merger notifications, file a request for an Advance Ruling Certificate or, in the alternative, a No Action Letter and a waiver of the obligation to file pre-merger notifications. A notifiable transaction may not be completed until the applicable statutory waiting period has expired, been terminated or waived (e.g., upon the issuance of an Advance Ruling Certificate or a No Action Letter and a waiver).

Where a pre-merger notification is made, the statutory waiting period is 30 calendar days after the day on which the parties to the transaction submit the pre-merger notification, provided that, before the expiry of this period, the Commissioner has not notified the parties that he requires additional information that is relevant to the Commissioner's assessment of the transaction (a "**Supplementary Information Request**"). If the Commissioner provides the parties with a Supplementary Information Request, a second waiting period of 30 calendar days begins after compliance with such Supplementary Information Request. After expiry or termination of the relevant statutory waiting period, it is legal for the transaction to be completed, provided that there is no order in effect prohibiting completion at the relevant time.

Completion of the Arrangement is subject to receipt of the Competition Act Clearance. On September 13, 2023, Precision filed a request for an Advance Ruling Certificate and on September 18, 2023 each of CWC and Precision filed a pre-merger notification.

Stock Exchange Delisting and Ceasing to be a Reporting Issuer

Following the completion of the Arrangement, it is expected that the Company Shares will be delisted from the TSXV and CWC will make an application to cease to be a reporting issuer under Applicable Canadian Securities Laws to be effective as soon as reasonably practicable thereafter. CWC anticipates that the Company Shares will be delisted from the TSXV within three Business Days following the Effective Date.

Securities Law Matters

Canada

The Precision Shares issuable to the Shareholders in exchange for their Company Shares under the Arrangement will be issued in reliance on exemptions from prospectus and registration requirements of Canadian securities laws of the various applicable provinces in Canada and will generally not be subject to any restricted or hold period if the following conditions are met: (i) Precision is and has been a reporting issuer in a jurisdiction of Canada for the four months immediately preceding the trade of such Precision Shares; (ii) the trade is not a "control distribution" (as defined in Canadian securities laws); (iii) no unusual effort is made to prepare the market or to create a demand for the securities that are the subject of the trade; (iv) no extraordinary commission or consideration is paid to a Person in respect of the trade; and (v) if the selling holder of Precision Shares is an insider or an officer of Precision, the selling securityholder has no reasonable grounds to believe that Precision is in default of securities legislation.

United States

The Precision Shares issuable to the Shareholders in exchange for their Company Shares under the Arrangement have not been and will not be registered under the U.S. Securities Act, and such securities will be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof.

Section 3(a)(10) of the U.S. Securities Act exempts the issuance of securities issued in exchange for one or more bona fide outstanding securities from the general requirement of registration where the terms and conditions of the issuance and exchange of such securities have been approved by a court of competent jurisdiction, after a hearing upon the fairness of the terms and conditions of the issuance and exchange at which all Persons to whom the securities will be issued have the right to appear and receive timely notice thereof. The Court is authorized to conduct a hearing at which the fairness of the terms and conditions of the Arrangement will be considered. All Shareholders are entitled to appear and be heard at this hearing, provided that they satisfy the applicable conditions set forth in the Interim Order. The Court granted the Interim Order on October 2, 2023 and, subject to the approval of the Arrangement Resolution by the Shareholders, a hearing on the Arrangement will be held on November 7, 2023 by the Court.

The Precision Shares to be received by the Shareholders upon completion of the Arrangement may be resold without restrictions under the U.S. Securities Act, except by Persons who are "affiliates" of Precision after the Effective Date or who have been affiliates of Precision within 90 days before the Effective Date. Persons who may be deemed to be "affiliates" of an issuer generally include individuals or entities that control, are controlled by, or are under common control with, the issuer, whether through the ownership of voting securities, by contract or otherwise, and generally include executive officers and directors of the issuer as well as principal shareholders of the issuer.

Any resale of such Precision Shares by such an affiliate (or, if applicable, former affiliate) may be subject to the registration requirements of the U.S. Securities Act and applicable state securities laws, absent an exemption therefrom. Subject to certain limitations, such affiliates (and former affiliates) may immediately resell such Precision Shares outside the United States without registration under the U.S. Securities Act pursuant to Regulation S under the U.S. Securities Act. Such Precision Shares may also be resold in transactions completed in accordance with Rule 144 under the U.S. Securities Act, if available.

The foregoing discussion is only a general overview of certain requirements of the U.S. Securities Act applicable to the resale of Precision Shares received by current Shareholders upon completion of the Arrangement. All holders of such Precision Shares are urged to consult with their own counsel to ensure that the resale of their Precision Shares complies with applicable U.S. federal and state securities laws.

MI 61-101

CWC is subject to the provisions of MI 61-101, which is intended to regulate certain transactions to ensure equal treatment among securityholders, generally requiring enhanced disclosure, approval by a majority of securityholders (excluding interested or related parties) and independent valuations in certain circumstances. The minority securityholder protections of MI 61-101 apply to "business combinations" (as defined in MI 61-101) which terminate the interests of equity securityholders without their consent.

The Arrangement constitutes a "business combination" under MI 61-101 and, consequently, completion of the Arrangement is subject to obtaining "majority of the minority" approval of the Arrangement Resolution.

In determining "majority of the minority" approval for a business combination, CWC is required to exclude the votes attached to Company Shares that, to the knowledge of CWC or any "interested party" (as defined in MI 61-101) or their respective directors or senior officers, after reasonable inquiry, are beneficially owned or over which control or direction is exercised, directly or indirectly, by: (a) CWC; (b) an "interested party"; (c) a "related party" of an "interested party", unless the "related party" meets that description solely in its capacity as a director or senior officer of one or more persons that are neither "interested parties" nor "issuer insiders" of CWC; or (d) "joint actors" with any person referred to in (b) or (c) above in respect of the transaction, all as defined in MI 61-101.

Directors and Executive Employees of CWC

The directors and Executive Employees of CWC and their affiliated entities and joint actors may be considered to be "interested parties" and thereby excluded, for the purposes of determining "majority of the minority" approval under MI 61-101 if they are entitled to receive, directly or indirectly, as a consequence of the Arrangement a "collateral benefit" (as defined in MI 61-101). For the purposes of MI 61-101, directors and senior officers of CWC receive a "collateral benefit" if, among other things, they are entitled to receive, subject to certain exceptions, directly or indirectly, as a consequence of the Arrangement, an increase in salary, a lump sum payment, a payment for surrendering securities or other enhancement in benefits related to past or future services as an employee, director or consultant of CWC or of another person, regardless of the existence of any offsetting costs to the related party or whether the benefit is provided, or agreed to, by CWC or another party to the Arrangement.

The acceleration of the vesting of the Company Restricted Awards may be considered a "collateral benefit". In addition, the entitlements of the Executive Employees to Company Employee Costs may be considered a "collateral benefit". However, except with respect to Duncan Au (for the reasons set forth below), these benefits or payments fall within an exception to the definition of "collateral benefit" for the purposes of MI 61-101, since the benefits are received solely in connection with the related party's services as an employee, director or consultant under certain circumstances, including where the related party and his or her

associated entities beneficially owns or exercises control or direction, directly or indirectly, over less than 1% of the outstanding securities of each class of equity securities at the time the transaction was agreed to or publicly announced (or if the value of the benefit is less than five percent of the amount of consideration to be received in exchange for such related parties equity securities) and: (a) the benefit is not conferred for the purpose, in whole or in part, of increasing the value of the consideration paid to the related party for securities relinquished under the transaction; (b) the conferring of the benefit is not, by its terms, conditional on the related party supporting the transaction in any manner; and (c) full particulars of the benefit are disclosed in the disclosure document for the transaction. Accordingly, with the exception of Duncan Au, no related party will be considered to have received a "collateral benefit" for the purposes of MI 61-101.

At the time the Arrangement was agreed to, Duncan Au owned or exercised control or direction over 11,753,500 securities (9,475,500 Company Shares, 2,278,000 Company Restricted Awards and Nil Company Options), representing 1.836% of the outstanding Company Shares.

At the time the Arrangement was agreed to, Stuart King owned or exercised control or direction over 1,778,347 securities (890,347 Company Shares, 888,000 Company Restricted Awards and Nil Company Options), representing 0.173% of the outstanding Company Shares.

At the time the Arrangement was agreed to, Darwin McIntyre owned or exercised control or direction over 3,512,807 securities (1,245,500 Company Shares, 2,267,307 Company Restricted Awards and Nil Company Options), representing 0.241% of the outstanding Company Shares.

At the time the Arrangement was agreed to, Michael DuBois owned or exercised control or direction over 1,711,000 securities (486,667 Company Shares, 1,224,333 Company Restricted Awards and Nil Company Options), representing 0.094% of the outstanding Company Shares.

At the time the Arrangement was agreed to, Paul Donohue owned or exercised control or direction over 2,133,500 securities (579,500 Company Shares, 1,554,000 Company Restricted Awards and Nil Company Options), representing 0.112% of the outstanding Company Shares.

At the time the Arrangement was agreed to, Robert Apps owned or exercised control or direction over 1,800,500 securities (246,500 Company Shares, 1,554,000 Company Restricted Awards and Nil Company Options), representing 0.048% of the outstanding Company Shares.

The Company Board has determined that the value of any benefits to be received by Duncan Au may be greater than 5% of the total value of the consideration he expects to be entitled to receive under the Arrangement and therefore Duncan Au may receive a "collateral benefit" (as defined in MI 61-101). As a result, Company Shares owned or over which control or direction is exercised by Duncan Au will be excluded in determining minority approval of the Arrangement Resolution. In addition, each member of the Company Board reviewed and considered the disclosure contained under the heading "*Interests of Certain Persons in the Arrangement*" in respect of each other member of the Company Board not including themselves and acknowledged that: (i) such disclosure was provided to them; (ii) the benefits set out in such disclosure are received in connection with such employee or director's services as an employee or director; (iii) the benefits set out in such disclosure are not, by their terms, conditional on such employee or director supporting the Arrangement; (iv) the full particulars of the benefits conferred are set out in such disclosure; and (v) they have in good faith independently considered the value of the benefits conferred and determined that, other than in respect of the Company's President and Chief Executive Officer or other members of the Board that hold less than 1.0% of the Company's common shares, the value of any benefit is less than five percent of the amount of consideration to be received in exchange for such person's Company Shares.

CWC is not required to obtain a formal valuation under MI 61-101 as it is not listed or quoted on a specific market as set out in MI 61-101. Furthermore, no "interested party" (as defined in MI 61-101) of CWC is, as a consequence of the Arrangement, directly or indirectly acquiring CWC or its business or combining with CWC and neither the Arrangement nor the transaction contemplated thereunder is a "related party transaction" (as defined in MI 61-101) for which CWC would be required to obtain a formal valuation.

Prior Valuations

MI 61-101 also requires CWC to disclose any "prior valuations" (as defined in MI 61-101) of CWC or its material assets or securities made within the 24-month period preceding the date of this Information Circular. After reasonable inquiry, neither CWC nor any director or senior officer of CWC has any knowledge of any "prior valuation" of CWC, the Company Shares or other securities or its material assets in the 24 months preceding the date of this Information Circular.

Depository Agreement

Prior to the Effective Date, CWC, Precision and the Depository will enter into a depositary agreement. Pursuant to the Arrangement Agreement, following receipt of the Final Order but prior to the Effective Time, Precision is required to provide, or cause to be provided to the Depository, sufficient funds to be held in escrow (the terms and conditions of such escrow to be satisfactory to CWC and Precision, each acting reasonably) to satisfy the aggregate Consideration payable to Shareholders.

Procedure for Receipt of Consideration

Procedure for Exchange of Company Shares for Consideration

Beneficial Shareholders whose Company Shares are registered in the name of an Intermediary should contact that Intermediary for instructions and assistance with making an election and delivery of those Company Shares.

Registered Shareholders (other than any Dissenting Shareholders) must duly complete and return a Letter of Transmittal and Election Form, together with the original certificate(s) representing their Company Shares and all other required documents to the Depository, at its principal office specified in the Letter of Transmittal and Election Form. It is requested that Registered Shareholders enclose any DRS Advice(s) (if applicable) representing their Company Shares with the Letter of Transmittal and Election Form. In the event that the Arrangement is not completed, such original certificate(s) or DRS Advice(s) will be promptly returned to Shareholders who provided such original certificate(s) or DRS Advice(s) to the Depository.

Enclosed with this Information Circular is a Letter of Transmittal and Election Form, which, when properly completed and returned, together with the original certificate(s) representing Company Shares and all other required documents, will enable each Registered Shareholder to receive the Cash Consideration, Share Consideration or Combination Consideration that such Shareholder is entitled to receive under the Arrangement. Additional copies of the Letter of Transmittal and Election Form are available by contacting the Depository at the numbers listed thereon. The Letter of Transmittal and Election Form is also available under CWC's SEDAR+ profile at www.sedarplus.ca.

The Letter of Transmittal and Election Form contains complete instructions on how to elect to receive the Cash Consideration, Share Consideration or Combination Consideration to which you are entitled under the Arrangement. Please review the Letter of Transmittal and Election Form carefully and complete in accordance with the instructions set forth therein.

From and after the Effective Time, the original certificate(s) or DRS Advice(s), as applicable, formerly representing Company Shares shall represent only the right to receive, in the case of certificates held by Shareholders (other than Dissenting Shareholders), pursuant to the Plan of Arrangement, a cash payment equal to the Cash Consideration, Purchaser Shares equal to the Share Consideration or a combination of cash and Purchaser Share payment equal to the Combined Consideration (subject in each case to prorationing as set forth elsewhere in this Information Circular), subject to such former Shareholder validly depositing with the Depositary the original certificate(s) or DRS Advice(s), as applicable, representing its Company Shares, a duly completed and executed Letter of Transmittal and Election Form and such additional documents and instruments as the Depositary may reasonably require, and in the case of certificates held by Dissenting Shareholders, other than those Dissenting Shareholders deemed to have participated in the Arrangement pursuant to the Plan of Arrangement, the fair value of the Company Shares represented by such certificates from CWC as provided for in the Interim Order and the Plan of Arrangement, in each case, less any amounts deducted or withheld pursuant to the Plan of Arrangement.

As soon as practicable following the later of the Effective Date and the date of deposit by a former holder of Company Shares acquired by Precision under the Arrangement of a duly completed Letter of Transmittal and Election Form and the original certificate(s) or DRS Advice(s) representing such Company Shares and all other required documents, the Depositary shall forward by first class mail to such former Shareholder at the address specified in the Letter of Transmittal and Election Form, the Cash Consideration, Share Consideration or Combination Consideration in accordance with the Shareholder's election on the Letter of Transmittal and Election Form (subject in each case to prorationing as set forth elsewhere in this Information Circular) issued to such Shareholder under the Arrangement.

Any certificate formerly representing Company Shares that is not deposited, together with all other documents required hereunder, and any payment made by way of cheque by the Company or the Depositary pursuant to this Plan of Arrangement that has not been deposited or has been returned to the Company or the Depositary or that remains unclaimed, in each case, on or before the last Business Day prior to the third anniversary of the Effective Date shall cease to represent a claim by or interest of any former Company Shareholder or holder of Company Restricted Awards of any kind or nature against Company or Purchaser. On such date, all consideration and other property to which such former holder was entitled shall be deemed to have been surrendered and forfeited to the Company and Purchaser, as applicable for no consideration.

From and after the Effective Time, no Shareholder (other than Precision) shall be entitled to receive any consideration with respect to such Company Shares other than the Consideration to which such holder is entitled to receive under the Arrangement and, for greater certainty, no such holder will be entitled to receive any interest, dividend, premium or other payment in connection therewith.

In the event any original share certificate which immediately prior to the Effective Time represented an interest in one or more Company Shares that were transferred pursuant to the Plan of Arrangement has been lost, stolen or destroyed, upon satisfying such reasonable requirements as may be imposed by Precision and the Depositary in relation to the issuance of replacement share certificates, the Depositary will issue and deliver in exchange for such lost, stolen or destroyed original share certificates the Consideration to which the Shareholder has elected in the Letter of Transmittal and Election Form and is entitled pursuant to the Plan of Arrangement. For a Shareholder to receive such Consideration it shall, as a condition precedent to the receipt thereof, give a bond satisfactory to each of Precision and the Depositary in such form as is satisfactory to Precision and the Depositary (each acting reasonably), or shall otherwise indemnify CWC, Precision and the Depositary, to the reasonable satisfaction of such parties, against any claim that may be made against any of them with respect to the original certificate alleged to have been lost, stolen or destroyed.

The method of delivery of the original certificate(s) or DRS Advice(s) representing Company Shares is at the option and risk of the person transmitting the original certificate(s) or DRS Advice(s). CWC recommends that these documents be delivered by registered mail (with proper insurance and an acknowledgement of receipt requested). Delivery of these documents will be deemed effective only when such documents are actually received by the Depositary.

If a Letter of Transmittal and Election Form is signed by a person other than the registered owner(s) of the Company Shares, or if Company Shares not purchased are to be returned to a person other than such registered owner(s) or sent to an address other than the address of the registered owner(s) as shown on the register of CWC, or if the payment is to be issued in the name of a person other than the registered owner of the Company Shares, such signature must be guaranteed by an Eligible Institution (as defined in the Letter of Transmittal and Election Form), or in some other manner satisfactory to the Depositary (except that no guarantee is required if the signature is that of an Eligible Institution). If the Letter of Transmittal and Election Form is executed by a person other than the registered holder(s) of the Company Shares and in certain other circumstances as set forth in the Letter of Transmittal and Election Form, then the original certificate(s) representing the Company Shares must be endorsed or be accompanied by an appropriate transfer power of attorney duly and properly completed by the registered holder(s). The signature(s) on the endorsement panel or the transfer power of attorney must correspond exactly to the name(s) of the registered holder(s) as registered or as appearing on the certificate(s) must be medallion guaranteed by an Eligible Institution.

All questions as to validity, form, eligibility (including timely receipt), and acceptance of any Company Shares deposited to the Arrangement will be determined by Precision, in its sole discretion. Depositing Shareholders agree that such determination shall be final and binding and there shall be no duty or obligation on CWC, Precision, the Depositary or any other person to give notice of any defect or irregularity in any deposit and no liability shall be incurred by any of them for failure to give such notice.

Under no circumstances will interest accrue or be paid by CWC, Precision or the Depositary on the Consideration to persons depositing Company Shares with the Depositary, regardless of any delay in making any payment for the Company Shares.

Notwithstanding the provisions of this Information Circular and the Letter of Transmittal and Election Form, the cheques representing the consideration to be received pursuant to the Arrangement will not be mailed if Precision and CWC determine that delivery thereof by mail may be delayed. Persons entitled to cheques which are not mailed for the following reason may take delivery thereof at the office of the Depositary in which the deposited original certificate(s) or DRS Advice(s) representing Company Shares were originally deposited until such time that it is determined that the delivery by mail will no longer be delayed.

Shareholders are encouraged to deliver a validly completed and duly executed Letter of Transmittal and Election Form, as applicable, together with the relevant original certificate(s) or DRS Advice(s) representing Company Shares, as applicable, to the Depositary as soon as possible.

None of CWC, Precision or the Depositary are liable for failure to notify Shareholders, nor do they have any obligation to notify Shareholders, who make a deficient deposit with the Depositary.

Procedure for Exchange of Other Securities

On or as soon as practicable after the Effective Time, CWC will pay to the former holders of Company Restricted Awards and Company Options the consideration to which they are entitled in accordance with the Plan of Arrangement and Conditional Option Exercise and Surrender Agreement, respectively, less

applicable withholdings. The Optionholder and Restricted Award Holders do not need to deliver the Letter of Transmittal and Election Form or any other certificates or documentation in order to receive the applicable consideration for such Company Options and Company Restricted Awards.

No Optionholder or Restricted Award Holders shall be entitled to receive any consideration with respect to such Company Options or Company Restricted Awards, as applicable, other than the consideration to which such holder is entitled to receive under the Conditional Option Exercise and Surrender Agreement and Arrangement and, for greater certainty, no such holder will be entitled to receive any interest, dividend, premium or other payment in connection therewith.

Withholdings

CWC, Precision and the Depositary shall be entitled to deduct or withhold from any amounts payable to any person under the Plan of Arrangement (including, without limitation, any amounts payable pursuant to Section 4.2 of the Plan of Arrangement), such amounts as CWC, Precision or the Depositary, as applicable, determines, acting reasonably, are required to be deducted or withheld with respect to such payment under the ITA or any provision of any other Applicable Laws. To the extent that amounts are so deducted or withheld, such deducted or withheld amounts shall be treated, for all purposes of the Plan of Arrangement, as having been paid to the persons in respect of which such deduction or withholding was made, provided that such deducted or withheld amounts are actually remitted to the appropriate Governmental Authority.

INTERESTS OF CERTAIN PERSONS IN THE ARRANGEMENT

Except as described below and elsewhere in this Information Circular, management of CWC is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or nominee for director, or executive officer of CWC or any individual who has held office as such since the beginning of CWC's last financial year, or of any associate or affiliate of any of the foregoing, in any matter to be acted on at the Meeting, including the Arrangement.

Company Shares

As at the date hereof, the directors and executive officers of CWC and their respective affiliates and associates beneficially owned or controlled or directed, directly or indirectly, an aggregate of 41,794,902 Company Shares, representing approximately 8.1% of the outstanding Company Shares. All of the Company Shares held by such directors and executive officers of CWC and their associates will be treated in the same fashion under the Arrangement as Company Shares held by the other Shareholders. See the table below under *"Interests of Certain Persons in the Arrangement – Summary of Interests"* for the number of Company Shares held by each director and executive officer of CWC.

Company Options and Company Restricted Awards

As at the date hereof, the directors and executive officers of CWC and their respective affiliates and associates beneficially owned or controlled or directed, directly or indirectly, an aggregate of Nil Company Options and 12,035,638 Company Restricted Awards.

The Arrangement will constitute a "change of control" under the terms of the Company Restricted Award Plan. Pursuant to the Arrangement Agreement, the Company Restricted Award Plan shall be terminated immediately prior to the Effective Time or at the time specified in the Plan of Arrangement and each Company Restricted Awards will vest and be settled in cash immediately prior to the Effective Time or at the time specified in the Plan of Arrangement, respectively. See the table below under *"Interests of Certain*

Persons in the Arrangement – Summary of Interests" for the number of Company Options and Company Restricted Awards held by each director and executive officer of CWC.

Severance

CWC has entered into executive employment agreement with each of Messrs. Au, King, McIntyre, DuBois, Donohue and Apps. The executive employment agreements have an indefinite term and provide for the salary and benefits to be paid to the Executive Employees.

The executive employment agreements provide for the payment of severance amounts to the Executive Employees in the event a change in control of the Company occurs.

For the purposes of the executive employment agreements a change of control of the Company is defined as any transaction:

- (a) which results in a change of control of greater than 50% and which is made in respect of Company Shares or any class of securities convertible into Company Shares;
- (b) pursuant to which the Company sells all or substantially all of its assets (other than to a wholly-owned subsidiary of the Company or to a partnership to which the Company is a partner);
- (c) and, in either case, the directors who were members of the Company Board prior to the occurrence of the transaction cease to constitute a majority of the Board.

In the case of Mr. Au, upon the occurrence of a change of control and subsequent termination without cause, is entitled to receive a lump sum severance payment equivalent to two (2) times the greater of the annual base salary as at March 31, 2020 or the date of termination, plus two (2) times 10% of salary for loss of benefits, plus two (2) times the greater of the cash bonuses paid in respect of the last two calendar years, plus any accrued but unpaid vacation entitlement earned up to the date of termination, and subject to all statutory deductions.

In the case of Messrs. King, McIntyre, DuBois, Donohue, and Apps, upon the occurrence of a change of control and subsequent termination without cause, each of Messrs. King, McIntyre, DuBois, Donohue, and Apps, are entitled to receive a lump sum severance payment equivalent to one and a half (1.5) times the greater of the annual base salary as at March 31, 2020 or the date of termination, plus one and a half (1.5) times 10% of salary for loss of benefits, plus one and a half (1.5) times the greater of the cash bonuses paid in respect of the last two calendar years, plus any accrued but unpaid vacation entitlement earned up to the date of termination, and subject to all statutory deductions.

Pursuant to the Arrangement Agreement, not less than ten days prior to the Effective Date, CWC shall terminate the employment of all Executive Employees conditional upon the consummation of the Arrangement and effective as at the Effective Time. In connection with such terminations and in accordance with the terms of the Employment Agreements, the Executive Employees shall receive Company Employee Costs, which shall, among other things, provide for the severance packages summarized above in exchange for the execution and delivery by the Executive Employee of a full and final release in the form attached to his or her Employment Agreement. The total estimated value of severance which would be received by the Executive Employees pursuant to the Company Employee Costs would be an aggregate of approximately \$5,662,244, calculated as of September 2, 2023, excluding the accrued and unpaid vacation entitlements for such Executive Employees. The actual severance payments to the Executive Employees could differ as a result of, among other things, the timing of the terminating event.

The following table sets forth the estimated incremental payments that would be made to each of the Executive Employees following a change of control and termination of employment excluding the accrued and unpaid vacation entitlements for such Executive Employees.

Executive Officer	Loss of Salary (\$)	Loss of Benefits (\$)	Loss of Bonus (\$)	Total Incremental Payment (\$)
Duncan Au	940,000	94,000	935,244	1,969,244
Stuart King	390,000	39,000	303,000	732,000
Darwin McIntyre	420,000	42,000	303,000	765,000
Michael DuBois	390,000	39,000	303,000	732,000
Paul Donohue	390,000	39,000	303,000	732,000
Robert Apps	390,000	39,000	303,000	732,000

Continuing Insurance Coverage and Indemnification for Directors and Officers of CWC

Pursuant to the Arrangement Agreement, CWC is permitted to purchase run off directors' and officers' insurance policy on terms and conditions no less advantageous in the aggregate to the director and officers of the Company than those contained in Equivalent Insurance for all present and former directors and officers of the Company covering claims made prior to or within six years after the Effective Time.

Precision and CWC have also agreed that, if the Arrangement is completed, Precision, CWC and any successor to CWC shall not take any action to terminate or materially adversely affect and will fulfill its obligations pursuant to, any indemnity agreements disclosed in writing to Precision or right to indemnity available in favour of past or present directors and officers of CWC pursuant to the provisions of the articles, by-laws or similar constituting documents of CWC, applicable corporate legislation or written indemnity agreements disclosed in writing to Precision between CWC and its past and present directors and officers or any indemnity agreements in favour of current directors and officers of CWC that are in place as at the date of the Arrangement Agreement, and which have been disclosed in writing to Precision.

Resignations and Releases

As set forth above under the heading "*Interests of Certain Persons in the Arrangement – Severance*", pursuant to the Arrangement Agreement, Executive Employees will receive Company Employee Costs, which shall, among other things, provide severance offers that are in accordance with the terms of the Executive Employee's Employment Agreement and be conditional upon the execution by the Executive Employee of a full and final release in the form attached to his or her Employment Agreement.

In connection with the Arrangement, CWC has agreed to use reasonable commercial efforts to obtain resignations and mutual releases from each of CWC's directors effective as of the Effective Time in form and substance satisfactory to Precision, acting reasonably.

Summary of Interests

The following table sets forth, the names and positions of the directors and Executive Employees of CWC as of October 2, 2023, the number of Company Shares, Company Options and Company Restricted Awards owned or over which control or direction was exercised by each such director or Executive Employee of CWC and, where known after reasonable inquiry, by their respective associates or affiliates as of such date and the consideration to be received for such Company Shares, Company Options or Company Restricted Awards pursuant to the Arrangement.

Name	Company Shares	Estimated Payment for Company Shares ⁽¹⁾ (\$)	Company Options	Company Restricted Awards	Estimated Payment for Outstanding Company Options and Company Restricted Awards (as applicable) (\$) ⁽¹⁾	Total Estimated Payment for Company Shares, Company Options and Company Restricted Awards ⁽²⁾ (\$)
Duncan T. Au Director, President and Chief Executive Officer	9,475,500	1,863,528	Nil	2,278,000	448,010	2,311,538
Stuart King Chief Financial Officer	890,347	175,103	Nil	888,000	174,641	349,744
Darwin McIntyre Vice President, Operations (Well Services)	1,245,500	244,950	Nil	2,267,307	445,907	690,857
Michael DuBois Vice President, Sales & Marketing (Well Service)	486,667	95,712	Nil	1,224,333	240,787	336,499
Paul Donohue Vice President, Operations (Drilling)	579,500	113,969	Nil	1,554,000	305,622	419,591
Robert Apps Vice President, Sales & Marketing (Drilling)	246,500	48,479	Nil	1,554,000	305,622	354,101
Jim Reid Director	Nil	Nil	Nil	Nil	Nil	Nil
Jason Chehade Director	Nil	Nil	Nil	Nil	Nil	Nil
Wade McGowan Director	3,942,395	775,343	Nil	666,666	131,112	906,455
Daryl Austin Director	22,371,510	4,399,760	Nil	666,666	131,112	4,530,872
Gary Bentham Director	2,516,983	495,010	Nil	666,666	131,112	626,122
Nancy Foster Director	40,000	7,867	Nil	270,000	53,100	60,967

Notes:

(1) Value of Company Shares and Company Restricted Awards has been determined by multiplying the aggregate number of Company Shares and Company Restricted Awards by \$0.196668.

(2) Before applicable withholdings.

DISSENT RIGHTS

The following description of the right to dissent to which Registered Shareholders are entitled is not a comprehensive statement of the procedures to be followed by a Dissenting Shareholder who seeks payment of the fair value of such Dissenting Shareholder's Company Shares and is qualified in its entirety by reference to the full text of the Plan of Arrangement, which is attached as Schedule "A" to the Arrangement Agreement which is attached as Appendix B to this Information Circular, as well as to the text of the Interim Order and the text of section 191 of the ABCA, which are attached to this Information Circular as Appendix C and Appendix E, respectively. A Dissenting Shareholder who intends to exercise Dissent Rights should carefully consider and comply with the provisions of the ABCA, as modified by the Plan of Arrangement and the Interim Order. Failure to adhere to the procedures established therein may result in the loss of Dissent Rights. Accordingly, each Dissenting Shareholder who might desire to exercise Dissent Rights should consult his, her or its own legal advisor.

The Court hearing the application for the Final Order has the discretion to alter the Dissent Rights described in this Information Circular based on the evidence presented at such hearing. Subject to certain tests as described below, pursuant to the Interim Order, Dissenting Shareholders are entitled, in addition to any other right such Dissenting Shareholder may have, to dissent and to be paid by CWC the fair value of the Company Shares held by such Dissenting Shareholder in respect of which such Dissenting Shareholder dissents, determined as of the close of business on the last Business Day before the day on which the Arrangement Resolution is approved by the Shareholders at the Meeting and provided the Arrangement is completed. **A Dissenting Shareholder may dissent only with respect to all of the Company Shares held by such Dissenting Shareholder, or on behalf of any one beneficial owner, and registered in the Dissenting Shareholder's name. Only Registered Shareholders are entitled to dissent. Beneficial Shareholders who wish to dissent should be aware that they may only do so through the registered holder of such Company Shares. An Intermediary (including CDS), who holds Company Shares as nominee for Beneficial Shareholders, some of whom wish to dissent, must exercise the Dissent Right on behalf of such Beneficial Shareholders with respect to all of the Company Shares held for such Beneficial Shareholders. In such case, the written objection to the Arrangement Resolution should set forth the number of Company Shares covered by it.**

Dissenting Shareholders must provide a written objection to the Arrangement Resolution so that it is received by CWC c/o Burnet, Duckworth & Palmer LLP, Suite 2400, 525 – 8th Avenue S.W., Calgary, Alberta, T2P 1G1, Attention: Craig Alcock (email: coa@bdplaw.com), no later than 4:00 p.m. (Calgary time) on October 30, 2023 (or the date that is five Business Days immediately prior to the date of any adjournment or postponement of the Meeting). **No person who has voted (including by way of instructing a proxy holder to vote) in favour of the Arrangement shall be entitled to exercise Dissent Rights. Voting against the Arrangement (including by way of instructing a proxy holder to vote) will not constitute a written objection referred to in subsection 191(5) of the ABCA.**

Either CWC (which for purposes hereof shall include any successor to CWC) or a Dissenting Shareholder, as the case may be, may apply to the Court, after the approval of the Arrangement Resolution, to fix the fair value of such Dissenting Shareholder's Company Shares. If such an application is made to the Court by either CWC or a Dissenting Shareholder, CWC must, unless the Court orders otherwise, send to each Dissenting Shareholder a written offer to pay such Dissenting Shareholder an amount considered by the Company Board to be the fair value of the Company Shares held by such Dissenting Shareholder. The offer, unless the Court orders otherwise, must be sent to each Dissenting Shareholder at least ten days before the date on which the application is returnable, if CWC is the applicant, or within ten days after CWC is served a copy of the application, if a Dissenting Shareholder is the applicant. Every offer will be made on the same

terms to each Dissenting Shareholder and contain or be accompanied with a statement showing how the fair value was determined.

A Dissenting Shareholder may make an agreement with CWC for the purchase of such holder's Company Shares in the amount of the offer made by CWC, or otherwise, at any time before the Court pronounces an order fixing the fair value of the Company Shares.

A Dissenting Shareholder will not be required to give security for costs in respect of an application and, except in special circumstances, will not be required to pay the costs of the application or appraisal. On the application, the Court will make an order fixing the fair value of the Company Shares of all Dissenting Shareholders who are parties to the application, giving judgment in that amount against CWC and in favour of each of those Dissenting Shareholders, and fixing the time within which CWC must pay the amount payable to each Dissenting Shareholder calculated from the date on which such Dissenting Shareholder ceases to have any rights as a Shareholder until the date of payment.

On the Arrangement becoming effective, or upon the making of an agreement between CWC and the Dissenting Shareholder as to the payment to be made by CWC to the Dissenting Shareholder, or upon the pronouncement of a Court order, whichever first occurs, the Dissenting Shareholder will cease to have any rights as a holder of Company Shares and shall only be entitled to be paid by CWC the fair value of such holder's Company Shares net of all withholding or other taxes required to be withheld by CWC or Precision in accordance with Applicable Laws, to the extent applicable. Until one of these events occurs, the Dissenting Shareholder may withdraw his, her or its dissent, or if the Arrangement has not yet become effective, CWC may rescind the Arrangement Resolution, and in either event the dissent and appraisal proceedings in respect of that Dissenting Shareholder will be discontinued.

CWC shall not make a payment to a Dissenting Shareholder under section 191 of the ABCA, as modified by the Plan of Arrangement and the Interim Order, if there are reasonable grounds for believing that it is or would after the payment be unable to pay its liabilities as they become due, or that the realizable value of its assets would thereby be less than the aggregate of its liabilities. In such event, CWC shall notify each Dissenting Shareholder that it is unable lawfully to pay such Dissenting Shareholder for his or her Company Shares, in which case the Dissenting Shareholder may, by written notice to CWC within 30 days after receipt of such notice, withdraw such holder's written objection, in which case the holder shall be deemed to have participated in the Arrangement as a Shareholder. If the Dissenting Shareholder does not withdraw such holder's written objection, such Dissenting Shareholder retains status as a claimant against CWC to be paid as soon as CWC is lawfully entitled to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of CWC but in priority to Shareholders.

All Company Shares held by Dissenting Shareholders who exercise their Dissent Rights will, if the holders thereof do not otherwise withdraw such written objections, be deemed to be transferred to CWC under the Arrangement and cancelled in exchange for the fair value thereof, which fair value shall be determined as of the close of business on the last Business Day before the day on which the Arrangement Resolution is approved by the Shareholders at the Meeting or will, if such Dissenting Shareholders ultimately are not so entitled to be paid the fair value thereof, be treated as if the holders had participated in the Arrangement on the same basis as a non-dissenting holder of Company Shares, and such Company Shares will be deemed to be exchange for the Consideration on the same basis as all other Shareholders pursuant to the Arrangement.

The above summary does not purport to provide a comprehensive statement of the procedures to be followed by Dissenting Shareholders who seek payment of the fair value of their Company Shares. Section 191 of the ABCA, other than as amended by the Arrangement and the Interim Order, requires adherence to the procedures established therein and failure to do so may result in the loss of all rights thereunder.

Accordingly, Dissenting Shareholders who might desire to exercise the Dissent Rights should carefully consider and comply with the provisions of section 191 of the ABCA, the full text of which is set out in Appendix E to this Information Circular, as modified by the terms of the Interim Order, and consult their own legal advisor.

The Arrangement Agreement provides that, unless otherwise waived by Precision, it is a condition to the completion of the Arrangement that holders of not greater than 10% of the outstanding Company Shares shall have validly exercised Dissent Rights in respect of the Arrangement that have not been withdrawn as of the Effective Date.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following summary describes the principal Canadian federal income tax consequences under the ITA generally applicable to a beneficial owner of Company Shares who, for the purposes of the ITA, and at all relevant times: (a) deals at arm's length and is not affiliated with CWC or Precision; (b) holds the Company Shares as capital property and will hold the Precision Shares received under the Arrangement as capital property; and (c) disposes of the Company Shares under the Arrangement (a "Holder"). Generally, the Company Shares and Precision Shares will be capital property to a Holder provided the Holder does not hold the Company Shares or Precision Shares in the course of carrying on a business of buying and selling securities or as part of an adventure or concern in the nature of trade.

This summary does not address the tax consequences of the Arrangement to the Optionholder, shareholders who acquired their Company Shares on the exercise of an employee stock option, or Restricted Award Holders. **Such holders should consult their own tax advisors in this regard.**

This summary is not applicable to a Holder: (a) that is a "financial institution" for purposes of certain rules applicable to "mark-to-market property"; (b) an interest in which is a "tax shelter" or a "tax shelter investment" for purposes of the ITA; (c) that has made a "functional currency" reporting election under section 261 of the ITA; (d) that is a "specified financial institution" (as defined in the ITA); or (e) that has entered or will enter into a "derivative forward agreement" or "synthetic disposition arrangement" in respect of the Company Shares, each as defined in the ITA. Such Holders should consult their own tax advisors with respect to their own particular circumstances.

This summary is based on the current provisions of the ITA, applicable jurisprudence, the current published administrative policies and assessing practices of the Canada Revenue Agency and all specific proposals to amend the ITA which have been publicly announced by the Minister of Finance (Canada) prior to the date hereof (the "Proposed Amendments"). This summary assumes that all Proposed Amendments will be enacted in their present form, but no assurances can be given that the Proposed Amendments will be enacted in the form proposed, or at all. Except for the foregoing, this summary does not take into account or anticipate any changes in law or administrative policy or assessing practice, whether by legislative, administrative or judicial decision or action, nor does it take into account provincial, territorial or foreign income tax legislation or consequences, which may differ from the Canadian federal income tax consequences described herein.

This summary is of a general nature only, is not exhaustive of all Canadian federal income tax consequences and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder. The tax liability of each Holder will depend on the Holder's particular circumstances. Accordingly, Holders should consult their own tax advisors as to the particular tax consequences to them of the Arrangement.

Holders Resident in Canada

This portion of the summary is generally applicable to a Holder who, at all relevant times, for purposes of the ITA and any applicable income tax convention, is, or is deemed to be, resident in Canada (a "**Resident Holder**"). Certain Resident Holders may be entitled to make or may have already made the irrevocable election permitted by subsection 39(4) of the ITA, the effect of which is to deem any Company Shares and Precision Shares (and any other "Canadian security", as defined in the ITA) owned by such Resident Holder in the taxation year in which the election is made and in all subsequent taxation years to be capital property. Where a Resident Holder makes an election with Precision under section 85 of the ITA with respect to the disposition of the Company Shares under the Arrangement, the Precision Shares received will not be "Canadian securities" to such holder and will not be deemed to be capital property under subsection 39(4) of the Tax Act. Resident Holders whose shares might not otherwise be considered to be capital property should consult their own tax advisors concerning this election.

Participation in the Arrangement – No Section 85 Election

Resident Holders who receive Cash only

In the event that a Resident Holder (other than a Resident Dissenting Holder) receives only cash in exchange for its Company Shares (and is not subject to proration resulting in the receipt of a combination of cash and Precision Shares as consideration), the Resident Holder will realize a capital gain (or capital loss) to the extent that the amount of cash received, net of any reasonable costs of disposition, exceeds (or is less than) the adjusted cost base of the Company Shares to the Resident Holder. See "*Taxation of Capital Gains and Losses*" below for a general discussion of the treatment of capital gains and capital losses under the ITA.

Resident Holders who receive Precision Shares only

A Resident Holder (other than a Resident Dissenting Holder) who disposes of Company Shares under the Arrangement and receives only Precision Shares for such Company Shares will generally not realize a capital gain (or a capital loss) on such disposition except where:

- such Resident Holder has included any portion of the capital gain or capital loss otherwise determined from the disposition of such Company Shares in that Resident Holder's income for purposes of the ITA, for the year in which the disposition occurred; or
- such Resident Holder and Precision have filed a joint tax election with respect to such Company Shares.

Pursuant to section 85.1 of the ITA, such Resident Holder will be deemed to have disposed of each such Company Share for proceeds of disposition equal to the adjusted cost base thereof immediately before the Effective Time and to have acquired the Precision Shares at a cost equal to such adjusted cost base. This cost will be averaged with the adjusted cost base of all other Precision Shares held by the Resident Holder as capital property for the purposes of determining the adjusted cost base of each Precision Share held by the Resident Holder.

Notwithstanding the foregoing, a Resident Holder who receives Precision Shares in exchange for their Company Shares may, if the Resident Holder so chooses, recognize a capital gain (or a capital loss) in respect of such exchange by reporting the same in their income tax return for the taxation year during which the exchange occurs. Such capital gain (or capital loss) will be equal to the amount by which the fair market value of the Precision Shares received exceeds (or is exceeded by) the aggregate of the adjusted cost base of the Company Shares exchanged and any reasonable costs of disposition. In such circumstances, the cost of the Precision Shares acquired will be equal to the fair market value thereof. This cost will be averaged with the adjusted cost base of all other Precision Shares held by such Resident Holder as capital property

for the purpose of determining the adjusted cost base of each Precision Share held by such Resident Holder. See "*Taxation of Capital Gains and Losses*" below for a general discussion of the treatment of capital gains and capital losses under the ITA.

Resident Holders who receive Cash and Precision Shares

A Resident Holder whose Company Shares are exchanged for a combination of cash and Precision Shares pursuant to the Arrangement, whether as a result of proration or a deemed election, and who does not make a valid joint election with Precision pursuant to section 85 of the ITA with respect to the exchange, will be deemed to receive only Precision Shares for the pro rata number of Company Shares so exchanged and only cash for the remaining number of Company Shares so exchanged. Under such circumstances, the tax considerations in respect of the portion of Company Shares exchanged for Precision Shares will be the same as those described above under "*Resident Holders who receive Precision Shares only*". Further, the tax considerations in respect of the portion of Company Shares exchanged for cash will be the same as those described above under "*Resident Holders who receive Cash only*".

Participation in the Arrangement – With a Section 85 Election

A Resident Holder is entitled to make a joint election with Precision pursuant to section 85 of the ITA (a "**Section 85 Election**"), and may thereby defer all or a portion of the capital gain (or capital loss) that would otherwise be recognized for purposes of the ITA in respect of the exchange of Company Shares for Precision Shares under the Arrangement, depending on the Elected Amount (as defined below), the Resident Holder's adjusted cost base of the Company Shares at the time of the exchange, and subject to the Section 85 Election requirements being met under the ITA.

A Resident Holder making a Section 85 Election will be required to designate an amount (the "**Elected Amount**") in the Election Form that will be deemed to be the proceeds of disposition of the Resident Holder's Company Shares. In general, the Elected Amount may not be:

- less than the amount of cash received by the Resident Holder on the exchange;
- less than the lesser of (i) the Resident Holder's adjusted cost base of the Company Shares, and (ii) the fair market value of the Company Shares, in each case determined at the time of the exchange;
- greater than the fair market value of the Company Shares at the time of the exchange.

An Elected Amount specified by a Resident Holder that does not comply with these limitations will automatically be adjusted under the ITA so that it is in compliance, and the amount so adjusted will be deemed to be the Elected Amount for purposes of such Section 85 Election.

The Canadian federal income tax treatment to a Resident Holder who properly makes a valid Section 85 Election jointly with Precision generally will be as follows:

- the Resident Holder will be deemed to have disposed of the Resident Holder's Company Shares for proceeds of disposition equal to the Elected Amount;
- if the Elected Amount exceeds the Resident Holder's adjusted cost base of the Company Shares, then the Resident Holder will realize a capital gain equal to such excess less any reasonable costs of disposition;

- if the Resident Holder's adjusted cost base of the Company Shares exceeds the Elected Amount, then the Resident Holder will realize a capital loss equal to such excess; and
- the aggregate cost to the Resident Holder of the Precision Shares acquired on the exchange will equal the Elected Amount less the amount of any cash received by the Resident Holder, and for the purpose of determining the Resident Holder's adjusted cost base of those Precision Shares, such cost will be averaged with the Resident Holder's adjusted cost base of all other Precision Shares, if any, held at the Effective Time.

A Resident Holder who intends to make a Section 85 Election should provide two signed copies of the necessary election forms to Precision within 120 days following the Effective Date, duly completed with the details of the number of Company Shares transferred and the Elected Amount. The relevant federal tax election form is CRA form T2057 (or, if the Resident Holder is a partnership, CRA form T2058), which will be made available on Precision's website within 60 days of the Effective Date. Certain provincial jurisdictions require that a separate joint election be filed for provincial income tax purposes. **Resident Holders should consult their own tax advisors to determine whether they must file separate election forms with any provincial taxing jurisdiction. It is the responsibility of each Resident Holder who wishes to make an election for provincial income tax purposes to obtain any necessary provincial election forms. In addition, special compliance rules apply where the Company Shares are held in joint ownership or are held as partnership property, and affected Resident Holders should consult their own tax advisors to determine all relevant filing requirements and procedures (including under provincial legislation) applicable in their particular circumstances.**

The election form or forms will be signed by Precision and returned to such Resident Holder within 45 days after the receipt thereof by Precision for filing with the Canada Revenue Agency (or the applicable provincial or territorial taxing authority). None of Company, Precision or any successor corporation, will be responsible for the proper completion of any election form or for the payment of any late filing penalty. Except for the obligation of Precision to so sign and return duly completed election forms which are received by Precision within 120 days of the Effective Date, Precision will not be responsible for any taxes, interest or penalties resulting from the failure by a Resident Holder to properly complete or file the election forms in the form and manner and within the time prescribed by the ITA (or any applicable provincial or territorial legislation). In its sole discretion, Precision may choose to sign and return an election form received by it more than 120 days following the Effective Date, but Precision will have no obligation to do so. **With the exception of the execution and delivery of completed Section 85 Election forms by Precision within forty-five (45) days of receiving the necessary information from a Resident Holder, compliance with the requirements for making a valid Section 85 Election will be the sole responsibility of the Resident Holder making the election.**

Each Resident Holder is urged to consult the Resident Holder's own advisors as soon as possible respecting the deadlines applicable to the Resident Holder's particular circumstances. **Resident Holders may be required to forward their tax election forms to Precision earlier than 120 days after the Effective Date in order to avoid late filing penalties. All Resident Holders who wish to make a Section 85 Election should give immediate attention to this matter and in particular should consult their own tax advisors without delay. The comments herein with respect to such elections are provided for general assistance only. The law in this area is complex and contains numerous technical requirements not addressed in this summary.**

Taxation of Capital Gains and Losses

Generally, one-half of any capital gain (a "taxable capital gain") realized by a Resident Holder in a taxation year must be included in the Resident Holder's income for the year, and one-half of any capital loss (an

"allowable capital loss") realized by a Resident Holder in a taxation year must be deducted from taxable capital gains realized by the Resident Holder in that year. Allowable capital losses for a taxation year in excess of taxable capital gains for that year may, generally, be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years, to the extent and under the circumstances described in the ITA.

The amount of any capital loss realized by a Resident Holder that is a corporation on the disposition of Company Shares may be reduced by the amount of dividends received or deemed to be received by the Resident Holder on such shares (or on shares for which the shares have been substituted) to the extent and under the circumstances described by the ITA. Similar rules may apply where a corporation is a member of a partnership or a beneficiary of a trust that owns Company Shares, directly or indirectly, through a partnership or a trust.

A Resident Holder that, throughout the relevant taxation year, is a "Canadian-controlled private corporation" (as defined in the ITA) or a "substantive CCPC" (as defined in the Proposed Amendments), may be liable to pay a tax, a portion of which may be refundable, on its "aggregate investment income" (as defined in the ITA), including taxable capital gains.

Holding and disposing of Precision Shares

Dividends received on Precision Shares

Dividends received or deemed to be received on Precision Shares held by a Resident Holder will be included in the Resident Holder's income for the purposes of the ITA. Such dividends received by a Resident Holder that is an individual (other than certain trusts) will be subject to the gross-up and dividend tax credit rules in the ITA normally applicable to taxable dividends received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit in respect of dividends designated by Precision as "eligible dividends". There may be limitations on Precision's ability to designate dividends as "eligible dividends".

Taxable dividends received by a Resident Holder who is an individual (other than certain trusts) may result in such Resident Holder being liable for alternative minimum tax under the ITA. Resident Holders who are individuals should consult their own tax advisors in this regard.

In the case of a Resident Holder that is a corporation, the amount of any taxable dividend will be included in computing its income and generally will be deductible in computing the Resident Holder's taxable income. In certain circumstances, subsection 55(2) of the ITA will treat a taxable dividend received or deemed to be received by a Resident Holder that is a corporation as proceeds of disposition or a capital gain. Resident Holders that are corporations should consult their own tax advisors having regard to their own circumstances.

A Resident Holder that is a "private corporation" or "subject corporation" (as such terms are defined in the ITA) or any other corporation resident in Canada controlled, whether because of a beneficial interest in one or more trusts or otherwise, by or for the benefit of an individual (other than a trust) or a related group of individuals (other than trusts), may be liable under Part IV of the ITA to pay a refundable tax on dividends received or deemed to be received on the Precision Shares to the extent such dividends are deductible in computing the Resident Holder's taxable income.

Disposing of Precision Shares

A future disposition or a deemed disposition of a Precision Share by a Resident Holder (other than in a tax deferred disposition, or a disposition to Precision in circumstances other than a purchase by Precision in

the open market in the manner in which shares are normally purchased by a member of the public in the open market) will generally result in the Resident Holder realizing a capital gain (or capital loss) in the year of the disposition equal to the amount by which the proceeds of disposition of the Precision Share exceed (or is less) than the aggregate of the Resident Holder's adjusted cost base thereof and any reasonable costs of disposition. The adjusted cost base of a Precision Share to a Resident Holder generally will be the average of the cost of all Precision Shares held at the particular time by such Resident Holder as capital property. See "*Taxation of Capital Gains and Losses*" for a general discussion of the treatment of capital gains and capital losses under the ITA.

Dissenting Resident Holders

The following portion of this summary applies to Resident Holders that are Dissenting Shareholders ("**Dissenting Resident Holders**"). A Dissenting Resident Holder who, as a result of the exercise of Dissent Rights, disposes of Company Shares and receives a cash payment, will be deemed to have received a taxable dividend equal to the amount by which the amount received for the Company Shares (less an amount in respect of interest, if any, awarded by the Court) exceeds the paid-up capital of such shares, as determined under the ITA.

A Dissenting Resident Holder will also recognize a capital gain (or a capital loss) equal to the amount, if any, by which the amount received (other than the amount of a deemed dividend, as described above, and interest awarded by a court) exceeds (or is exceeded by) the adjusted cost base of the Company Shares to the Dissenting Resident Holder determined immediately before the Effective Time, net of any reasonable costs of disposition. See "*Taxation of Capital Gains and Losses*" for a discussion of the treatment of capital gains and capital losses under the ITA.

Interest, if any, awarded by the Court to a Resident Dissenting Holder will be included in the Resident Dissenting Holder's income for the purposes of the ITA. In addition, a Resident Dissenting Holder that, throughout the relevant taxation year, is a "Canadian-controlled private corporation" as defined in the ITA may be liable for an additional tax, a portion of which may be refundable, in respect of such interest.

Resident Dissenting Holders should consult their own tax advisors for specific advice with respect to the tax consequences in their own particular circumstances of exercising their Dissent Rights.

Eligibility for Investment

On the date hereof, the Precision Shares, provided the Precision Shares are listed on a "designated stock exchange" within the meaning of the ITA (which includes the TSX) are qualified investments under the ITA for trusts governed by registered retirement savings plans ("**RRSPs**"), registered retirement income funds ("**RRIFs**"), deferred profit sharing plans, registered disability savings plans ("**RDSPs**"), first home savings accounts ("**FHSA**"), registered education savings plans ("**RESPs**") and tax-free savings accounts ("**TFSA**s").

Notwithstanding the foregoing, the holder of a TFSA or RDSP, an annuitant under a RRSP, FHSA or RRIF or the subscriber of an RESP, as the case may be, that holds Precision Shares will be subject to a penalty tax if such shares are a "prohibited investment" for the purposes of the ITA. Precision Shares will generally not be a "prohibited investment" if the holder, the annuitant or subscriber, as the case may be, deals at arm's length with Precision for the purposes of the ITA and the holder, the annuitant or subscriber, as the case may be, does not have a "significant interest" (within the meaning of subsection 207.01(4) of the ITA) in Precision. Holders that intend to hold their Precision Shares in a TFSA, RRSP, RRIF, RDSP, FHSA or RESP are urged to consult their own tax advisors.

Holders Not Resident in Canada

This portion of the summary is applicable to a Shareholder who, at all relevant times, is not, or is deemed not to be, resident in Canada for purposes of the ITA (including a partnership that is not a "Canadian partnership" for purposes of the ITA) and any applicable income tax treaty or convention to which Canada is a party and who does not use or hold, and is not deemed to use or hold, Company Shares in connection with carrying on a business in Canada (a "**Non-Resident Holder**").

Participation in the Arrangement

A Non-Resident Holder will not be subject to tax under the ITA on the disposition of Company Shares pursuant to the Arrangement, unless the Company Shares constitute "taxable Canadian property" (as defined in the ITA) of the Non-Resident Holder and are not "treaty-protected property" (as defined in the ITA) of the Non-Resident Holder at the time of such disposition.

Generally, the Company Shares will not constitute "taxable Canadian property" of a Non-Resident Holder at a particular time unless, at a particular time during the 60-month period that ends at that time:

- i) the shares derived more than 50% of their fair market value, directly or indirectly, from one or any combination of: (a) real or immovable properties situated in Canada, (b) "timber resource property" (as defined in the ITA), (c) "Canadian resource property" (as defined in the ITA), or (d) options in respect of, or interests in, or for civil law, rights in, any of the foregoing property, whether or not the property exists; and
- ii) 25% or more of the issued shares of any class of the capital stock of the Company were owned by the Non-Resident Holder, either alone or in combination with persons with whom the Non-Resident Holder did not deal at arm's length.

Notwithstanding the foregoing, in certain circumstances set out in the ITA, the Company Shares could be deemed to be taxable Canadian property.

In the event that any of the Company Shares constitute or are deemed to constitute taxable Canadian property to any Non-Resident Holder, the Non-Resident Holder may be entitled to relief pursuant to the provisions of an applicable income tax treaty or convention. Company Shares owned by a Non-Resident Holder will generally be "treaty-protected property" of a Non-Resident Holder if the gain from the disposition of such shares would, because of an applicable income tax treaty between Canada and the country in which the Non-Resident Holder is resident for purposes of such treaty and in respect of which the Non-Resident Holder is entitled to receive benefits thereunder, be exempt from tax under the ITA.

Non-Resident Holders whose Company Shares may be taxable Canadian property should consult with their own tax advisors.

A Non-Resident Holder whose Company Shares are "taxable Canadian property" and are not "treaty-protected property" will generally have the same tax considerations as those described above under "*Holders Resident in Canada – Participation in the Arrangement – No Section 85 Election*" and "*Holders Resident in Canada – Participation in the Arrangement – With a Section 85 Election*", as applicable.

Where a Non-Resident Holder exchanges Company Shares (that are taxable Canadian property to such Holder) pursuant to the Arrangement, the Precision Shares received in exchange will be deemed to be taxable Canadian property to such Non-Resident Holder for a period of 60 months after the exchange.

Consequences of Non-Resident Holders Owning Precision Shares

Any dividends, if any, paid or credited, or deemed to be paid or credited, on Precision Shares to a Non-Resident Holder will be subject to Canadian withholding tax at the rate of 25% of the gross amount of the dividend unless the rate is reduced under the provisions of an applicable income tax convention between Canada and the Non-Resident Holder's country of residence. For instance, where the Non-Resident Holder is a resident of the United States and is entitled to the benefits under the *Canada United States Income Tax Convention* (1980) as amended and is the beneficial owner of the dividends, the rate of Canadian withholding tax applicable to dividends is generally reduced to 15%.

Consequences of Non-Resident Holders Disposing of Precision Shares

A Non-Resident Holder will not be subject to tax under the ITA on any capital gain realized on the disposition or deemed disposition of Precision Shares unless such Precision Shares constitute "taxable Canadian property" (as defined in the ITA) of the Non-Resident Holder and are not "treaty-protected property" (as defined in the ITA) of the Non-Resident Holder at the time of such disposition.

The circumstances in which the Precision shares may constitute "taxable Canadian property" or "treaty protected property" of a Non-Resident Holder will be the same as described above for the Company Shares under "*Holders Not Resident in Canada - Participation in the Arrangement*".

Non-Resident Holders whose Precision Shares constitute taxable Canadian property should consult their own tax advisers.

Dissenting Non-Resident Holders

A Non-Resident Holder who exercises Dissent Rights and receives the fair value of such Non-Resident Holder's Company Shares will generally realize a deemed dividend and capital gain or capital loss as discussed under the heading "*Holders Resident in Canada – Dissenting Resident Holders*".

A Non-Resident Holder will be deemed to have received a dividend equal to the amount, if any, paid by Company (other than any amount in respect of interest, if any, awarded by the Court) in excess of the paid-up capital (as determined for purposes of the ITA) of the Non-Resident Holder's Company Shares. Any such deemed dividend will be subject to the same tax treatment as described above under the "*Holders Not Resident in Canada – Consequences of Non-Resident Holders Owning Precision Shares*".

A Non-Resident Holder will also realize a capital gain (or a capital loss) to the extent that the proceeds of disposition of such Company Shares, as reduced by the amount of any deemed dividend as discussed above, exceed (or are less than) the adjusted cost base of such Company Shares immediately before the disposition and any reasonable costs of disposition. As discussed above under "*Holders Not Resident in Canada – Participation in the Arrangement*" any resulting capital gain would only be subject to tax under the ITA if such Non-Resident Holder's Company Shares are taxable Canadian property to the Non-Resident Holder at the Effective Time and not considered treaty-protected property. A dissenting Non-Resident Holder for whom Company Shares are not taxable Canadian property (as described above under the section titled "*Holders Not Resident in Canada – Participation in the Arrangement*") should not be subject to capital gains tax under the ITA on the disposition of such Company Shares.

Any interest paid to a dissenting Non-Resident Holder should not be subject to Canadian withholding tax.

TIMING

If the Meeting is held as scheduled and is not adjourned or postponed and certain of the other necessary conditions to the Arrangement are satisfied or waived, CWC will apply to the Court for the Final Order approving the Arrangement on November 7, 2023. If the Final Order is obtained on November 7, 2023, in form and substance satisfactory to CWC and Precision, acting reasonably, and all other conditions set forth in the Arrangement Agreement are satisfied or waived, the Company expects the Effective Date to be on or about November 8, 2023.

The Arrangement will become effective upon the filing with the Registrar of the Articles of Arrangement and a copy of the Final Order, together with such other material as may be required by the Registrar.

The Effective Date could be delayed for a number of reasons, including an objection before the Court at the hearing of the application for the Final Order or delays in receiving all Regulatory Approvals (including the Competition Act Clearance).

RISK FACTORS

The Arrangement involves various risks. Shareholders should carefully consider the following risk factors in evaluating whether to approve the Arrangement Resolution. Readers are cautioned that such risk factors are not exhaustive. These risk factors should be considered in conjunction with the other information included in this Information Circular, including the documents filed by the Company pursuant to Applicable Laws from time to time. Additional risks and uncertainties may also adversely affect CWC and Precision after giving effect to the Arrangement.

Risks Relating to the Arrangement

Failure to satisfy conditions to the completion of the Arrangement Resolution

The completion of the Arrangement is subject to a number of conditions precedent, certain of which are outside the control of CWC, including obtaining the Requisite Shareholder Approval and the Competition Act Clearance, the granting of the Final Order and the satisfaction of other customary closing conditions. There can be no certainty, nor can the Company provide any assurance, that these conditions will be satisfied or waived nor can there be any certainty as to the timing of their satisfaction or waiver. See "*Procedure for the Arrangement to Become Effective – Shareholder Approval*" and "*Procedure for the Arrangement to Become Effective – Regulatory Matters*".

A substantial delay in obtaining satisfactory approvals or the imposition of unfavourable terms or conditions in the approvals to be obtained could delay the Effective Date and may adversely affect the business, financial condition or results of CWC or Precision. There can be no certainty, nor can the Company provide any assurance, that these conditions will be satisfied or waived nor can there be any certainty as to the timing of their satisfaction or waiver. If such conditions are not satisfied or waived and the Arrangement is not completed, or is materially delayed, the market price of the Company Shares may be adversely affected.

The Arrangement Agreement may be terminated in certain circumstances

Each of CWC and Precision have the right to terminate the Arrangement Agreement in certain circumstances. Accordingly, there is no certainty, nor can CWC provide any assurance, that the Arrangement Agreement will not be terminated by either CWC or Precision before the completion of the Arrangement. For instance, Precision has the right, in certain circumstances, to terminate the Arrangement Agreement if changes occur that constitute a Material Adverse Change with respect to CWC. There is no

assurance that a Material Adverse Change with respect to the Company will not occur before the Effective Date, in which case Precision could elect to terminate the Arrangement Agreement and the Arrangement would not proceed.

If the Arrangement Agreement is terminated, CWC will still have incurred costs for pursuing the Arrangement, including costs related to the diversion of management's attention away from the conduct of the Company's business.

CWC may be required to pay the Purchaser Termination Fee

If the Arrangement is not completed, CWC may be required, in certain circumstances, to pay the Purchaser Termination Fee to Precision.

The Purchaser Termination Fee may discourage other parties from making an Acquisition Proposal

Under the Arrangement Agreement, the Company is required to pay the Purchaser Termination Fee in the event that the Arrangement Agreement is terminated in circumstances related to a possible alternative transaction to the Arrangement. The Purchaser Termination Fee may discourage other parties from making an Acquisition Proposal, even if such a transaction could provide better value to Shareholders than the Arrangement.

Failure to complete the Arrangement could negatively impact the price of the Company Shares and future business and operations of the Company

There are a number of material risks relating to the Arrangement not being completed, including but not limited to the following:

- the price of the Company Shares may decline to the extent that the current market price reflects a market assumption that the Arrangement will be completed;
- Shareholders will not receive the Consideration payable under the Arrangement;
- certain costs related to the Arrangement, such as legal, accounting and the expenses and certain of the fees of CIBC Capital Markets, will be payable by CWC even if the Arrangement is not completed;
- if the Arrangement is not completed, CWC may be required, in certain circumstances, to pay the Purchaser Termination Fee to Precision; and
- CWC will continue to be subject to various risks related to its ongoing business (see "*Risk Factors – Risks Relating to CWC*" below).

While the Arrangement is pending, CWC is restricted from taking certain actions

The Arrangement Agreement restricts the Company from taking specified actions until the Arrangement is completed, without the consent of Precision. These restrictions may prevent CWC from pursuing attractive business opportunities that may arise prior to the completion of the Arrangement.

The Consideration is fixed and will not be adjusted in the event of any change in either Precision's or CWC's respective share prices

Upon closing of the Arrangement, each CWC Shareholder (other than a Dissenting Shareholder) will receive the Consideration, which may be primarily comprised of Share Consideration. Subject to the ability to make elections to receive Cash Consideration and Share Consideration (subject in each case to pro-ratioration), the Consideration is fixed in the Plan of Arrangement and will not be adjusted for changes in the market price of either the CWC Shares or the Precision Shares. Changes in the price of the Precision Shares prior to the consummation of the Arrangement will affect the market value that CWC Shareholders will be entitled to receive upon closing for the Share Consideration. Share price changes may result from a variety of factors (many of which are beyond CWC's or Precision's control), including the risk factors identified in the CWC AIF and the Precision AIF, respectively.

The Arrangement may not be completed if holders of a number of Company Shares exercise Dissent Rights

Shareholders have the right to exercise Dissent Rights and demand payment of the fair value of their Company Shares, in cash, in connection with the Arrangement in accordance with the ABCA, as modified by the Plan of Arrangement and the Interim Order. The exercise of Dissent Rights requires satisfaction of certain specific conditions, and the determination of the amount payable is subject to a Court-supervised valuation process. There is no certainty as to whether a Dissenting Shareholder will be entitled to receive an amount that is greater than, or less than, the Consideration contemplated by the Arrangement. If there are a significant number of Dissenting Shareholders, a substantial cash payment may be required to be made to such Shareholders. For this reason, it is a condition to the completion of the Arrangement that holders of less than 10% of the outstanding Company Shares have exercised Dissent Rights in respect of the Arrangement. While this condition may be waived by Precision in its sole discretion, Precision may determine not to proceed with the Arrangement if the threshold is exceeded. If this occurs, the Arrangement will not be completed. See "*Dissent Rights*".

The Arrangement may be a taxable transaction

The Arrangement may be a taxable transaction and, as a result, Shareholders may be required to pay taxes on any gains that result from their receipt of the Consideration pursuant to the Arrangement. There can be no assurance that the CRA, or other applicable taxing authorities will agree with the Canadian federal income tax consequences of the Arrangement, as set forth in this Information Circular. See "*Certain Canadian Federal Income Tax Considerations*".

Risks Relating to CWC

If the Arrangement is not completed, CWC will continue to face, and Shareholders will be exposed to, the risks that the Company currently faces with respect to its business, affairs, operations and future prospects. A description of the risk factors applicable to CWC is contained under the heading "*Risk Factors*" in the AIF. Additionally, certain risks with respect to CWC's business, affairs, operations and future prospects may become more or less pronounced as a result of the announcement of the Arrangement.

LEGAL MATTERS

Certain legal matters relating to the Arrangement are to be passed upon by Burnet, Duckworth and Palmer LLP on behalf of CWC. As at the date hereof, the partners and associates of Burnet, Duckworth and Palmer LLP beneficially own, directly or indirectly, less than 1% of the outstanding Company Shares.

INFORMATION CONCERNING CWC

General

CWC was amalgamated under the ABCA on May 15, 2014 with its then wholly-owned subsidiary, Ironhand Drilling Inc., and continued as "CWC Energy Services Corp.".

CWC is a reporting issuer (or the equivalent thereof) in each of the provinces of Canada other than Quebec. The Company Shares are listed and posted for trading on the TSXV under the symbol "CWC".

Other than CWC Energy Services (USA) Corp., a Delaware corporation which is a wholly-owned subsidiary of CWC, CWC has no subsidiaries in which the assets and revenues of such subsidiaries exceed 10% individually, or 20% in the aggregate, of the total consolidated assets or total consolidated revenues of the Company as at and for the year ended December 31, 2022.

The Company's head office is Suite 2910, 605 – 5th Avenue S.W., Calgary, Alberta, T2P 3H5 and its registered office is Suite 2400, 525 – 8th Avenue S.W., Calgary, Alberta, T2P 1G1.

Market Price and Trading Volume Data

The Company Shares are listed and posted for trading on the TSXV under the symbol "CWC". The following table sets out the price ranges and volumes of the Company Shares that were traded in the twelve-month period preceding the date of the Arrangement Agreement.

Month	Price Range (\$)		Monthly Trading Volume
	High	Low	
2023			
September 1 – 6	0.205	0.185	344,984
August	0.220	0.180	941,637
July	0.230	0.200	1,682,032
June	0.200	0.155	871,540
May	0.240	0.190	1,991,469
April	0.245	0.215	723,042
March	0.250	0.195	2,950,082
February	0.240	0.200	2,649,748
January	0.240	0.205	1,371,810
2022			
December	0.250	0.185	2,845,904
November	0.300	0.235	3,011,447
October	0.340	0.190	2,845,835
September	0.225	0.160	1,688,367

On September 6, 2023, the last trading day on which the Company Shares traded prior to the announcement of the Arrangement, the closing price of the Company Shares on the TSXV was \$0.205. On September 29, 2023, the last trading day on which the Company Shares traded prior to the date of this Information Circular, the closing price of the Company Shares on the TSXV was \$0.19.

Following the completion of the Arrangement, it is expected that the Company Shares will be delisted from the TSXV and CWC will make an application to cease to be a reporting issuer under Applicable Canadian Securities Laws as soon as reasonably practicable thereafter. The Company anticipates that the Company Shares will be delisted from the TSXV as soon as practical following the Effective Date.

Previous Purchases and Sales

During the twelve-month period preceding the date of the Arrangement Agreement, CWC has not issued any securities convertible into Company Shares, other than as follows:

Date	Securities	Price Per Security	Number of Securities
December 5, 2022	Company Restricted Awards	N/A	6,024,000 ⁽¹⁾

Note:

(1) 3,108,000 Company Restricted Awards were issued to Executive Employees, 1,080,000 were issued to directors of the Company (excluding Executive Employees), and 1,836,000 were issued to employees of the Company (excluding Executive Employees).

During the 5-year period preceding the date of the Arrangement Agreement, CWC issued the following Company Shares upon exercise of the Company Restricted Awards:

Year Ended ⁽¹⁾	Securities	Price Per Security	Number of Securities
December 31, 2019	Common Shares	N/A	2,725,058
December 31, 2020	Common Shares	N/A	3,902,567
December 31, 2021	Common Shares	N/A	5,700,675
December 31, 2022	Common Shares	N/A	4,607,636
January 1 – October 2, 2023	Common Shares	N/A	1,128,167

Note:

(1) Company Shares issued upon exercise of Company Restricted Awards have been aggregated on an annual basis.

During the 5 year period preceding the date of the Arrangement Agreement, CWC also issued the following Company Shares upon exercise of the Company Options:

Date	Securities	Price Per Security	Number of Securities	Aggregate Proceeds Received by CWC
May 3, 2022	Common Shares	\$0.20	200,000	\$40,000.00
May 24, 2022	Common Shares	\$0.20	200,000	\$40,000.00
June 3, 2022	Common Shares	\$0.20	334,000	\$66,800.00
June 10, 2022	Common Shares	\$0.20	200,000	\$40,000.00
June 24, 2022	Common Shares	\$0.20	1,134,000	\$226,800.00
June 24, 2022	Common Shares	\$0.10	89,000	\$8,900.00
August 3, 2022	Common Shares	\$0.20	200,000	\$40,000.00
August 8, 2022	Common Shares	\$0.20	175,000	\$35,000.00
August 10, 2022	Common Shares	\$0.10	89,000	\$8,900.00
August 11, 2022	Common Shares	\$0.20	222,000	\$44,400.00
October 31, 2022	Common Shares	\$0.20	250,000	\$50,000.00
November 4, 2022	Common Shares	\$0.20	92,000	\$18,400.00
November 8, 2022	Common Shares	\$0.20	335,000	\$67,000.00
November 17, 2022	Common Shares	\$0.20	135,000	\$27,000.00

December 5, 2022	Common Shares	\$0.20	72,000	\$14,400.00
December 7, 2022	Common Shares	\$0.20	267,000	\$53,400.00
December 9, 2022	Common Shares	\$0.20	359,000	\$71,800.00
December 12, 2022	Common Shares	\$0.20	40,000	\$8,000.00
December 13, 2022	Common Shares	\$0.20	222,000	\$44,400.00

Dividends

During the five-year period preceding the date of the Arrangement Agreement, CWC has not paid any dividends on its Company Shares. CWC does not anticipate, and, pursuant to the Arrangement Agreement, is prohibited from, paying any dividends in the immediate or foreseeable future.

PRO FORMA INFORMATION OF PRECISION AFTER GIVING EFFECT TO THE ARRANGEMENT

General

The Arrangement will result in the acquisition by Precision of all of the issued and outstanding Company Shares, resulting in CWC becoming a wholly-owned subsidiary of Precision. The following sets forth certain information relating to Precision after giving effect to the Arrangement. Additional information concerning each of Precision and CWC is set forth elsewhere in this Information Circular. See "*Information Concerning Precision*" and "*Information Concerning CWC Energy Services Corp*".

Officers and Directors

Officers

Following the completion of the Arrangement, Precision will continue to be led by its current executive management team comprised of: Kevin A. Neveu as Chief Executive Officer, Carey T. Ford as Chief Financial Officer, Gene Stahl as President, North American Drilling, Darren Ruhr as Chief Administrative Officer, Veronica H. Foley as Chief Legal and Compliance Officer and Shuja Goraya as Chief Technology Officer.

Directors

The post-Arrangement Precision board of directors will continue to consist of the following members, being Precision's current directors: Michael Culbert, William Donovan, Susan M. MacKenzie, Kevin Meyers, David W. Williams, Steven Krablin, Kevin A. Neveu and Lori Lancaster.

Description of Share Capital

Precision Shares

As of October 2, 2023, there were 13,607,739 Precision Shares issued and outstanding. Precision can issue an unlimited number of Precision Shares. Precision holds an annual meeting of common shareholders to elect its directors and appoint its auditors, among other things. It can convene a special meeting of shareholders at any time and for any reason. Only shareholders of record can attend and vote at shareholder meetings. They can vote in person or by proxy, and their proxyholder does not need to be a Precision shareholder. Each Precision Share entitles the holder to one vote. Precision shareholders have the right to receive dividends as and when declared by the Precision board of directors. They also have the right to

receive Precision's remaining property and assets if Precision is wound up, subject to the prior rights and privileges attached to the other classes of shares. The Precision Shares are subject to the provisions of a shareholder rights plan, further described below under the heading "*Precision Shareholder Rights Plan*".

Precision Preferred Shares

There are currently no preferred shares of Precision outstanding. The number of preferred shares that may be authorized for issue at any time cannot exceed more than half of the number of issued and outstanding Precision Shares.

Precision can issue preferred shares in one or more series. The Precision board of directors must pass a resolution determining the number of shares in each series, and the designation, rights, privileges, restrictions and conditions for each series, before the shares can be issued. This includes the rate or amount of dividends, when and where dividends are paid, the dates dividends accrue from any rights or obligations for us to buy or redeem the shares, and the price, terms and conditions, and any conversion rights.

Precision Shareholder Rights Plan

In June 2010, Precision adopted a shareholder rights plan (the "**Precision SRP**") pursuant to an agreement with Computershare Trust Company of Canada, as rights agent, designed to protect the rights of all Precision shareholders and maximize value if there is ever a take-over bid for Precision. The Precision SRP creates potential significant dilution to an offeror by issuing contingent rights to all Precision shareholders to acquire additional Precision Shares at a significant discount to the prevailing market price that could, in certain circumstances, be exercised by all Precision shareholders other than the offeror and its associates, affiliates and joint actors. The foregoing summary is qualified in its entirety by reference to the Precision SRP agreement, a copy of which is available under Precision's SEDAR+ profile at www.sedarplus.ca.

Auditors, Registrar and Transfer Agent

Following the completion of the Arrangement, the auditors for Precision will continue to be KPMG LLP. Following the completion of the Arrangement, the transfer agent and registrar of Precision will continue to be Computershare Trust Company of Canada, at its principal offices in Calgary, Alberta, and in the U.S. Precision's co-transfer agent is Computershare Trust Company NA located in Canton, Massachusetts. KPMG LLP has confirmed that they are independent from Precision within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations and that they are independent accountants with respect to Precision under all relevant U.S. professional and regulatory standards.

INFORMATION CONCERNING PRECISION

The information concerning Precision contained in this Information Circular, including but not limited to the information under this heading, has been provided by Precision. Although CWC has no knowledge that would indicate that any of such information is untrue or incomplete, the Company does not assume any responsibility for the accuracy or completeness of such information or the failure by Precision to disclose events which may have occurred or may affect the completeness or accuracy of such information, but which are unknown to CWC.

Forward-Looking Statements

Certain statements in this "*Information Concerning Precision*" section, and in the documents incorporated by reference into this section, constitute forward looking information. Such forward-looking statements

relate to future events, including the Arrangement or Precision's future performance. See "*Forward-Looking Statements*" in this Information Circular. Readers should also carefully consider the matters and cautionary statements discussed under the heading "*Risk Factors*" in this Information Circular, and under the heading "*Risk Factors*" in this section and the Precision AIF (as defined below).

Documents Incorporated by Reference

The following documents of Precision filed with the various securities commissions or similar authorities in the jurisdictions where Precision is a reporting issuer, are specifically incorporated by reference into and form an integral part of this Information Circular:

- (a) annual information form of Precision dated March 6, 2023 for the year ended December 31, 2022 (the "**Precision AIF**");
- (b) audited consolidated financial statements of Precision as at and for the fiscal years ended December 31, 2022 and December 31, 2021, together with the notes thereto and the auditors' report thereon (the "**Precision Annual Financial Statements**");
- (c) unaudited consolidated financial statement of Precision as at and for the three and six months ended June 30, 2023 and June 30, 2022, together with the notes thereon (the "**Precision Interim Financial Statements**");
- (d) management's discussion and analysis of the financial and operating results of Precision for the fiscal year ended December 31, 2022 (the "**Precision Annual MD&A**");
- (e) management's discussion and analysis of the financial and operating results of Precision for the three and six months ended June 30, 2023 and 2022 (the "**Precision Interim MD&A**");
- (f) notice of meeting and information circular of Precision dated March 29, 2023 for the annual meeting of holders of Precision common shares held on May 11, 2023 (the "**Precision Information Circular**");
- (g) notice of meeting and information circular of Precision dated March 30, 2022 for the annual and special meeting of holders of Precision common shares held on May 12, 2022; and
- (h) material change report of Precision in respect of the Arrangement dated September 15, 2023.

Any documents of the type required by National Instrument 44-101 - *Short Form Prospectus Distributions* ("**NI 44-101**") to be incorporated by reference in a short form prospectus, including any material change reports (except confidential material change reports), interim financial statements, annual financial statements and the auditors' report thereon, information circulars, annual information forms and business acquisition reports (excluding those portions that are not required pursuant to NI 44-101 of the Canadian Securities Administrators to be incorporated by reference herein) filed by Precision with the securities commissions or similar authorities in Canada subsequent to the date of this Information Circular and prior to the completion of the Arrangement will be deemed to be incorporated by reference in this Information Circular. Copies of the documents incorporated herein by reference are also available on SEDAR+ at www.sedarplus.ca and, upon request by a Precision shareholder to Precision at Suite 800, 525 - 8th Avenue SW, Calgary, Alberta, T2P 1G1, Attention: Corporate Secretary, Precision will promptly provide a copy of any such document without charge.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein will be deemed to be modified or superseded for the purposes of the Information Circular to the extent that a statement contained herein or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement will not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this Information Circular.

About Precision Drilling Corporation

General

Precision was formed by amalgamation under the ABCA and is a reporting issuer or equivalent in each of the provinces of Canada. The Precision Shares are listed and posted for trading on the TSX and the NYSE under the symbol "PD" and "PDS", respectively.

The principal corporate and registered office of Precision is located at Suite 800, 525 - 8th Avenue SW, Calgary, Alberta, T2P 1G1.

Precision has the following material subsidiaries: Precision Drilling Canada Limited Partnership, Precision Limited Partnership, Precision Diversified Oilfield Services Corp., Precision Drilling (US) Corporation, Grey Wolf Drilling Limited, Grey Wolf Drilling (Barbados) Ltd., Precision Drilling Holdings Company, Precision Completion & Production Services Ltd. and Precision Drilling Company, LP.

Summary Description of the Business

Precision is a leading provider of safe and environmentally responsible *High Performance, High Value* services to the energy industry, offering customers access to an extensive fleet of Super Series drilling rigs. Precision has commercialized an industry-leading digital technology portfolio known as Alpha™ technologies that utilizes advanced automation software and analytics to generate efficient, predictable, and repeatable results for energy customers. Additionally, Precision offers well service rigs, camps and rental equipment all backed by a comprehensive mix of technical support services and skilled, experienced personnel. Precision's drilling services are enhanced by its EverGreen™ suite of environmental solutions, which bolsters its commitment to reducing the environmental impact on its operations.

For further information regarding Precision and its business activities, see "*About Precision*" and "*Our Business*" in the Precision AIF, which is incorporated herein by reference.

Recent Developments

Acquisition of CWC

On September 7, 2023, Precision entered into the Arrangement Agreement with CWC. Under the terms of the Arrangement Agreement, CWC shareholders will receive total consideration of 947,909 Precision Shares and approximately \$14 million in cash, resulting in an implied blended offer price of approximately

\$0.197 per CWC common share based on Precision's closing price of \$92.58 on the Toronto Stock Exchange on September 1, 2023. See "*The Arrangement*" in this Information Circular.

Description of Securities

Precision is authorized to issue: (i) an unlimited number of Precision Shares, and (ii) a number of preferred shares not exceeding more than half of the number of issued and outstanding Precision Shares. A description of the material attributes and characteristics of the Precision Shares to be issued to holders of CWC Shares pursuant to the Arrangement is contained in the Precision AIF under the heading "*Capital Structure – Common Shares*" and in this Information Circular under the heading "*Pro Forma Information of Precision After Giving Effect to the Arrangement*".

Prior Sales

During the past 12 month period, the only Precision Shares and securities convertible or exchangeable into Precision Shares issued by Precision were: (i) 42,695 Precision Shares issued upon exercise of options to acquire Precision Shares at exercise prices ranging from \$85.32 to \$89.20 and having a weighted average exercise price of \$86.02 per share; (ii) the issuance of 230,336 Precision Shares as settlement for Precision performance share units and restricted share units; (iii) 205,125 performance share units and 25,211 restricted share units, each of which may be settled in Precision Shares (see the Precision Information Circular for further information); and (iv) the issuance of 12,494 Precision Shares as settlement for deferred share units.

Price Range and Trading Volumes

The Precision Shares are listed and posted for trading on the TSX under the symbol "PD" and on the NYSE under the symbol "PDS". The following table sets forth the price ranges and volume traded of the Precision Shares as reported by the TSX and the NYSE for the periods indicated.

<i>Precision Shares TSX (PD)</i>	High (\$)	Low (\$)	Monthly Trading Volume
<u>2023</u>			
September	100.23	89.46	1,589,231
August	92.27	83.64	1,751,756
July	89.13	61.81	1,826,048
June	65.56	56.61	1,244,636
May	67.07	56.42	1,827,409
April	76.18	66.45	1,994,234
March	83.28	61.79	3,034,768
February	106.13	74.75	3,277,058
January	116.60	94.03	1,598,426
<hr/>			
<i>Precision Shares NYSE (PDS)</i>	High (U.S.\$)	Low (U.S.\$)	Monthly Trading Volume
<u>2023</u>			
September	73.82	65.905	1,291,466
August	68.68	62.87	1,155,632
July	67.725	46.29	1,466,930
June	49.5151	41.87	995,732
May	50	41.56	1,209,547
April	56.68	49.05	1,341,263
March	60.85	44.92	1,604,150
February	80.07	55.12	1,878,790
January	86.94	69.49	1,179,285

On September 6, 2023, the last trading day on which the Precision Shares traded prior to the announcement of the Arrangement, the closing price of the Precision Shares on the TSX was \$91.37, and on the NYSE was U.S.\$ 67.05. On September 29, 2023, the last trading day prior to the date of this Information Circular, the closing price of the Precision Shares on the TSX was \$91.01, and on the NYSE was U.S.\$67.12.

Risk Factors

Whether or not the Arrangement is completed, Precision will continue to face many of the risk factors that it currently faces with respect to its business and affairs. The risk factors are further detailed in the Precision AIF, which is incorporated by reference into this Information Circular, and other documents of Precision filed with the Canadian securities authorities and available on SEDAR+ at www.sedarplus.ca. If any event arising from such risk factors occurs, Precision's business, prospects, financial condition, results of operation or cash flows could be materially adversely affected. If the Arrangement is completed, Precision will also be subject to some of the risks faced by CWC, see "*Risk Factors*" in the CWC AIF. In addition, Company Shareholders should carefully review and consider all other information contained in this Information Circular together with all other information included or incorporated by reference in this Information Circular, before making an investment decision or a decision to vote for or against the Arrangement Resolution and consult their own experts where necessary. Readers should also carefully consider the matters and cautionary statements discussed under the heading "*Risk Factors*" in the Information Circular.

Additional Information

Additional information pertaining to Precision is available on SEDAR+ at www.sedarplus.ca. Financial information concerning Precision is contained in the Precision Annual Financial Statements, the Precision Interim Financial Statements, the Precision Interim MD&A and the Precision Annual MD&A, all of which are incorporated herein by reference and can be accessed on SEDAR+. In addition, Precision Shareholders may obtain copies of such documents by contacting Precision at Suite 800, 525 - 8th Avenue SW, Calgary, Alberta, T2P 1G1.

MATTERS TO BE CONSIDERED AT THE MEETING

Arrangement Resolution

At the Meeting, Shareholders will be asked to consider and vote upon the Arrangement Resolution in the form set forth in Appendix A to this Information Circular. Shareholders are urged to review this Information Circular carefully and in its entirety when considering the Arrangement Resolution. See "*The Arrangement*".

The Arrangement Resolution must be approved by the Shareholders at the Meeting by the Requisite Shareholder Approval. See "*Procedure for the Arrangement to Become Effective – Shareholder Approval*" and "*Procedure for the Arrangement to Become Effective – Securities Law Matters*".

Unless instructed otherwise, the persons designated by management of CWC in the enclosed form of proxy intend to vote FOR the approval of the Arrangement Resolution. The Company Board unanimously recommends that Shareholders vote FOR the Arrangement Resolution.

Other Matters to be Considered at the Meeting

At the time of printing this Information Circular, CWC knows of no other matter expected to come before the Meeting, other than the vote on the Arrangement Resolution.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of the date of this Information Circular, no current or former director, executive officer or employee of the Company, or at any time since the beginning of the most recently completed financial year has been, indebted: (a) to CWC; or (b) to another entity, where the indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by CWC.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth in this Information Circular, no director or executive officer of the Company or a person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of any class or series of voting securities of CWC, or any associate or affiliate of any such person, has or had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect CWC.

AUDITORS OF CWC

The auditors of CWC are Ernst & Young LLP, Chartered Professional Accountants, of Calgary, Alberta.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on the SEDAR+ website at www.sedarplus.ca. Additional information regarding the business of the Company is contained in the AIF, and documents incorporated by reference therein.

Additional financial information regarding the Company is provided in the Company's audited consolidated financial statements and Annual MD&A for the year ended December 31, 2022. Copies of these documents and any interim financial statements and MD&A available for periods subsequent to December 31, 2022 and additional copies of this Information Circular are available on the SEDAR+ website at www.sedarplus.ca. The Company will provide any person or company, upon request to the Chief Financial Officer, with a copy of this Information Circular and the Company's financial statements and related management's discussion and analysis.

APPROVAL AND CERTIFICATION

The content and delivery of this Information Circular has been approved by the Board of Directors of CWC.

DATED this 2nd day of October, 2023.

**BY ORDER OF THE BOARD OF DIRECTORS
OF CWC ENERGY SERVICES CORP.**

(signed) *"Jim Reid"*

Jim Reid
Chair of the Board

CONSENT OF CIBC WORLD MARKETS INC.

To: The Board of Directors (the "**Board**") of CWC Energy Services Corp. ("**CWC**")

We refer to the information circular (the "**Information Circular**") of CWC dated October 2, 2023 relating to the special meeting of shareholders of CWC to approve an arrangement under the *Business Corporations Act* (Alberta) involving, among others, CWC and Precision Drilling Corporation.

We consent to the references to our firm name, inclusion in the Information Circular of our written fairness opinion to the Board dated September 6, 2023 (the "**Fairness Opinion**") as Appendix D, to the filing of the Fairness Opinion with the securities regulatory authorities in the provinces and territories of Canada, and a summary thereof in the Information Circular. Our Fairness Opinion was given as of September 6, 2023 and remains subject to the assumptions, limitations and qualifications contained therein. CIBC World Markets Inc. prepared the Fairness Opinion for the exclusive benefit and use of the Board in connection with their consideration of the Arrangement (as defined in the Information Circular). In providing our consent, we do not intend that any person other than the Board shall be entitled to rely upon our Fairness Opinion.

DATED this 2nd day of October, 2023.

(signed) "*CIBC World Markets Inc.*"

APPENDIX A – ARRANGEMENT RESOLUTION

BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:

1. The arrangement (the "**Arrangement**") under section 193 of the *Business Corporations Act* (Alberta) (the "**ABC**A") involving CWC Energy Services Corp. ("**Company**"), as more particularly described and set forth in the management information circular of Company accompanying the notice of this meeting, as the Arrangement may be modified or amended in accordance with its terms, is hereby authorized, approved and adopted.
2. The plan of arrangement (the "**Plan of Arrangement**") involving, among others, Company, the full text of which is set out as Schedule "A" to the Arrangement Agreement made as of September 7, 2023 between Precision Drilling Corporation ("**Purchaser**") and Company (the "**Arrangement Agreement**"), as the Plan of Arrangement may be modified or amended in accordance with its terms, is hereby authorized, approved and adopted.
3. The Arrangement Agreement, the actions of the directors of Company in approving the Arrangement Agreement and the actions of the directors and officers of Company in executing and delivering the Arrangement Agreement and any amendments thereto in accordance with its terms are hereby ratified and approved.
4. Notwithstanding that this resolution has been passed (and the Plan of Arrangement adopted) by the applicable securityholders of Company (the "**Securityholders**") or that the Arrangement has been approved by the Court of King's Bench of Alberta, the directors of Company are hereby authorized and empowered, at their discretion, without further notice to or approval of the Securityholders: (a) to amend the Arrangement Agreement or the Plan of Arrangement, to the extent permitted by the Arrangement Agreement or the Plan of Arrangement; and (b) subject to the terms of the Arrangement Agreement, to disregard the approval of the Securityholders and not proceed with the Arrangement, at any time prior to the issuance of the Certificate (as defined in the Plan of Arrangement).
5. Any one director or officer of Company is hereby authorized and directed, for and on behalf of Company, to execute, under the corporate seal of Company or otherwise, and to deliver to the Registrar under the ABCA for filing articles of arrangement and such other documents as are necessary or desirable to give effect to the Arrangement and the Plan of Arrangement in accordance with the Arrangement Agreement.
6. Any one director or officer of Company is hereby authorized and directed, for and on behalf of Company, to execute, or cause to be executed, under the corporate seal of Company or otherwise, and to deliver, or cause to be delivered, all such other documents, agreements and instruments and to perform, or cause to be performed, all such other acts and things as in such director's or officer's opinion may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

APPENDIX B – ARRANGEMENT AGREEMENT

(see attached)

ARRANGEMENT AGREEMENT

BETWEEN

PRECISION DRILLING CORPORATION

- AND -

CWC ENERGY SERVICES CORP.

September 7, 2023

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Schedule "B" – Form of Arrangement Resolution

Schedule "C" – Representations and Warranties of Purchaser

Schedule "D" – Representations and Warranties of Company

ARRANGEMENT AGREEMENT

THIS ARRANGEMENT AGREEMENT dated effective as of September 7, 2023.

BETWEEN:

PRECISION DRILLING CORPORATION, a corporation existing under the laws of the Province of Alberta ("Purchaser")

AND

CWC ENERGY SERVICES CORP., a corporation existing under the laws of the Province of Alberta ("Company")

WHEREAS:

- A. Purchaser and Company wish to propose an arrangement involving, among other things, the acquisition by Purchaser of all of the issued and outstanding Company Shares;
- B. the Parties intend to carry out the transactions contemplated herein by way of an arrangement under the provisions of the ABCA, on the terms and subject to the conditions set out in this Agreement and the Plan of Arrangement attached hereto as Schedule "A"; and
- C. the Parties have entered into this Agreement to provide for the matters referred to in the foregoing recitals and for other matters relating to such arrangement;

NOW THEREFORE, in consideration of the covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Parties hereby covenant and agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, including the preamble and recitals hereto, the following defined terms have the meanings hereinafter set forth:

- (a) "**ABCA**" means the *Business Corporations Act*, R.S.A. 2000, c. B 9, as such may be amended from time to time prior to the Effective Date;
- (b) "**Acquisition Proposal**" means, other than the Arrangement, any inquiry or request for discussions or negotiations or the making of any offer or proposal, whether or not such inquiry, request, offer or proposal is subject to due diligence or other conditions or whether or not in writing to Company or the Company Shareholders from any Person or Persons "acting jointly or in concert" (within the meaning of NI 62-104) which constitutes, or may reasonably be expected to lead to (in either case whether in one transaction or a series of transactions):
 - (i) any direct or indirect sale, issuance or acquisition of shares or other equity interests (or securities convertible into or exercisable for such shares or interests) from

Company or the Company Shareholders as the case may be that, when taken together with any securities of Company held by the proposed acquiror, and any Person acting jointly or in concert with such acquiror and assuming the conversion of any convertible securities held by the proposed acquiror and any Person acting jointly or in concert with such acquiror, would constitute beneficial ownership representing 20% or more of any class of equity or voting securities of Company or rights or interests therein or thereto;

- (ii) any direct or indirect acquisition or purchase (or any lease, long-term supply agreement, joint venture or other arrangement having the same economic effect as an acquisition or purchase) of assets of Company representing 20% or more of the consolidated assets or contributing 20% or more of the consolidated revenue of Company;
- (iii) an amalgamation, arrangement, share exchange, merger, business combination, consolidation, recapitalization or other similar transaction involving Company;
- (iv) a take-over bid, issuer bid, exchange offer, recapitalization, liquidation, dissolution, reorganization or other similar transaction involving Company that, if consummated, would result in a Person or group of Persons acting jointly or in concert acquiring beneficial ownership of 20% or more of any class of equity or voting securities of Company and assuming the conversion of any convertible securities held by the Person or group of Persons acting jointly or in concert;
- (v) any other transaction which would or could reasonably be expected to materially impede, interfere with or delay the transactions contemplated by this Agreement or the Arrangement, or prevent the completion of the Arrangement;
- (vi) any other transaction that would or could reasonably be expected to materially reduce the benefits to Purchaser under this Agreement or the Arrangement; or
- (vii) any public announcement or other public disclosure of an intention to do any of the foregoing;

(c) "**AcquisitionCo**" has the meaning ascribed thereto in Section 2.1(c);

(d) "**Advance Ruling Certificate**" means an advance ruling certificate pursuant to section 102 of the Competition Act;

(e) "**affiliate**" has the meaning ascribed thereto in the Securities Act;

(f) "**Agreement**", "**herein**", "**hereof**", "**hereto**", "**hereunder**" and similar expressions mean and refer to this arrangement agreement (including the Schedules attached hereto) as supplemented, modified or amended, and not to any particular article, section, schedule or other portion hereof;

(g) "**Anti-Corruption Laws**" has the meaning ascribed thereto in Section (uu)(ii) of Schedule "D";

(h) "**Applicable Canadian Securities Laws**" means, collectively, and as the context may require, the applicable securities legislation of each of the provinces of Canada, and the

rules, regulations, instruments, blanket orders and policies published and/or promulgated thereunder, as such may be amended from time to time prior to the Effective Date, that is binding upon or applicable to such Person or Persons or its or their business, undertaking, property or securities and emanate from a Person having jurisdiction over the Person or Persons or its or their business, undertaking, property or securities;

- (i) **"Applicable Laws"**, in the context that refers to one or more Persons, means any domestic or foreign, federal, state, provincial or local law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated or applied by a Governmental Authority, and any terms and conditions of any grant of approval, permission, authority or license of any Governmental Authority, that is binding upon or applicable to such Person or Persons or its or their business, undertaking, property or securities and emanate from a Person having jurisdiction over the Person or Persons or its or their business, undertaking, property or securities, as the same may be amended from time to time prior to the Effective Date and to the extent they have the force of law, policies, guidelines, notices and protocols of any Governmental Authority;
- (j) **"applicable privacy laws"** has the meaning ascribed thereto in Section 4.3(a)(i);
- (k) **"Arrangement"** means the arrangement under the provisions of section 193 of the ABCA, on the terms and conditions set forth in the Plan of Arrangement as supplemented, or modified in accordance with the provisions of this Agreement and the Plan of Arrangement, or amended or made at the direction of the Court in the Final Order (with the consent of both Company and Purchaser, each acting reasonably);
- (l) **"Arrangement Resolution"** means the special resolution of the Company Shareholders in respect of the Arrangement to be considered at the Company Meeting substantially in the form attached hereto as Schedule "B";
- (m) **"Articles of Arrangement"** means the articles of arrangement of Company giving effect to the Arrangement, required under subsection 193(4.1) of the ABCA to be filed with the Registrar after the Final Order has been granted, which shall be in a form and content satisfactory to the Parties, acting reasonably;
- (n) **"authorized authority"** has the meaning ascribed thereto in Section 4.3(a)(ii);
- (o) **"Breaching Party"** has the meaning ascribed thereto in Section 5.4;
- (p) **"Business Day"** means any day other than a Saturday, Sunday, statutory holiday or other day when banks in the City of Calgary, Alberta are not generally open for business;
- (q) **"CIBC Capital Markets"** means CIBC World Markets Inc.;
- (r) **"Commissioner"** means the Commissioner of Competition appointed pursuant to section 7 of the Competition Act and includes any person designated by the Commissioner to act on his behalf;
- (s) **"Company"** means CWC Energy Services Corp., a corporation existing under the laws of the Province of Alberta;

- (t) "**Company Balance Sheet**" has the meaning ascribed thereto in Section (o)(i) of Schedule "D";
- (u) "**Company Board**" means the board of directors of Company as it may be comprised from time to time, including any duly constituted and acting committee thereof;
- (v) "**Company Credit Facility**" means, collectively, Company's \$50,710,000 Canadian syndicated facility, US\$12,000,000 U.S. syndicated facility, \$7,500,000 Canadian operating facility and US\$5,000,000 U.S. operating facility due July 31, 2025, as further described in the Company Financial Statements;
- (w) "**Company Disclosure Letter**" means the disclosure letter dated as of the date of this Agreement from Company to Purchaser;
- (x) "**Company Employee Costs**" means obligations of Company for Executive Employees and Continuing Employees pursuant to all employment agreements, termination, severance, bonus and retention plans or policies (but excluding salary and vacation pay earned and accrued up to the Effective Date) providing for cash or other compensation or benefits upon the consummation of the Arrangement, but not including payments in respect of: (i) Company Options as provided in this Agreement and the Conditional Option Exercise and Surrender Agreement; or (ii) Company Restricted Awards as provided in this Agreement;
- (y) "**Company Fairness Opinion**" means the opinion of CIBC Capital Markets, the financial advisor to the Company, to the effect that, as of the date of such opinion and based upon and subject to the assumptions, limitations and qualifications set forth therein, the Consideration to be received by the Company Shareholders under the Arrangement is fair, from a financial point of view, to the Company Shareholders;
- (z) "**Company Financial Statements**" means, collectively:
 - (i) the audited consolidated financial statements of Company as at and for the fiscal years ended December 31, 2022 and December 31, 2021, together with the notes thereto and the auditors' report thereon; and
 - (ii) the unaudited condensed financial statements of Company as at and for the three- and six-month periods ended June 30, 2023 and 2022, together with the notes thereto;
- (aa) "**Company Incentive Plans**" means, collectively, the Company Restricted Award Plan and the Company Option Plan;
- (bb) "**Company Information**" means the information included in the Information Circular (including information incorporated into the Information Circular by reference) describing Company and the business, operations and affairs of Company together with any amendments thereto or supplements thereof in accordance with the terms of this Agreement and under Applicable Canadian Securities Laws;
- (cc) "**Company Material Contracts**" has the meaning ascribed thereto in Section (jj) of Schedule "D";

- (dd) "**Company Meeting**" means the special meeting of Company Shareholders to be held in accordance with this Agreement and the Interim Order to consider the Arrangement Resolution and any adjournment(s) or postponement(s) thereof;
- (ee) "**Company Option Plan**" means the stock option plan of Company dated May 1, 2007, as amended;
- (ff) "**Company Optionholder**" means the sole holder of Company Options;
- (gg) "**Company Options**" means the outstanding stock options of Company granted under the Company Option Plan, whether or not vested, entitling the Company Optionholder to acquire Company Shares;
- (hh) "**Company Payout Letter**" has the meaning ascribed thereto in Section 3.3(q)(i);
- (ii) "**Company Plans**" has the meaning ascribed thereto in Section (kk) of Schedule "D";
- (jj) "**Company Public Record**" means all information filed by or on behalf of Company since January 1, 2023 with the Securities Authorities, which is available for public viewing on the SEDAR+ website at www.sedarplus.ca under Company's profile;
- (kk) "**Company Restricted Award Plan**" means the restricted award incentive plan of Company dated December 18, 2012, as amended;
- (ll) "**Company Restricted Awards**" means the restricted awards granted under the Company Restricted Award Plan;
- (mm) "**Company Shareholders**" means holders of Company Shares from time to time;
- (nn) "**Company Shares**" means the common shares in the capital of Company;
- (oo) "**Company Transaction Costs**" means all costs and expenses of Company (whether incurred, accrued or billed) in connection with this Agreement and the Arrangement, including fees and expenses of financial and accounting advisors, printing, mailing, solicitation, proxy solicitation services (other than for fees incurred for proxy solicitation services that are requested by Purchaser which will be for the account of Purchaser) and shareholder communication costs, Company Meeting costs, legal fees and disbursements, the amount to be paid to holders of Company Options and Company Restricted Awards under the Conditional Option Exercise and Surrender Agreement and the Arrangement, as applicable, the Company Employee Costs, and the cost of Equivalent Insurance (the cost and premiums of which for the duration of the Equivalent Insurance will be paid in full by Company on or prior to the Effective Date) but excludes, for greater certainty, the Purchaser Termination Fee, and any costs, expenses or filing fees associated or incurred in connection with the Regulatory Approvals;
- (pp) "**Company Voting Support Agreements**" means the voting support agreements between Purchaser and all directors and executive officers of Company and certain significant shareholders of Company, being BCP II AIV LP, Brookfield Business Partners Canada LP and Canada Pension Plan Investment Board Private Holdings Inc., pursuant to which each such Person agreed, among other things, not to dispose of any of his, her or its Company Shares and Company Restricted Awards prior to the Effective Date, to vote in favour of

the Arrangement Resolution, to not dissent in respect of the Arrangement and otherwise to support the Arrangement;

(qq) "**Competition Act**" means the *Competition Act*, R.S.C. 1985, c. C-34, and includes the regulations promulgated thereunder;

(rr) "**Competition Act Clearance**" means the occurrence of one or more of the following, in respect of the transactions contemplated by this Agreement:

- (i) the Commissioner shall have issued an Advance Ruling Certificate; or
- (ii) both (i) the Commissioner shall have issued a No Action Letter to Purchaser, and (ii) either the waiting period has expired or been terminated by the Commissioner under sections 123(1) or 123(2), respectively, of the Competition Act, or the obligation to provide a pre-merger notification in accordance with Part IX of the Competition Act has been waived by the Commissioner under section 113(c) thereof;

(ss) "**Conditional Option Exercise and Surrender Agreement**" means the agreement pursuant to which the Company Optionholder, agrees, subject to the condition precedent of the Arrangement becoming effective, to exercise and surrender to Company all of their Company Options in exchange for an amount equal to the amount by which \$0.196668 per Company Share exceeds the exercise price thereof, payable in cash (less the amount of applicable withholdings) to the Company Optionholder in full satisfaction of Company's obligations under such surrendered Company Option;

(tt) "**Confidentiality Agreement**" means the confidentiality agreement between Purchaser and Company dated July 14, 2023;

(uu) "**Consideration**" means the consideration payable pursuant to the Plan of Arrangement to a Person who is a Company Shareholder;

(vv) "**Continuing Employee(s)**" means all the employees of Company other than the Executive Employees;

(ww) "**Contract**" means, with respect to a Party, a binding contract, lease, instrument, note, bond, debenture, mortgage, agreement, arrangement or understanding, written or oral, to which such Party, or any of its subsidiaries, is a Party or under which such Party or any of its subsidiaries is bound, has unfulfilled obligations or contingent liabilities or is owed unfulfilled obligations, whether known or unknown, and whether asserted or not;

(xx) "**Court**" means the Court of King's Bench of Alberta;

(yy) "**COVID-19**" means SARS-CoV-2 or COVID-19, and any evolutions, variants or mutations thereof (including BA.2.86) or related or associated epidemics, pandemics or disease outbreaks;

(zz) "**Depository**" means Computershare Trust Company of Canada or such other Person that may be appointed by Purchaser with the consent of Company (such consent not to be unreasonably withheld, conditioned or delayed) in connection with the Arrangement for

inter alia the purpose of receiving deposits of certificates formerly representing the Company Shares and paying the Consideration;

- (aaa) "**Disclosed Personal Information**" has the meaning ascribed thereto in Section 4.3(b);
- (bbb) "**Dissent Rights**" has the meaning ascribed thereto in the Plan of Arrangement;
- (ccc) "**Effective Date**" has the meaning ascribed thereto in Section 2.1(b);
- (ddd) "**Effective Time**" means the time at which the Articles of Arrangement are filed with the Registrar on the Effective Date;
- (eee) "**Encumbrances**" means, in the case of property or an asset, all mortgages, pledges, charges, liens, debentures, hypothecs, trust, outstanding demands, burdens, capital leases, assignments by way of security, security interests, conditional sales contracts or other title retention agreements or similar interests or instruments charging, or creating a security interest in, or against title to, such property or assets, or any part thereof or interest therein, and any agreements, leases, options, easements, rights of way, restrictions, executions or other charges or encumbrances (including notices or other registrations in respect of any of the foregoing) (whether by Applicable Laws, contract or otherwise) against title to any of the property or assets, or any part thereof or interest therein or capable of becoming any of the foregoing;
- (fff) "**Environmental Approvals**" means all permits, certificates, licences, authorizations, consents, instructions, registrations, directions or approvals issued or required by Governmental Authorities pursuant to Environmental Laws;
- (ggg) "**Environmental Laws**" means, with respect to any Person or its business, activities, property, assets or undertaking, all Applicable Laws, relating to environmental or health and safety matters of the jurisdictions applicable to such Person or its business, activities, property, assets or undertaking, including legislation governing the use, handling and storage of Hazardous Substances;
- (hhh) "**Equivalent Insurance**" has the meaning ascribed thereto in Section 3.2(a);
- (iii) "**Executive Employee(s)**" means the members of the executive leadership team of Company being all officers of Company that are listed in Section 1.1(iii) of the Company Disclosure Letter;
- (jjj) "**Final Order**" means the order of the Court approving the Arrangement to be applied for by Company following the approval of the Arrangement Resolution at the Company Meeting and to be granted pursuant to subsection 193(4) of the ABCA in respect of Company, as such order may be affirmed, amended or modified by the Court (with the consent of both Company and Purchaser, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that, such amendment is acceptable to both Company and Purchaser, each acting reasonably) on appeal;

(kkk) **"Governmental Authority"** means any:

- (i) national, federal, provincial, state, regional, municipal, local or other government or any governmental regulatory or administrative authority department, court, tribunal, arbitral body, commission, board, bureau, ministry or agency, or official, domestic or foreign including any political subdivision thereof;
- (ii) any subdivision, agent, commission, board or authority of any of the foregoing;
- (iii) any quasi-governmental or private body exercising any regulatory or expropriation authority under or for the account of any of the foregoing; and
- (iv) any stock exchange, including the TSXV, TSX or NYSE;

(lll) **"Governmental Authorizations"** has the meaning ascribed thereto in Section (q)(i) of Schedule "D";

(mmm) **"Hazardous Substances"** means any pollutant, contaminant, waste or other substance of any nature, hazardous substance, hazardous material, toxic substance, dangerous substance or dangerous good as defined, or that is prohibited, listed, defined, designated, regulated, classified judicially interpreted or identified in any applicable Environmental Laws including petroleum and all derivatives thereof and synthetic substitutions therefor;

(nnn) **"IFRS"** means International Financial Reporting Standards as incorporated in the Handbook of the Chartered Professional Accountants (Canada) at the relevant time applied on a consistent basis;

(ooo) **"Improvements"** means plants, buildings, structures, fixtures, erections and improvements located on, over, under or upon the Real Property and mechanical, electrical, plumbing, heating and air-conditioning systems relating to the Real Property, including any of the foregoing under construction, but in each case, only to the extent owned by Company or any of its subsidiaries;

(ppp) **"includes"** or **"including"** shall be deemed to mean **"includes, without limitation"** or **"including, without limitation"**;

(qqq) **"Information Circular"** means the management information circular of Company, together with all appendices thereto to be mailed or otherwise distributed by Company to the Company Shareholders, and such other securityholders of Company as may be required pursuant to the Interim Order in connection with the Company Meeting;

(rrr) **"Interim Order"** means an interim order of the Court concerning the Arrangement under subsection 193(4) of the ABCA, containing declarations and directions with respect to the Arrangement and the holding of the Company Meeting, as such order may be affirmed, amended or modified by the Court (with the consent of both Company and Purchaser, each acting reasonably) or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that, such amendment is acceptable to both Company and Purchaser, each acting reasonably) on appeal;

(sss) **"Investment Canada Act"** means the *Investment Canada Act*, R.S.C. 1985, c. 28 (1st Supp.), and includes the regulations promulgated thereunder;

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

(uuu) "**Leased Real Property**" means lands and premises used by Company or any of its subsidiaries that are leased, subleased, licensed to or otherwise occupied by the Company or any of its subsidiaries and any Improvements located thereon, but excluding the Owned Real Property;

(vvv) "**Material Adverse Change**" or "**Material Adverse Effect**" means, with respect to either party, any fact or state of facts, circumstance, change, effect, occurrence or event that individually or in the aggregate is, or could reasonably be expected to be, material and adverse to the condition (financial or otherwise), business, operations, properties, assets, liabilities (whether absolute, accrued, contingent or otherwise), capitalization, results of operations or cash flows of such Party, taken as a whole, other than any such fact or state of facts, circumstance, change, effect, occurrence or event directly or indirectly relating to or resulting from:

- (i) conditions affecting the oilfield services industry generally in jurisdictions in which such Party carries on its business (whether now known or unknown or whether foreseeable or unforeseeable in the future);
- (ii) changes to Applicable Laws, Taxes, IFRS or changes in accounting or regulatory requirements generally applicable to the oilfield services industry as a whole;
- (iii) general economic, financial, currency exchange, securities, credit or commodity market conditions in Canada, the United States or elsewhere;
- (iv) global, national or regional political conditions, including wars (including the war in Ukraine), the outbreak of war, riots or civil unrest or acts of terrorism or sabotage affecting the jurisdictions in which such Party conducts business;
- (v) any acts of God, natural disasters (including wildfires), epidemics, pandemics (including COVID-19), disease outbreak or similar public health crisis or public health event, or any material escalation or worsening thereof;
- (vi) changes in the price (on a current or forward basis) of crude oil, natural gas or related hydrocarbons;
- (vii) any matter which has been publicly disclosed by Company in the Company Public Record subsequent to January 1, 2023 and prior to the date of this Agreement (other than a matter which has been disclosed as a risk factor or under a forward-looking statement advisory) or in the Company Disclosure Letter and any matter which has been publicly disclosed by Purchaser in the Purchaser Public Record subsequent to January 1, 2023 and prior to the date of this Agreement (other than a matter which has been disclosed as a risk factor or under a forward-looking statement advisory) or in the Purchaser Disclosure Letter, except in each case to the extent any such fact or state of facts, circumstance, change, effect, occurrence or event arises after the date hereof;
- (viii) a change in the market trading price or trading volume of such Party's publicly listed securities (it being understood that, unless otherwise excluded by paragraphs (i) through (xii) of this definition, the causes underlying any such change may be

considered to determine whether same constitutes a Material Adverse Change or Material Adverse Effect);

- (ix) the failure of such Party to meet any internal or published projections, forecasts or estimates of revenues, earnings or cash flows (it being understood that, unless otherwise excluded by paragraphs (i) through (xii) of this definition, the causes underlying any such failure may be considered to determine whether same constitutes a Material Adverse Change or Material Adverse Effect);
- (x) any action taken by a Party that is required pursuant to this Agreement (excluding any obligation to act in the ordinary course of business) including in connection with obtaining the Required Regulatory Approval;
- (xi) the announcement of this Agreement and the transactions contemplated hereby, including the Arrangement or the announcement thereof; or
- (xii) any matter expressly consented to in writing by the other Party after the date hereof or permitted or required by this Agreement,

provided, however, that (A) any change or effect referred to in clause (i), (ii), (iii), (iv), (v) or (vi) above does not primarily relate only to (or have the effect of primarily relating only to) the applicable Party or disproportionately affects the applicable Party compared to other entities of similar size operating in the oilfield services industry in the same jurisdictions in which the Party operates, in which case the relevant exclusion from this definition of Material Adverse Change or Material Adverse Effect referred to above shall not be applicable; and (B) references in certain sections of this Agreement to dollar amounts are not intended to be, and shall not be deemed to be, illustrative or interpretive for purposes of determining whether a "Material Adverse Change" or "Material Adverse Effect" has occurred;

- (www) "**Misrepresentation**", "**Material Change**" and "**Material Fact**" have the meanings ascribed thereto under the Securities Act;
- (xxx) "**Modern Slavery Laws**" has the meaning ascribed thereto in Section (uu)(ii) of Schedule "D";
- (yyy) "**Money Laundering Laws**" has the meaning ascribed thereto in Section (uu)(i) of Schedule "D";
- (zzz) "**NI 62-104**" means National Instrument 62-104 – *Take-Over Bids and Issuer Bids*;
- (aaaa) "**No Action Letter**" means a written confirmation from the Commissioner that he does not, at that time, intend to make an application under section 92 of the Competition Act in respect of the transactions contemplated by this Agreement;
- (bbbb) "**NYSE**" means the New York Stock Exchange;
- (cccc) "**Outside Date**" means November 30, 2023 or such later date as may be agreed to in writing by the Parties; provided that if the Competition Act Clearance has not been obtained by the Outside Date, but all other conditions to effect the Arrangement set forth in Article 5 have been satisfied or waived (other than those conditions that by their terms are to be satisfied

at the Effective Time), the Outside Date shall initially be automatically extended (without any further action on the part of the Parties) by 90 days and following the expiry of the initial 90 day automatic extension if Competition Act Clearance has not been obtained, shall, at either Purchaser's or Company's election (on written notice to the other Party prior to the then Outside Date), be automatically extended (without any further action on the part of the Parties) for an additional 30 days;

(dddd) **"Owned Real Property"** means real property owned by Company or any of its subsidiaries, including any Improvements located thereon;

(eeee) **"Parties"** means, collectively, the parties to this Agreement, and **"Party"** means either one of them;

(ffff) **"Permitted Encumbrances"** means: (i) with respect to Company, Encumbrances specifically disclosed to Purchaser by Company in the Company Disclosure Letter and with respect to Purchaser, Encumbrances specifically disclosed to Company by Purchaser in the Purchaser Disclosure Letter; (ii) restrictive covenants, easements, rights of way, servitudes or other similar rights, including, without limitation, rights of way for highways, railways, sewers, drains, gas or oil pipelines, gas or water mains, electric light, power, telephone or cable television towers, poles, wires and similar rights in real property or any interest therein, provided the same are not of such nature as to materially adversely affect the use of the property subject thereto; (iii) any Encumbrances, registrations or instruments registered or recorded against title to the Real Property or the lands upon which the Real Property is located or otherwise reflected in any title commitment set forth in the Company Disclosure Letter; (iv) any conditions, rights, reservations, exceptions, limitations, provisos or restrictions that are contained in any original grants of, titles to, or transfers from the Crown of, any such real property or interests therein and exceptions to title under Applicable Laws; (v) the regulations and any rights reserved to or vested in any Governmental Authority to levy Taxes or to control or regulate any Party's interests in any manner; (vi) undetermined or inchoate liens incurred or created in the ordinary course of business as security for a Party's share of the costs and expenses of the development or operation of any of its assets, which costs and expenses are not delinquent as of the Effective Time; (vii) undetermined or inchoate mechanics' liens and similar liens for which payment for services rendered or goods supplied is not delinquent as of the Effective Time; (viii) any statutory Encumbrance for Taxes or other governmental charges or assessments not yet due or delinquent or the validity of which is being contested in good faith by appropriate proceedings and for which adequate reserves have been established in accordance with IFRS; (ix) any Encumbrances under a Party's existing credit facilities; and (x) purchase money security interests and liens securing capital leases, provided that (A) such liens are liens limited to the property or assets purchased or leased, or (B) such Encumbrances exist as of the date hereof;

(gggg) **"Person"** includes any individual, firm, partnership, joint venture, venture capital fund, association, trust, trustee, executor, administrator, legal personal representative, estate group, body corporate, corporation, unincorporated association or organization, Governmental Authority, syndicate or other entity, whether or not having legal status;

(hhhh) **"Personal Information"** has the meaning ascribed thereto in Section 4.3(a)(iii);

(iiii) **"Plan of Arrangement"** means the plan of arrangement under the ABCA substantially in the form set forth in Schedule "A", as such plan of arrangement may be amended or

supplemented from time to time in accordance with the terms thereof and hereof or made at the direction of the Court in the Final Order with the prior written consent of the Parties, each acting reasonably;

(jjjj) **"Post-Arrangement Reorganization"** has the meaning ascribed thereto in Section 3.6(d)(i)

(kkkk) **"Public-Health Measures"** means any actions taken or not taken (a) to comply with facility closure, quarantine, "stay at home", "shelter in place", social or physical distancing, travel restriction or other directive, guideline or recommendation issued by any Governmental Authority or any other Applicable Law in response to COVID-19 or any other epidemic, pandemic or disease outbreak; or (b) in good faith and on a commercially reasonable basis to mitigate, remedy, respond to or otherwise address the actual or reasonably anticipated effects or impacts of COVID-19 or any other epidemic, pandemic or disease outbreak, including to protect the health and safety of the employees of a Party and other individuals having business dealings with such Party or to respond to third party supply or service disruptions caused by COVID-19 or any other epidemic, pandemic or disease outbreak;

(llll) **"Purchaser"** means Precision Drilling Corporation, a corporation existing under the laws of the Province of Alberta;

(mmmm) **"Purchaser Balance Sheet"** has the meaning ascribed thereto in Section (q)(i) of Schedule "C";

(nnnn) **"Purchaser Board"** means the board of directors or other applicable governing body of Purchaser, as it may be comprised from time to time;

(oooo) **"Purchaser Damages Event"** has the meaning ascribed thereto in Section 6.2;

(pppp) **"Purchaser Disclosure Letter"** means the disclosure letter dated as of the date of this Agreement from Purchaser to Company;

(qqqq) **"Purchaser Financial Statements"** means, collectively:

- (i) the audited consolidated financial statements of Purchaser as at and for the fiscal years ended December 31, 2022 and December 31, 2021, together with the notes thereto and the auditors' report thereon; and
- (ii) the unaudited condensed financial statements of Purchaser as at and for the three- and six-month periods ended June 30, 2023 and 2022, together with the notes thereto;

(rrrr) **"Purchaser Information"** means the information included in the Information Circular (including information incorporated into the Information Circular by reference) describing Purchaser and the business, operations and affairs of Purchaser together with any amendments thereto or supplements thereof in accordance with the terms of this Agreement and under Applicable Canadian Securities Laws;

(ssss) **"Purchaser Material Contracts"** means all Contracts of Purchaser under which any consents or approvals to the consummation of the Arrangement are required from any third

party to any such Contracts, except for any Contracts for which the failure to obtain such consent or approval would not have a Material Adverse Effect with respect to Purchaser;

- (ttt) **"Purchaser Material Subsidiaries"** means Precision Drilling Canada Limited Partnership, Precision Limited Partnership, Precision Diversified Oilfield Services Corp., Precision Drilling (U.S.) Corporation, Grey Wolf Drilling Limited, Grey Wolf Drilling (Barbados) Ltd., Precision Drilling Holdings Company, Precision Completions & Production Services Ltd. and Precision Drilling Company, LP;
- (uuuu) **"Purchaser Public Record"** means all information filed by or on behalf of Purchaser since January 1, 2023 with the Securities Authorities, which is available for public viewing on the SEDAR+ website at www.sedarplus.ca under Purchaser's profile;
- (vvvv) **"Purchaser Shares"** means the common shares in the capital of Purchaser;
- (wwww) **"Purchaser Termination Fee"** has the meaning ascribed thereto in Section 6.2;
- (xxxx) **"Real Property"** means Owned Real Property and Leased Real Property;
- (yyyy) **"Real Property Leases"** means Contracts pursuant to which Company or any of its subsidiaries use or occupy the Leased Real Property;
- (zzzz) **"Registrar"** means the Registrar of Corporations or a Deputy Registrar of Corporations appointed pursuant to section 263 of the ABCA;
- (aaaaa) **"Regulatory Approvals"** means any consent, waiver, permit, permission, exemption, review, order, decision or approval of, or any registration and filing with or withdrawal of any objection or successful conclusion of any litigation brought by, any Governmental Authority, or the expiry, waiver or termination of any waiting period imposed by law or a Governmental Authority or pursuant to a written agreement between the Parties and a Governmental Authority to refrain from consummating the Arrangement, in each case required under Applicable Law in connection with the Arrangement, including the Competition Act Clearance;
- (bbbbbb) **"Representatives"** means the officers, directors, employees, financial advisors, legal counsel, accountants, advisors and all other representatives and agents of either Party, as the context requires;
- (cccc) **"Required Regulatory Approval"** means the Competition Act Clearance;
- (dddddd) **"Sanctioned Country"** has the meaning ascribed thereto in Section (uu)(iv) of Schedule "D";
- (eeeeee) **"Sanctioned Person"** has the meaning ascribed thereto in Section (uu)(iv) of Schedule "D";
- (fffff) **"Sanctions"** has the meaning ascribed thereto in Section (uu)(ii) of Schedule "D";
- (ggggg) **"Section 3(a)(10) Exemption"** has the meaning ascribed thereto in Section 2.3(b)(x);

(hhhh) "**Securities Act**" means the *Securities Act*, R.S.A. 2000, c. S 4, as such may be amended prior to the Effective Date;

(iiii) "**Securities Authorities**" means, collectively, the securities commissions or similar securities regulatory authorities in each of the provinces of Canada (provided that references to Company filing documents with Securities Authorities exclude Québec);

(jjjj) "**subsidiary**" has the meaning ascribed thereto in the Securities Act;

(kkkk) "**Superior Proposal**" means an unsolicited written *bona fide* Acquisition Proposal made after the date hereof, by a Person other than Purchaser to acquire not less than all of the Company Shares or all or substantially all of the assets of Company on a consolidated basis that:

- (i) is not subject to any financing condition and in respect of which any funds or other consideration necessary to complete the Acquisition Proposal has been demonstrated, to the satisfaction of the Company Board, to have been obtained, or in respect of which the Company Board determines in good faith, after receiving advice from its legal counsel and financial advisors that adequate arrangements have been made, to fund completion of the Acquisition Proposal at the time and on the basis set out therein;
- (ii) the Company Board and any relevant committee thereof has determined in good faith is reasonably capable of being completed without undue delay, taking into account all financial, legal, regulatory and other aspects of such Acquisition Proposal and the Person making such proposal;
- (iii) complies with Applicable Laws and that did not result from or involve a breach of any agreement by the Person making such proposal or a breach of Section 6.1;
- (iv) is not subject to any due diligence or access condition;
- (v) that the Company Board determines in good faith after consultation with its financial advisors and legal counsel, is a transaction that would, if consummated in accordance with its terms (but not assuming away any risk of non- completion), result in a transaction more favourable to the Company Shareholders from a financial point of view than the transactions contemplated by this Agreement (including in each case after taking into account any modifications to this Agreement proposed by Purchaser as contemplated by Section 6.1(d)); and
- (vi) that the Company Board determines in good faith after consultation with its financial advisors and legal counsel, is a transaction the failure by the Company Board to accept, recommend, approve or enter into a definitive agreement to implement such Acquisition Proposal would be inconsistent with its fiduciary duties under Applicable Law;

(llll) "**Tax**" or "**Taxes**" shall mean: (a) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever however denominated imposed by any Taxing Authority, whether computed on a separate, consolidated, unitary, combined or other basis, which taxes shall include all income or profits taxes (including domestic or foreign federal income taxes and provincial/state

income taxes), payroll and employee withholding taxes, employment insurance premiums, unemployment insurance, social insurance taxes, social security taxes, Canada Pension Plan contributions, payroll contributions and taxes, any amounts owing or refunds owing under section 125.7 of the ITA, sales and use taxes, value added taxes, goods and services taxes, harmonized sales taxes, ad valorem taxes, excise taxes, franchise taxes, gross receipts taxes, municipal taxes, environmental taxes, capital taxes, corporate minimum taxes, withholding taxes, employee health taxes, surtaxes, customs, import and export taxes, business license taxes, occupation taxes, real and personal property taxes, stamp taxes, environmental taxes, transfer taxes, workers' compensation and other governmental charges, and other obligations of the same or of a similar nature to any of the foregoing, which Company is required to pay, deduct, withhold, remit or collect; (b) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Authority on or in respect of amounts of the type described in clause (a) above or this clause (b); (c) any liability for the payment of any amounts of the type described in clauses (a) or (b) as a result of being a member of an affiliated, consolidated, combined or unitary group for any period; and (d) any liability for the payment of any amounts of the type described in clauses (a) or (b) as a result of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any party;

- (mmmmm) **"Tax Returns"** shall mean all reports, estimates, elections, notices, filings, designations, forms, declarations of estimated Tax, information statements and returns, applications (including any documents filed under section 125.7 of the ITA), and other similar documents relating to, or required to be supplied to any Taxing Authority in connection with, any Taxes (including withholding tax returns and reports, information returns and reports, and any schedules, attachments, supplements, appendices and exhibits thereto), whether in tangible, electronic or other form;
- (nnnnn) **"Taxing Authority"** shall mean any Governmental Authority responsible for the imposition, collection, review, audit, assessment, reassessment or similar action or conduct of any Tax (domestic or foreign);
- (ooooo) **"Technology"** has the meaning ascribed thereto in Section (ii)(ii) of Schedule "D";
- (ppppp) **"Terminating Party"** has the meaning ascribed thereto in Section 5.4;
- (qqqqq) **"Termination Notice"** has the meaning ascribed thereto in Section 5.4;
- (rrrrr) **"Third Party Beneficiaries"** has the meaning ascribed thereto in Section 10.12;
- (sssss) **"threatened"** when used in relation to legal action or any other matter, means that a written demand has been made or a written notice has been given that such legal action or other matter is to be asserted, commenced, taken or otherwise pursued in the future or that an event has occurred or circumstances exist that would lead a reasonable Person to conclude that such legal action or other matter is likely to be asserted, commenced, taken or otherwise pursued in the future;
- (ttttt) **"TSX"** means the Toronto Stock Exchange;
- (uuuuu) **"TSXV"** means the TSX Venture Exchange;

(vvvvv) "**United States**" means the United States of America, its territories and possessions, any state of the United States, and the District of Columbia;

(wwwww) "**U.S. Exchange Act**" means the United States *Securities Exchange Act of 1934*, as amended, and the rules and regulations promulgated thereunder;

(xxxxx) "**U.S. Securities Act**" means the *United States Securities Act* of 1933, as amended; and

(yyyyy) "**U.S. Securities Laws**" means collectively, and as the context may require, the applicable federal and state securities legislation of the United States (including, but not limited to, the U.S. Exchange Act and the U.S. Securities Act) and all rules, regulations and orders promulgated thereunder, as amended from time to time.

1.2 Interpretation Not Affected by Headings, etc.

The division of this Agreement into articles, sections, subsections and the insertion of headings is for convenience of reference only and does not affect the construction or interpretation of this Agreement.

1.3 Article References

Unless the contrary intention appears, references in this Agreement to an Article, Section, subsection, paragraph or Schedule by number or letter or both refer to the Article, Section, subsection, paragraph or Schedule, respectively, bearing that designation in this Agreement.

1.4 Number and Gender

Words importing the singular number include the plural and vice versa, and words importing the use of any gender include all genders. If a word is defined in this Agreement a grammatical derivative of that word shall have a corresponding meaning.

1.5 Date for Any Action

If any date on which any action is required to be taken hereunder by any of the Parties is not a Business Day in the place where an action is required to be taken, such action is required to be taken on the next succeeding day which is a Business Day in such place. Notwithstanding the forgoing, this provision does not apply to the time periods set forth in Section 6.1.

1.6 Time References

Unless otherwise expressly stated, references to time are to local time, Calgary, Alberta.

1.7 Entire Agreement

This Agreement, the Confidentiality Agreement, the Company Disclosure Letter and the Purchaser Disclosure Letter constitute the entire agreement between the Parties pertaining to the subject matter hereof and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect to the subject matter hereof.

1.8 Statute and Agreement References

Any reference in this Agreement to any statute or any section thereof shall, unless otherwise expressly stated, be deemed to be a reference to any regulations promulgated thereunder from time to time in effect and such statute or section (or regulations thereunder) as amended, restated or re-enacted from time to time. References to any agreement or document shall be to such agreement or document (together with all schedules and exhibits thereto), as it may have been or may hereafter be amended, supplemented, replaced or restated from time to time.

1.9 Schedules

The following Schedules annexed to this Agreement, being:

Schedule "A" – Plan of Arrangement
Schedule "B" – Form of Arrangement Resolution
Schedule "C" – Representations and Warranties of Purchaser
Schedule "D" – Representations and Warranties of Company

are incorporated by reference into this Agreement and form a part hereof.

1.10 Currency

Unless otherwise stated, all references in this Agreement to sums of money are expressed in lawful money of Canada.

1.11 Accounting Matters

Unless otherwise stated, all accounting terms used in this Agreement shall have the meanings attributable thereto under, and all determinations of an accounting nature are required to be made shall be made in a manner consistent with IFRS.

1.12 Interpretation Not Affected by Party Drafting

The Parties acknowledge that their respective legal counsel have reviewed and participated in settling the terms of this Agreement, and the Parties agree that any rule of construction to the effect that any ambiguity is to be resolved against the drafting Party will not be applicable in the interpretation of this Agreement.

1.13 Knowledge

Where any representation or warranty contained in this Agreement is expressly qualified by reference to the knowledge of a Party, it refers to the actual knowledge of, in the case of Company, its President and Chief Executive Officer and its Chief Financial Officer and, in the case of Purchaser, its President and Chief Executive Officer and its Chief Financial Officer, in each case after due inquiry (provided that, **"due inquiry"** does not require such persons to make enquiries of any person who is not a director, officer, employee or consultant of Company or Purchaser, respectively) and does not include the knowledge or awareness of any other individual and does not otherwise include any constructive, implied or imputed knowledge.

ARTICLE 2 THE ARRANGEMENT

2.1

Plan of Arrangement

(a)

On the terms and subject to the conditions set forth in this Agreement, the Parties agree to carry out the Arrangement in accordance with the Plan of Arrangement pursuant to which (among other things), each of the steps, events or transactions set out in the Plan of Arrangement shall occur and shall be deemed to occur sequentially in the order set out therein without any further authorization, act or formality, in each case, unless stated otherwise, effective as at five minute intervals starting at the Effective Time:

(b)

The Plan of Arrangement may be amended in accordance with Section 7.2. As soon as reasonably practicable, but in any event no later than the earlier of the second Business Day after the last of the conditions set forth in Article 5 have been satisfied and by the Outside Date if the conditions set forth in Article 5 have been satisfied (other than, in each case, those conditions that by their nature are to be satisfied at closing of the Arrangement, but subject to satisfaction or waiver of those conditions) or, where not prohibited, waived by the applicable Party or Parties in whose favour the condition is, unless another time or date is agreed to in writing by the Parties (the "**Effective Date**"), the Parties will complete the Arrangement and the Arrangement shall become effective at the Effective Time whereupon the steps comprising the Plan of Arrangement will be deemed to occur in the order, at the times, and in the manner set forth therein. The closing of the transactions contemplated hereby will take place at the offices of counsel to Company or at such other location as may be agreed upon by the Parties. Without limiting the generality of the foregoing, Company and Purchaser shall execute and deliver such closing documents and instruments and Company shall forthwith on the Effective Date proceed to file the Articles of Arrangement, the Final Order and such other documents as may be required to give effect to the Arrangement with the Registrar pursuant to subsection 193(4.1) of the ABCA

(c)

Notwithstanding any other provision of this Agreement, Purchaser may acquire the Company Shares through a direct or indirectly wholly-owned subsidiary, currently existing or to be organized under Applicable Laws of any jurisdiction in Canada ("**AcquisitionCo**"). If the Arrangement is undertaken in whole or in part by AcquisitionCo, Purchaser hereby unconditionally and irrevocably guarantees in favour of Company the due and punctual performance by AcquisitionCo of AcquisitionCo's obligations under the Arrangement and this Agreement. Purchaser hereby agrees that Company shall not have to proceed first against AcquisitionCo in respect of any such matter before exercising its rights under this guarantee against Purchaser and agrees to be liable for all guaranteed obligations as if it were the principal obligor of such obligations.

(d)

The Arrangement shall be structured and executed such that, assuming the Court considers the fairness of the terms and conditions of the Arrangement and grants the Final Order, the issuance of the Purchaser Shares issuable to Company Shareholders under the Arrangement will not require registration under the U.S. Securities Act, in reliance upon Section 3(a)(10) thereof. Each Party agrees to act in good faith, consistent with the intent of the Parties and the intended treatment of the Arrangement as set out in this Section 2.1(d).

2.2

Recommendation of the Company Board

Company represents and warrants to Purchaser that the Company Board has:

(a) unanimously determined, after receiving the advice of its financial and legal advisors, that:

- (i) the Arrangement is fair to the Company Shareholders;
- (ii) it will recommend that the Company Shareholders vote in favour of the Arrangement Resolution;
- (iii) the Arrangement and the entry into this Agreement are in the best interests of Company; and
- (iv) it approves this Agreement and the transactions contemplated hereby

(collectively, Sections 2.2(a)(i), 2.2(a)(ii) and 2.2(a)(iii), the "**Company Board Recommendation**"); and

(b) received the Company Fairness Opinion.

2.3 Interim Order

(a) Company agrees that as soon as reasonably practicable after the date hereof, but in any event not later than October 6, 2023, Company shall apply to Court for the Interim Order, in a manner reasonably acceptable to Purchaser pursuant to section 193 of the ABCA. In cooperation with Purchaser, acting reasonably, Company shall diligently pursue the application for the Interim Order. Company shall provide notice to the Registrar of the application for the Interim Order pursuant to section 193(3.1) of the ABCA, and promptly inform Purchaser if the Registrar intends to appear at the application.

(b) The Interim Order shall provide, among other things:

- (i) for the calling and the holding of the Company Meeting, including the record date for determining the Persons to whom notice of the Company Meeting is to be provided and for determining the Persons entitled to vote at the Company Meeting and for the manner in which such notice is to be provided;
- (ii) that the securities of Company for which holders as at the record date established for the Company Meeting shall be entitled to vote on the Arrangement Resolution shall be the Company Shares;
- (iii) that all Company Shareholders as at the record date established for the Company Meeting, or otherwise permitted under the ABCA (as the same may be amended by the Interim Order), shall be entitled to vote on the Arrangement Resolution, with each Company Shareholder being entitled to one vote for each Company Share held by it;
- (iv) that subject to the approval of the Court, the requisite level of approval for the Arrangement Resolution shall be at least:
 - (A) two-thirds of the votes cast by the Company Shareholders present in person or represented by proxy at the Company Meeting; and

(B) if required, a majority of the votes cast on the Arrangement Resolution by the Company Shareholders present in person or represented by proxy at the Company Meeting, after excluding the votes cast by those Persons whose votes must be excluded in accordance with Multilateral Instrument 61-101 – *Protection of Minority Securityholders in Special Transactions*;

(v) that, in all other material respects, the terms, restrictions and conditions of the constating documents of Company, including quorum requirements and all other matters, shall apply in respect of the Company Meeting, except as modified by the Interim Order;

(vi) for the grant of the Dissent Rights as set forth in the Plan of Arrangement;

(vii) for the notice requirements with respect to the presentation of the application to the Court for the Final Order;

(viii) that the Company Meeting may be adjourned or postponed from time to time by Company with the consent of Purchaser without the need for additional approval of the Court;

(ix) that, unless required by Applicable Laws, the record date for determining Company Shareholders entitled to notice of and to vote at the Company Meeting will not change in respect of any adjournment or postponement of the Company Meeting;

(x) that it is the Parties' intention to rely on the on the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) of the U.S. Securities Act (the "**Section 3(a)(10) Exemption**") and similar exemptions from applicable U.S. state securities laws with respect to the issuance of the Purchaser Shares pursuant to the Plan of Arrangement, subject to the Court's determination that the Arrangement is substantially and procedurally fair to Company Shareholders, and based on the Court's approval of the Arrangement; and

(xi) for such other matters as the Parties may agree in writing, each acting reasonably.

2.4

Information Circular and Company Meeting

(a) As promptly as reasonably practicable following the execution of this Agreement, and in compliance with the Interim Order and Applicable Laws (including Applicable Canadian Securities Laws):

(i) Company shall prepare the Information Circular and Purchaser shall provide to Company, in a timely manner, all Purchaser Information for inclusion in the Information Circular and any amendments or supplements thereto, in each case complying in all material respects with all requirements of Applicable Laws on the date of issue thereof and without limiting the generality of the foregoing, Company shall ensure the Company Information does not contain any Misrepresentation and Purchaser shall ensure the Purchaser Information does not contain any Misrepresentation;

- (ii) Company shall call, give notice of and convene the Company Meeting by not later than November 10, 2023, at which meeting the Arrangement Resolution shall be submitted to the Company Shareholders entitled to vote upon such resolution for approval and, unless as otherwise agreed in writing between the Parties, shall not adjourn, postpone or cancel (or propose to adjourn, postpone or cancel) or fail to call the Company Meeting (notwithstanding the fact that Company may be in receipt of a Superior Proposal) without prior written consent of Purchaser except for adjournments or postponements:
 - (A) as required for quorum purposes (in which case the Company Meeting shall be adjourned) or by Applicable Laws or by a Governmental Authority; or
 - (B) as required under Section 6.1(f) or Section 5.4;
- (iii) Company shall, with assistance from and the participation of Purchaser (and subject to Purchaser's compliance with Section 2.4(a)(i)), cause the Information Circular to be prepared in compliance, in all material respects, with Applicable Canadian Securities Laws and to provide the Company Shareholders with information in sufficient detail to permit them to form a reasoned judgment concerning the matters to be considered at the Company Meeting, and shall include: (i) the Company Information; (ii) a copy of the Company Fairness Opinion; (iii) the Company Board Recommendation; (iv) the Purchaser Information; and (v) a summary of the terms of the Company Voting Support Agreements.
- (iv) Company shall, subject to compliance with Applicable Canadian Securities Laws, incorporate the Purchaser Information into the Information Circular substantially in the form provided by Purchaser (provided that all Purchaser Information must be in form and content satisfactory to Purchaser, acting reasonably), and Company shall provide Purchaser and its Representatives with an opportunity to review and comment on the Information Circular and any other relevant documentation and accept the reasonable comments from Purchaser and its Representatives. The Information Circular shall be in form and content satisfactory to Company and Purchaser, each acting reasonably; and
- (v) Company shall cause the Information Circular to be mailed to the Company Shareholders and filed with applicable regulatory authorities and other Governmental Authorities in all jurisdictions where the same is required to be mailed and filed.

(b) Each Party shall promptly notify the other Party if it becomes aware that the Information Circular contains a Misrepresentation, or otherwise requires an amendment or supplement; and the Parties shall co-operate in the preparation of any such amendment or supplement as required or appropriate, and Company shall promptly mail, file or otherwise publicly disseminate any such amendment or supplement to the Company Shareholders and such other Persons as required by the Interim Order and, if required by the Court or by Applicable Law, file the same with the applicable Securities Authorities and other Governmental Authorities as required.

(c) Management of Company shall solicit proxies to be voted at the Company Meeting:

- (i) in favour of matters to be considered at the Company Meeting, including the Arrangement Resolution, and
- (ii) against any resolution submitted by any Person that is inconsistent with, or which seeks (without Purchaser's consent) to hinder or delay the Arrangement Resolution and the completion of the transactions contemplated by this Agreement,

including, in a commercially reasonable manner, using the services of soliciting dealers or proxy solicitation services if consented to, or if requested, by Purchaser, in each case acting reasonably; provided that, if Purchaser requests proxy solicitation services, it shall bear the costs of such services.

- (d) Company will provide Purchaser with copies of or access to information regarding the Company Meeting generated by any soliciting dealer or other Person engaged to solicit proxies, as may be reasonably requested by Purchaser from time to time.
- (e) Company shall promptly inform Purchaser of any communication (written or oral) received by Company or its Representatives from Company Shareholders in opposition to the Arrangement or the transactions contemplated in this Agreement.
- (f) Company shall advise Purchaser, as Purchaser may request, and on a daily basis on each of the last ten Business Days prior to the date for the Company Meeting, as to the aggregate tally of the proxies received by Company in respect of the Arrangement Resolution and any other matters to be considered at the Company Meeting.
- (g) Company shall consult with Purchaser in fixing the date of the Company Meeting and the record date for the Company Meeting and provide notice to Purchaser of the Company Meeting and allow Purchaser's Representatives and legal counsel to attend such Company Meeting.
- (h) Company shall indemnify and save harmless Purchaser and its directors, officers, employees, advisors and agents from and against any and all liabilities, claims, demands, losses, costs, damages and expenses (excluding any loss of profits or consequential damages) to which Purchaser, its affiliates or subsidiaries or their respective directors, officers, employees, advisors or agents may be subject or which Purchaser, its affiliates or subsidiaries or their respective directors, officers, employees, advisors or agents may suffer or incur, whether under the provisions of any statute or otherwise, in any way caused by, or arising, directly or indirectly, from or in consequence of:
 - (i) any Misrepresentation or alleged Misrepresentation contained solely in the Company Information included in the Information Circular or in any material filed by Company in compliance or intended compliance with any Applicable Laws; and
 - (ii) any order made or any inquiry, investigation or proceeding by any Securities Authority or other competent authority based upon any untrue statement or omission or alleged untrue statement or omission of a Material Fact or any Misrepresentation or any alleged Misrepresentation in the Company Information included in the Information Circular or in any material filed by or on behalf of Company in compliance or intended compliance with Applicable Canadian

Securities Laws and applicable U.S. Securities Laws in respect of the Arrangement, if applicable;

except that Company shall not be liable in any such case to the extent that any such liabilities, claims, demands, losses, costs, damages and expenses arise out of or are based upon any Misrepresentation or alleged Misrepresentation based solely on the Purchaser Information included in the Information Circular;

(i) subject to Company's compliance with Section 2.4(a)(iv), Purchaser shall indemnify and save harmless Company and its directors, officers, employees, advisors and agents from and against any and all liabilities, claims, demands, losses, costs, damages and expenses (excluding any loss of profits or consequential damages) to which Company or its affiliates or their respective directors, officers, employees, advisors or agents may be subject or which Company or its directors, officers, employees, advisors or agents may suffer or incur, whether under the provisions of any statute or otherwise, in any way caused by, or arising, directly or indirectly, from or in consequence of:

- (i) any Misrepresentation or alleged Misrepresentation contained solely in the Purchaser Information included in the Information Circular or in any material filed by Purchaser in compliance or intended compliance with any Applicable Laws; and
- (ii) any order made or any inquiry, investigation or proceeding by any Securities Authority or other competent authority based upon any untrue statement or omission or alleged untrue statement or omission of a Material Fact or any Misrepresentation or any alleged Misrepresentation in the Purchaser Information included in the Information Circular or in any material filed by or on behalf of Purchaser in compliance or intended compliance with Applicable Canadian Securities Laws and applicable U.S. Securities Laws in respect of the Arrangement, if applicable;

except that Purchaser shall not be liable in any such case to the extent that any such liabilities, claims, demands, losses, costs, damages and expenses arise out of or are based upon any Misrepresentation or alleged Misrepresentation based on the Company Information; and

(j) Company shall convene and conduct the Company Meeting in accordance with the Interim Order and as otherwise required by the by-laws of Company, any instrument governing the Company Meeting and Applicable Laws (as any of the foregoing may be amended by the Interim Order).

2.5

Preparation of Filings

(a) Purchaser and Company shall cooperate in using commercially reasonable efforts to seek the Interim Order and the Final Order, including by Purchaser providing Company on a timely basis any information required to be supplied by Purchaser concerning itself in connection therewith. Company shall provide legal counsel to Purchaser with reasonable opportunity to review and comment upon drafts of all material to be filed with the Court in connection with the Arrangement, and shall give reasonable consideration to all such comments. Company shall also provide legal counsel to Purchaser on a timely basis with copies of any notice of appearance and evidence served on Company or its legal counsel

in respect of the application for the Interim Order and Final Order or any appeal therefrom. Subject to Applicable Laws, Company shall not file any material with the Court or any Governmental Authority in connection with the Arrangement or serve any such material, and shall not agree to modify or amend materials so filed or served, except with Purchaser's prior written consent, such consent not to be unreasonably withheld, conditioned or delayed; provided that, nothing herein shall require Purchaser to agree or consent to any modification or amendment to such filed or served materials that expands or increases Purchaser's obligations, or diminishes or limits Purchaser's rights, set forth in any such filed or served materials or under this Agreement.

- (b) Company shall oppose any proposal from any Person that the Interim Order or the Final Order contain any provision inconsistent with this Agreement, and if required by the terms of the Interim Order or the Final Order or by Applicable Law to return to Court with respect to the Interim Order or the Final Order do so only after notice to, and in consultation and cooperation with, Purchaser.
- (c) Each of Purchaser and Company shall promptly furnish to the other all information concerning it as may be required to effect the actions described in Section 2.1 and the foregoing provisions of this Section 2.5, and each covenants that no information furnished by it in connection with such actions or otherwise in connection with the consummation of the Arrangement and the other transactions contemplated by this Agreement will contain any Misrepresentation.

2.6

Employee Obligations and Employment-Related Covenants

- (a) The Company Disclosure Letter sets out, *inter alia*, the name, title and salary of all Executive Employees and Continuing Employees.
- (b) Not less than ten days prior to the Effective Date, Company shall conditionally upon the occurrence of the Effective Date terminate the employment of all Executive Employees and, on the Effective Date, subject to Section 2.6(c), shall pay the applicable Company Employee Costs to each such Executive Employee.
- (c) All written notices of termination given to each Executive Employee in connection with the termination of their employment as contemplated in Section 2.6(b) shall be in a form satisfactory to Purchaser, acting reasonably, and: (i) be conditional upon the consummation of the Arrangement; (ii) be effective as at the Effective Time; and (iii) be conditional upon the execution by the Executive Employee of a mutual release in the form agreed upon by the Parties, which mutual release shall contain exceptions for (A) amounts or obligations owing to such Executive Employee (as set forth in the Company Disclosure Letter and such mutual release) in respect of accrued but unpaid salary, bonus and benefits and payments in respect of Company Options and Company Restricted Awards held by such Executive Employee (in each case as of the Effective Date and except for amounts paid to such Executive Employee at or before the time such mutual release becomes effective), (B) other payments due to such Executive Employee pursuant to the Arrangement as a Company Shareholder, if any, and (C) such Executive Employee's right to be indemnified pursuant to directors' and officers' indemnity agreements and insurance arrangements as in existence on the Effective Date in accordance with the provisions hereof. In the event an Executive Employee fails to execute a mutual release, the Executive Employee will still be provided with his or her statutory termination entitlements limited to the minimums prescribed by applicable employment standards legislation.

(d) Company shall use best commercial efforts to facilitate good faith negotiations between Purchaser and certain Executive Employees, identified in writing by Purchaser to Company, to enter into consulting agreements, effective as of Closing, between Purchaser (or Company) and such Executive Employees. The consulting agreements would be for a term of no more than three months following the Effective Date (unless otherwise agreed to by Purchaser and the applicable Executive Employee) and would provide for payments to the applicable Executive Employee that are substantially similar to the applicable Executive Employees salary as of the date hereof.

(e) The Company Disclosure Letter sets out the estimated Company Employee Costs and such disclosure includes:

- (i) the position of each Executive Employee; and
- (ii) the total amount of each component of Company Employee Costs and payments in respect of Company Options and Company Restricted Awards that such Executive Employee and Continuing Employees will be entitled to receive on the Effective Date being met, together with the aggregate of such amounts.

(f) Company shall make a *bona fide* request of each Executive Employee receiving any portion of the Company Employee Costs to execute a mutual release in form and substance agreed upon by the Parties, each acting reasonably.

(g) For a period of not less than one year following the Effective Time, the Purchaser shall provide, or cause the Company to provide: (i) a total remuneration package (including base salary and bonus and long-term incentive opportunities) to Continuing Employees that is substantially similar in the aggregate to those provided to such Continuing Employees in effect immediately prior to the Effective Time; (ii) severance benefits to each Continuing Employee that are no less favorable than those that would have been provided to such Continuing Employee under the applicable severance benefit plans, programs, policies, agreements and arrangements as in effect immediately prior to the Effective Time provided in all cases that all of the terms and conditions of such severance benefits are disclosed in the Company Disclosure Letter, and if no such arrangements were then in effect and so disclosed then Continuing Employees will be provided with notice or payment in lieu of notice as required by Applicable Laws; provided that no provision of this Section 2.6(g) shall (a) give any Continuing Employees any right to continued employment, (b) affect or otherwise increase the severance, post-termination benefits or other termination entitlements of Continuing Employees under their current employment agreements or applicable Law, (c) impair in any way the right of the Company to terminate the employment of any Continuing Employee or amend or terminate any of the Company Plans at any time, or (d) apply to any Continuing Employee who is or becomes covered by a collective agreement whose terms and conditions of employment of each such Continuing Employee following the Effective Time shall be governed by the terms of the applicable collective agreement.

(h) The provisions of Section 2.6(g) are solely for the benefit of the Parties to this Agreement, and no provision of Section 2.6(g) is intended to, or shall, constitute the establishment or adoption of or an amendment to any employee benefit plan and, except as otherwise explicitly provided for in this Agreement, no current or former employee or any other individual associated therewith shall be regarded for any purpose as a third party beneficiary of this Agreement or have the right to enforce the provisions hereof.

2.7

Treatment of Company Options and Company Restricted Awards

- (a) The Company Disclosure Letter sets out the full particulars of the Company Options and the Company Restricted Awards outstanding as of the date hereof.
- (b) The Parties acknowledge that the Arrangement will result in a "change of control" for purposes of the Company Incentive Plans.
- (c) The Company Board has approved the vesting of all outstanding Company Restricted Awards effective immediately before the Effective Time conditional upon the subsequent consummation of the Arrangement and all Company Options shall vest automatically upon the consummation of the Arrangement in order that all such outstanding Company Options and Company Restricted Awards shall be fully vested and deemed to have been exercised or surrendered immediately before or at the Effective Time in accordance with the terms of, the Conditional Option Exercise and Surrender Agreement, this Agreement and the Company Incentive Plans, as applicable.
- (d) The Company Options shall, pursuant to the terms of the Conditional Option Exercise and Surrender Agreement or otherwise all be exercised or surrendered prior to the Effective Time. Company has, concurrently with the signing of this Agreement, delivered to Purchaser the executed Conditional Option Exercise and Surrender Agreement.
- (e) The Parties agree that satisfaction of Tax remittance obligations with respect to the exercise or surrender of Company Options and Company Restricted Awards outstanding at the Effective Time shall be accomplished in accordance with the provisions set forth in the Conditional Option Exercise and Surrender Agreement and the Plan of Arrangement, respectively.
- (f) The Parties acknowledge and agree that:
 - (i) to the extent that a holder is entitled to claim the deduction under subsection 110(1)(d) of the ITA in respect of Company Options held by such holder, the Company will elect under subsection 110(1.1) of the ITA, in prescribed form, in respect of such Company Option(s) that are surrendered for cash pursuant to the terms of the Arrangement, that neither Company nor any Person who does not deal at "arm's length" with Company, within the meaning of the ITA, will deduct, in computing its income for the purposes of the ITA, any amount in respect of a payment made to the holder of such Company Options in consideration for the surrender of such Company Options; and
 - (ii) Company will provide the holder of such Company Options with evidence in writing of the election under subsection 110(1.1) of the ITA.

2.8

Final Order

Provided all necessary approvals for the Arrangement Resolution are obtained from the Company Shareholders, Company shall, as soon as reasonably practicable following the Company Meeting, and in any event no later than two Business Days following the Company Meeting, submit the Arrangement to the Court and apply for the Final Order.

2.9 Dissenting Shareholders

Registered Company Shareholders entitled to vote at the Company Meeting may exercise Dissent Rights with respect to their Company Shares in connection with the Arrangement pursuant to and in the manner set forth in the Plan of Arrangement and the Interim Order.

Company shall promptly advise Purchaser of the number of Company Shares for which Company receives notices of dissent or written objections to the Arrangement and provide Purchaser with copies of such notices and written objections and Company shall not provide any written communications to any Company Shareholder exercising or purporting to exercise Dissent Rights without Purchaser's prior written consent, not to be unreasonably withheld, conditioned or delayed and shall provide Purchaser with an opportunity to review and comment upon any written communications proposed to be sent by or on behalf of Company to any Company Shareholder exercising or purporting to exercise Dissent Rights in relation to the Arrangement Resolution and reasonable consideration shall be given to any comments made by Purchaser and its counsel prior to sending any such written communications. Company shall not settle, compromise or make any payment with respect to, or agree to settle, compromise or make any payment with respect to, any exercise or purported exercise of Dissent Rights or waive any failure by any holder of Company Shares to timely deliver a notice of exercise of Dissent Rights, without the prior written consent of Purchaser (such consent not to be unreasonably withheld). Company shall promptly give Purchaser notice of any withdrawal of a notice of dissent, and any other instruments served pursuant to such Dissent Rights and received by Company and promptly provide Purchaser with copies of such notices and written objections and all other correspondence related thereto.

2.10 Payment of Consideration

Purchaser shall, following receipt of the Final Order and prior to the filing of the Articles of Arrangement with the Registrar pending only filing of the Articles of Arrangement, provide, or cause to be provided to the Depositary sufficient funds and Purchaser Shares (or an irrevocable direction to issue the Purchaser Shares in accordance with the Plan of Arrangement upon filing of the Articles of Arrangement) to be held in escrow (the terms and conditions of such escrow to be satisfactory to Company and Purchaser, each acting reasonably) to satisfy the aggregate Consideration payable to the Company Shareholders in accordance with the Plan of Arrangement (other than, for greater certainty, Consideration for Company Shareholders that have validly exercised Dissent Rights).

2.11 Company Withholdings

Company, Purchaser and the Depositary shall be entitled to deduct or withhold from any amounts payable to any Company Shareholder or other Person pursuant to the Arrangement such amounts as Company, Purchaser or the Depositary reasonably determines is required to deduct or withhold with respect to such payment under the ITA or any provision of federal, provincial, territorial, state, local or foreign tax law. To the extent that amounts are so deducted or withheld, such deducted or withheld amounts shall be treated, for all purposes hereof, as having been paid or delivered to the Persons in respect of whom such deduction or withholding was made, on the condition that such deducted or withheld amounts are actually remitted to the appropriate Governmental Authority.

2.12 Company Voting Support Agreements

Company has, concurrently with the signing of this Agreement, delivered to Purchaser the executed Company Voting Support Agreements that it has received and shall use commercially reasonable efforts to deliver any remaining Company Voting Support Agreements to Purchaser.

ARTICLE 3 **COVENANTS**

3.1 Covenants of Purchaser

Purchaser covenants and agrees that, from the date of this Agreement until the earlier of the Effective Date or termination of this Agreement, except with the prior written consent of Company (not to be unreasonably withheld, delayed or conditioned), and except as otherwise expressly permitted or specifically contemplated by this Agreement (including the Plan of Arrangement) or required by Applicable Laws:

- (a) Purchaser will use its commercially reasonable efforts to satisfy or cause the satisfaction of the conditions set forth in Section 5.1 and Section 5.3 as soon as reasonably practicable, to the extent the fulfillment of the same is within the control of Purchaser;
- (b) Purchaser will forthwith carry out the terms of the Interim Order and the Final Order to the extent applicable to it and will use its commercially reasonable efforts to assist Company in obtaining such orders and to carry out the intent or effect of this Agreement and the Arrangement;
- (c) Purchaser will make all necessary filings and applications under Applicable Laws, including Applicable Canadian Securities Laws and U.S. Securities Laws, if applicable, required on the part of Purchaser in connection with the transactions contemplated herein and use its commercially reasonable action necessary to be in compliance with such Applicable Laws in respect of the Arrangement;
- (d) Purchaser shall make application to the TSX and NYSE and use its commercially reasonable efforts to obtain the approval of the TSX and NYSE for the listing on the Effective Date of the Purchaser Shares to be issued pursuant to the Arrangement;
- (e) Purchaser shall not take any action, refrain from taking any action, or permit any action to be taken or not taken, inconsistent with this Agreement, which might directly or indirectly interfere with or affect the consummation of the Arrangement and the transactions contemplated hereby;
- (f) subject to Section 10.4, and except for non-substantive communications with third parties and communications to legal and other advisors of Purchaser or communications in respect of Regulatory Approvals which are governed by Section 3.5, Purchaser will furnish promptly to Company and its legal counsel: (i) a copy of each notice, report, schedule or other document delivered, filed or received by Purchaser in connection with the Arrangement from any Governmental Authority; (ii) any filings made by Purchaser or its Representatives under Applicable Laws in connection with the Arrangement; and (iii) any documents related to dealings with Governmental Authorities in connection with the transactions contemplated herein;
- (g) Purchaser will secure all consents of third parties that are required to permit the inclusion of any reference to their names in, or in relation to, any Purchaser Information included in the Information Circular, including by reason of their names being included in a document incorporated by reference in the Information Circular, or otherwise, and will provide copies of such consents to Company as soon as reasonably practicable;

(h) Purchaser shall promptly advise Company in writing of:

- (i) to the extent permitted by Applicable Laws, any notice or other communication from any Governmental Authority in connection with this Agreement (and Purchaser shall contemporaneously provide a copy of any such written notice or communication to Company), other than in respect of Regulatory Approvals which are governed by Section 3.5;
- (ii) any notice or other communication from any Person alleging that the consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such Person is required in connection with this Agreement or the Arrangement (and Purchaser shall contemporaneously provide a copy of any such written notice or communication to Company); and
- (iii) any circumstance or development that, to the knowledge of Purchaser, would have a Material Adverse Effect on Purchaser or which might reasonably be expected to materially impede, interfere with or delay the Arrangement or prevent the completion of the Arrangement;

(i) Purchaser shall use its commercially reasonable efforts to obtain and maintain all material third party approvals (excluding Regulatory Approvals) under Purchaser Material Contracts required in connection with the transactions contemplated by this Agreement and provide the same to Company on or prior to the Effective Date, without committing Company to pay any consideration prior to the Effective Date or incur any liability or obligation prior to the Effective Date without the prior written consent of Company, except where the failure to provide or obtain such third party approval would not, individually or in the aggregate, have a Material Adverse Effect on Purchaser or prevent the completion of the transactions contemplated in this Agreement;

(j) Purchaser shall provide Company with at least two Business Days' advance notice of any proposed communications to be made prior to the Effective Date (including those to be communicated at any in-person or "town hall" type meetings, and via email correspondence) to Continuing Employees and agrees to act reasonably in considering any comments provided by Company in respect of such communications.

(k) except as set forth the Purchaser Disclosure Letter, as required by Public-Health Measures or in respect of actions taken to address emergencies involving the potential loss or damage to property or personal safety or mandatory regulatory requirements, the business of Purchaser shall be conducted only in, and Purchaser shall not take any action except in, the usual and ordinary course of business consistent with past practices and in accordance with good business practices, and Purchaser shall use all commercially reasonable efforts to maintain and preserve its business, assets, properties, goodwill and employees and business relationships with suppliers, distributors, customers, joint venture partners and others having business relationships with it;

(l) Purchaser shall not, directly or indirectly do, or permit to occur, any of the following:

- (i) amend its constating documents;
- (ii) declare, set aside or pay any cash or non-cash dividend or make any other cash or non-cash payment or distribution in respect of its outstanding securities;

- (iii) amend the terms of any of the Purchaser Shares without the prior written consent of Company;
- (iv) split, combine or reclassify any of the Purchaser Shares;
- (v) adopt a plan of liquidation or resolutions providing for the liquidation, dissolution, merger, consolidation, reorganization or arrangement or similar action of Purchaser;
- (vi) reduce the stated capital of any shares of Purchaser; or
- (vii) enter into or modify any Contract, commitment or arrangement with respect to any of the foregoing.

3.2

Additional Covenants of Purchaser

Purchaser further covenants and agrees that:

- (a) Prior to the Effective Time, Company may purchase a run off directors' and officers' insurance policy on terms and conditions no less advantageous in the aggregate to the directors and officers of Company than those contained in the directors' and officers' policy in effect as of the Effective Date ("**Equivalent Insurance**"), for all present and former directors and officers of Company, covering claims made prior to or within six years after the Effective Time; and
- (b) if the Arrangement is completed, Purchaser, Company and any successor to Company shall not take any action to terminate or adversely affect and will fulfill its obligations pursuant to, any indemnity agreements set out in the Company Disclosure Letter to Purchaser or right to indemnity available in favour of past or present directors and officers of Company pursuant to the provisions of the articles, by- laws or similar constating documents of Company, applicable corporate legislation or written indemnity agreements set out in the Company Disclosure Letter between Company and its past and present directors and officers or any indemnity agreements in favour of current directors and officers of Company that are in place as at the date hereof, and which are set out in the Company Disclosure Letter.

3.3

Covenants of Company

Company covenants and agrees that, from the date of this Agreement until the earlier of the Effective Date or termination of this Agreement, except with the prior written consent of Purchaser (not to be unreasonably withheld, delayed or conditioned), and except as otherwise expressly permitted or specifically contemplated by this Agreement (including the Plan of Arrangement) or required by Applicable Laws:

- (a) Company will use its commercially reasonable efforts to satisfy or cause the satisfaction of the conditions set forth in Sections 5.1 and 5.2 as soon as practicable, to the extent the satisfaction of the same is within the control of Company;
- (b) Company will forthwith carry out the terms of the Interim Order and the Final Order;

- (c) Company will make all necessary filings and applications under Applicable Laws, including Applicable Canadian Securities Laws and U.S. Securities Laws, if applicable, required to be made on the part of Company in connection with the transactions contemplated herein and shall take all commercially reasonable action necessary to be in compliance with such Applicable Laws;
- (d) Company will continue to maintain its status as a "reporting issuer" (or similarly designated entity) not in default under the Applicable Canadian Securities Laws where it is a reporting issuer at the date hereof;
- (e) Company will maintain the listing of the Company Shares on the TSXV;
- (f) Company will not take any action, refrain from taking any action, or permit any action to be taken or not taken, inconsistent with this Agreement, which might directly or indirectly interfere with or affect the consummation of the Arrangement and the transactions contemplated hereby;
- (g) except as required by Public-Health Measures or, subject to prior written notice to Purchaser, in respect of actions taken to address emergencies involving the potential loss or damage to property or personal safety (for which Purchaser's consent shall not be required where it cannot be received in a reasonably expedient manner), the business of Company shall be conducted only in, and Company shall not take any action except in, the usual and ordinary course of business consistent with past practices and in accordance with good business practices, and Company shall use all commercially reasonable efforts to maintain and preserve its business, assets, properties, goodwill and employees and business relationships with suppliers, distributors, customers, joint venture partners and others having business relationships with it and shall, subject to Section 3.6, keep Purchaser apprised of all material developments in the ongoing business and affairs of Company;
- (h) Company shall not, directly or indirectly do, or permit to occur, any of the following:
 - (i) amend its constating documents;
 - (ii) declare, set aside or pay any cash or non-cash dividend or make any other cash or non-cash payment or distribution in respect of its outstanding securities;
 - (iii) issue, grant, sell or pledge or agree to issue, grant, sell or pledge any Company Shares, Company Options, Company Restricted Awards or other securities of Company, including securities convertible into or exchangeable or exercisable for, or otherwise evidencing a right to acquire, Company Shares, other than the issuance of Company Shares pursuant to the exercise of Company Options or Company Restricted Awards outstanding on the date hereof in accordance with their terms or pursuant to this Agreement or the Plan of Arrangement;
 - (iv) redeem, purchase or otherwise acquire any of the outstanding Company Shares or other securities including under any normal course issuer bid;
 - (v) amend the terms of any of its securities, including the Company Options and the Company Restricted Awards, without the prior written consent of Purchaser, other than to accelerate the vesting of any unvested Company Options or Company

Restricted Awards in accordance with this Agreement and the terms of the applicable incentive plans;

- (vi) split, combine or reclassify any of the Company Shares;
- (vii) adopt a plan of liquidation or resolutions providing for the liquidation, dissolution, merger, consolidation, reorganization or arrangement or similar action of Company;
- (viii) reduce the stated capital of any shares of Company; or
- (ix) enter into or modify any Contract, commitment or arrangement with respect to any of the foregoing;

(i) Company shall not, directly or indirectly, do or permit to occur any of the following:

- (i) sell, pledge, lease, exclusively license, transfer, dispose of or encumber any assets having a market value, or consideration, individually in excess of \$250,000, or more than \$1,000,000 in the aggregate;
- (ii) except as disclosed in the Company Disclosure Letter, expend or commit to expend any single capital expenditures in excess of \$250,000 or more than \$1,000,000 in the aggregate, provided that, subject to prior written notice to Purchaser, in the case of capital expenditures expended to address emergencies involving the potential loss or damage to property or personal safety or mandatory regulatory requirements, Purchaser's consent shall not be required where it cannot be received in a reasonably expedient manner;
- (iii) except as disclosed in the Company Disclosure Letter, with the exception of the operating costs contemplated by the operating budget of Company as set out in the Company Disclosure Letter, expend or commit to expend any single amount more than \$250,000, or more than \$1,000,000 in the aggregate with respect to any operating expenses and provided that, any such expenses are in the ordinary course of Company's business consistent with past practice and provided that, subject to prior written notice to Purchaser, in the case of operating expenditures expended to address emergencies involving the potential loss or damage to property or personal safety or mandatory regulatory requirements, Purchaser's consent shall not be required where it cannot be received in a reasonably expedient manner;
- (iv) reorganize, amalgamate, merge or otherwise combine Company with any other Person;
- (v) acquire (by merger, amalgamation, consolidation or acquisition of shares or assets) any corporation, partnership or other business organization or division thereof, or make any investment therein either by purchase of shares or securities, contributions of capital or property transfer;
- (vi) acquire, dispose of or encumber any assets with the exception of the commitments contemplated by the capital spending plan of Company as set out in the Company Disclosure Letter;

(vii) incur, extend, renew, replace or use any indebtedness for borrowed money or any other liability or obligation, or issue any debt securities or letters of credit or assume, guarantee, endorse or otherwise become responsible for, the obligations of any other individual or Person, or make any loans or advances, or commit to do any of the foregoing, other than:

- (A) amounts otherwise permitted under this Section 3.3(i) which include, for greater certainty, the operating, capital, forecast and other costs and expenditures contemplated by the operating and capital budget of Company as set out in the Company Disclosure Letter; and
- (B) drawdowns on the Company Credit Facility in the ordinary course of business or relating to the expenditures specified in (A) above and including those relating to: (i) account payables incurred in the ordinary course of business as permitted by this Agreement, (ii) payroll expenses incurred in the ordinary course of business and permitted by this Agreement, (iii) and capital and operating expenditures incurred in the ordinary course of business and permitted by this Agreement, (iv) Company Transaction Costs, and (v) general and administrative costs incurred in the ordinary course of business.

Notwithstanding the foregoing, and any other provision of this Agreement, if the amount of indebtedness outstanding under the Company Credit Facility exceeds \$ [REDACTED] at any time after the date hereof, then Company shall not pay any individual expenditure in excess of \$ [REDACTED] (exclusive of payroll expenses incurred in the ordinary course of business and permitted by this Agreement), without Purchaser's prior written consent, not to be unreasonably withheld, conditioned or delayed until such time as the amount of such indebtedness outstanding under the Company Credit Facility is less than \$ [REDACTED].

- (viii) except as disclosed in the Company Disclosure Letter, substitute or replace any letter of credit with guarantees, bonds, indemnities, other letters of credit or similar credit support;
- (ix) replace, prepay or collateralize any outstanding letter of credit by the issuance of a standby letter of credit to the issuer of such outstanding letter of credit;
- (x) enter into or terminate any material hedges, swaps or other financial instruments or like transactions;
- (xi) except as disclosed in the Company Disclosure Letter, enter into or terminate any agreements for the construction or sale of a drilling rig or any interest in a drilling rig;
- (xii) enter into any material transportation or operating Contract that would result in obligations of Company in excess of \$250,000 in the aggregate excluding all such obligations that are reimbursable as lump sum payments under such Contracts;
- (xiii) enter into any Contract for contract drilling services that has a term of more than [REDACTED] months at day rates which are more than [REDACTED] % below the average day rate for the applicable rig type in the applicable geographic market;

- (xiv) authorize, recommend or propose any release or relinquishment of any right under any Company Material Contract;
- (xv) waive, release, grant or transfer any rights of value or modify or materially change in any respect any existing Company Material Contract or any material license, lease or other material document;
- (xvi) surrender, release or abandon the whole or any part of the assets of Company, except as disclosed in the Company Disclosure Letter;
- (xvii) enter into any non-arm's length Contracts or transactions, including with any affiliates, officer, director, employee, consultant or contractor of Company or its affiliates, except as expressly contemplated in this Agreement;
- (xviii) enter into or terminate any strategic alliances, partnerships or joint ventures;
- (xix) commence any material litigation or pay, discharge or satisfy any material claims, liabilities or obligations if any single proposed settlement exceeds \$250,000 or if all proposed settlements after the date hereof total more than \$1,000,000 in the aggregate;
- (xx) make any changes to its existing accounting policies other than as required by Applicable Laws or IFRS; or
- (xxi) except as disclosed in the Company Disclosure Letter, authorize or propose any of the foregoing, or enter into or modify any Contract, agreement, commitment or arrangement to do any of the foregoing;

(j) Except as disclosed in the Company Disclosure Letter, Company shall not, directly or indirectly do, or permit to occur any of the following:

- (i) hire or retain the services of any executive officer or director, or terminate the services of any executive officer or director other than for cause;
- (ii) grant any increase in the rate of wages, salaries, benefits, bonuses or other remuneration of any Executive Employees
- (iii) other than (with prior written notice to Purchaser but without requiring the express consent of Purchaser except as set forth in this subsection) periodic hourly wage increases for field workers as may be required for crew retention purposes or wage increases for field works as a result of hourly market rate changes or conditions in order to remain competitive with wages paid by Company's peers in the ordinary course of business (provided that the total aggregate amount of all such increases would be reasonable in the circumstances and for certainty not result in a Material Adverse Effect in respect of Company), grant any increase in the rate of wages, salaries, benefits, bonuses or other remuneration of any Continuing Employees;
- (iv) take any action with respect to the amendment or grant of any "change of control", severance, termination pay, pay in lieu of notice of termination or retention policies or arrangements for any directors, officers (including Executive Employees), employees or contractors;

- (v) adopt any new bonus, employee benefit plan, profit sharing, deferred compensation, insurance, incentive compensation, other compensation or other similar plan, agreement, stock option plan, fund or arrangement for the benefit of employees, officers, directors or contractors;
- (vi) amend any incentive plan or the terms of any outstanding rights thereunder or issue any additional Company Options or Company Restricted Awards or any other securities of Company, except for the issuance of Company Shares on the exercise of Company Options and Company Restricted Awards outstanding as at the date hereof; or
- (vii) advance any loan to any employee, consultant, contractor, officer, director or any other Person;

(k) Except as disclosed in the Company Disclosure Letter and except so as to permit the acceleration of the vesting and payment pursuant to the Company Incentive Plans and this Agreement, Company shall not adopt or amend or make any contribution to any bonus, employee benefit plan, profit sharing, option, common share, deferred compensation, insurance, incentive compensation, other compensation or other similar plan (or amend any outstanding rights thereunder), agreement, common share incentive or purchase plan, fund or arrangement for the benefit of directors, officers, employees or consultants, except as is necessary to comply with Applicable Laws or with respect to existing provisions of any such plans, programs, arrangements or agreements;

(l) Company shall withhold from any payment made to any of its present or former employees, officers or directors in respect of any payments contemplated by this Agreement including in connection with the exercise, cancellation or surrender of Company Options and Company Restricted Awards and payment of the Company Employee Costs, all amounts required by law or administrative practice to be withheld by it on account of Taxes and other source deductions and Company shall remit such withheld amount to the proper Governmental Authority within the time required by such Applicable Laws;

(m) except as disclosed in the Company Disclosure Letter, Company shall use all commercially reasonable efforts to cause its current insurance (or re-insurance) policies, including directors' and officers' insurance, not to be cancelled or terminated or any of the coverage thereunder to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance or re-insurance companies of nationally recognized standing satisfactory to Purchaser, acting reasonably, providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect, and Company will pay all premiums in respect of such insurance policies that become due after the date hereof;

(n) except as contemplated herein, Company shall not take any action, refrain from taking any action, or permit any action to be taken by it that would render, or may reasonably be expected to render, any representation or warranty made by it in this Agreement untrue in any material respect at any time prior to the Effective Date or termination of this Agreement, whichever first occurs;

(o) Company shall promptly advise Purchaser in writing of:

- (i) to the extent permitted by Applicable Laws, any notice or other communication from any Governmental Authority in connection with this Agreement (and Company shall contemporaneously provide a copy of any such written notice or communication to Purchaser);
- (ii) any material Governmental Authority or third party complaints, investigations or hearings (or communications indicating that the same may be contemplated) in respect of Company or the Arrangement;
- (iii) all material matters relating to material claims, actions, enquiries, applications, suits, demands, arbitrations, charges, indictments, hearings or other civil, criminal, administrative or investigative proceedings, or other investigations or examinations pending or, to the knowledge of Company, threatened, against Company or related to the Arrangement;
- (iv) any notice or other communication from any Person alleging that the consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such Person is required in connection with this Agreement or the Arrangement (and Company shall contemporaneously provide a copy of any such written notice or communication to Purchaser);
- (v) any circumstance or development that, to the knowledge of Company, would have a Material Adverse Effect with respect to Company;
- (vi) any change in any fact or matter disclosed in writing (including in the Company Disclosure Letter) or included in any of the information provided to Purchaser and its Representatives in the course of their evaluation of Company which would reasonably be considered material to Purchaser in the context of this Agreement or which might materially impede the ability of Company to consummate the transactions contemplated hereby; except that the delivery of any such notification will not modify, amend or supersede any fact or matter disclosed in writing (including in the Company Disclosure Letter) or included in such information or any representation or warranty of Company contained in this Agreement or in any certificate or other instrument delivered in connection herewith and will not affect any right of Purchaser hereunder; and
- (vii) any material change (actual, anticipated, contemplated or, to the knowledge of Company, threatened, financial or otherwise) in the business, operations, affairs, assets, capitalization, financial condition, licenses, permits, rights, privileges or liabilities, whether contractual or otherwise, of Company,

and Company shall in good faith discuss with Purchaser any change in circumstances (actual, anticipated, contemplated, or to the knowledge of Company, threatened) which is of such a nature that there may be a reasonable question as to whether notice need to be given to Purchaser pursuant to this Section 3.3(o);

(p) Company shall use all commercially reasonable efforts to obtain and maintain all material third party approvals (excluding Regulatory Approvals which are governed by Section 3.5) required in connection with the transactions contemplated by this Agreement and provide the same to Purchaser on or prior to the Effective Date, including all material third party approvals and confirmations that are:

- (i) required to be obtained under the Company Material Contracts in connection with the Arrangement; or
- (ii) required in order to maintain the Company Material Contracts in full force and effect following completion of the Arrangement,

in each case, on terms that are satisfactory to Purchaser (acting reasonably), and without paying, and without committing itself or Purchaser to pay, any consideration or incur any liability or obligation without the prior written consent of Purchaser; provided that, for clarity, the foregoing shall not oblige Company to pay any such consideration or incur any such liability or obligation unless payment is conditional on the Arrangement being completed;

(q) Company shall assist Purchaser in structuring, planning and implementing any action to be taken with respect the Company Credit Facility as Purchaser may reasonably request, including:

- (i) the delivery to Purchaser of an executed payout letter (the "**Company Payout Letter**") from its syndicate of banks, led by ATB Financial, as agent, setting forth the aggregate amount outstanding under the Company Credit Facility as at the Effective Date, which would be required to repay or cash collateralize in full all obligations, liabilities and indebtedness of Company the Company Credit Facility and which payout letter shall contain a release and discharge of all liens and security interests granted by Company in connection therewith (other than those in respect of cash collateral required in respect of letters of credit, bankers' acceptances and other obligations, liabilities and indebtedness that cannot be repaid early by their terms) and a termination of the Company Credit Facility and all documents related thereto including forms of registrable discharges (other than those related to the foregoing cash collateral arrangements and indemnities which, by their terms, survive termination), which releases, discharges and termination shall be conditional solely upon receipt by its syndicate of banks, led by ATB Financial, as agent, of the amounts referenced in the Company Payout Letter;
- (ii) the issuance of prepayment notices by Company prior to (but conditional upon) Effective Date; and
- (iii) use all commercially reasonable efforts to facilitate arrangements for the transfer or assignment of outstanding letters of credit under the Company Credit Facility at (but conditional upon) the Effective Date;

in each case, as may be reasonably determined by Purchaser, and shall cooperate in good faith with Purchaser and its advisors to determine the nature of such actions; provided, however, that no such actions shall require Company to make effective any amendments, incur any costs that are not paid for or reimbursed by Purchaser or make any payments in respect of the Company Credit Facility if the Arrangement is not consummated;

(r) Company will promptly provide to Purchaser, for review by Purchaser and its counsel, prior to filing or issuance of the same, any proposed public disclosure document, including any news release or material change report, subject to Company's obligations under Applicable Canadian Securities Laws to make continuous disclosure and timely disclosure

of material information, and Purchaser agrees to keep such information confidential until it is filed as part of the Company Public Record;

- (s) subject to Section 10.4, except for proxies, other voting instruction forms and other non-substantive communications with securityholders, Company will furnish promptly to Purchaser or Purchaser's counsel, a copy of each notice, report, schedule or other document delivered, filed or received by Company in connection with: (i) the Arrangement; (ii) the Company Meeting; (iii) any filings under Applicable Laws in connection with the Agreement; and (iv) any dealings with Governmental Authorities in connection with the transactions contemplated hereby;
- (t) Company will not amend, supplement or modify the engagement of its financial advisors, and other than CIBC Capital Markets, neither Company nor the Company Board shall retain any financial advisor, broker, agent or finder, or pay or agree to pay or have Purchaser pay any financial advisor, broker, agent or finder on account of this Agreement or the Arrangement, any transaction contemplated hereby or any transaction presently ongoing or contemplated;
- (u) Company shall use commercially reasonable efforts to obtain:
 - (i) resignations and mutual releases from each of its directors effective, in form and substance satisfactory to Purchaser, acting reasonably, which mutual releases shall contain exceptions for amounts or obligations owing to such directors for directors' fees, payments in respect of Company Options and Company Restricted Awards, other payments due pursuant to the Arrangement as a Company Shareholder, or pursuant to indemnity or directors' and officers' insurance arrangements; and
 - (ii) the mutual releases contemplated by Section 2.6(c);
- (v) Company shall continue to withhold from each payment to be made to any of its present or former employees (which includes officers) and directors and to all other Persons including all Persons who are non-residents of Canada for the purposes of the ITA, all amounts that are required to be so withheld by any Applicable Laws and Company shall remit such withheld amounts to the proper Governmental Authority within the times prescribed by such Applicable Laws;
- (w) Company shall: (i) duly and on a timely basis file all Tax Returns required to be filed by it and all such Tax Returns will be true, complete and correct in all material respects; (ii) timely pay all Taxes which are due and payable unless validly contested; (iii) not make or rescind any material express or deemed election relating to Taxes, file any amended Tax Returns or make any Tax filings outside the ordinary course of business; (iv) not make a request for a Tax ruling or enter into a settlement agreement with any Governmental Authority; (v) except as disclosed in the Company Disclosure Letter, not agree to any extension of time for the filing of any Tax Returns or with respect to the assessment or reassessment of Taxes; (vi) not settle or compromise any claim, action, suit, litigation, proceeding, arbitration, investigation, audit or controversy relating to Taxes; (vii) not change in any material respect any of its methods of reporting income, deductions or accounting for Tax purposes from those employed in the preparation of its Tax Returns for a taxation year ending in 2022 and prior to the date of this Agreement; and (viii) properly reserve (and reflect such reserves in its books and records and financial statements) in

accordance with past practice and in the ordinary course of business, for all Taxes accruing in respect of Company which are not due or payable prior to the Effective Date;

- (x) Company will secure all consents of third parties that are required to permit the inclusion of any reference to their names in, or in relation to, any Company Information included in the Information Circular, including by reason of their names being included in a document incorporated by reference in the Information Circular, or otherwise, and will provide copies of such consents to Purchaser as soon as reasonably practicable;
- (y) Company shall make all filings and applications under Applicable Laws that are required to be made by it in connection with the Arrangement and shall take all reasonable commercial action necessary to be in compliance, in all material respects, with such Applicable Laws;
- (z) Company shall ensure that it has, and will maintain until the date specified for payment in Section 6.2, access to sufficient funds under the Company Credit Facility to permit the payment of the Purchaser Termination Fee having regard to its other liabilities and obligations, and will take all such actions as may be necessary to ensure that it maintains such access to ensure that it is able to pay such amount if and when required;
- (aa) Company shall ensure that it has, and will maintain until the Effective Time, access to sufficient funds under the Company Credit Facility to pay the aggregate cash consideration to be paid to the holders of Company Restricted Awards under the Arrangement and the Plan of Arrangement;

3.4 Mutual Covenants Regarding the Arrangement

From the date of this Agreement until the Effective Date or termination of this Agreement, each of Purchaser and Company will use commercially reasonable efforts:

- (a) to promptly oppose, lift or rescind any injunction or restraining or other order seeking to stop, or otherwise adversely affecting its ability to consummate, the Arrangement and to defend, or cause to be defended, all lawsuits or other legal, regulatory or other proceedings to which it is a party or brought against it or its directors or officers challenging or affecting the Arrangement or this Agreement or the consummation of the transactions contemplated hereby;
- (b) to cooperate with each other in taking, or causing to be taken, all actions necessary to delist the Company Shares from the TSXV; provided, however, that such delisting will not be effective until after the Effective Time; and
- (c) to use commercially reasonable efforts to ensure that the Section 3(a)(10) Exemption and exemptions from applicable U.S. state securities laws are available for the issuance of the Purchaser Shares pursuant to the Plan of Arrangement.

Each of Purchaser and Company will use commercially reasonable efforts to cooperate with the other in connection with the performance by the other of its obligations under this Section 3.4 and this Agreement including continuing to provide reasonable access to information and to maintain ongoing communications as between officers of Purchaser and Company, subject in all cases to the Confidentiality Agreement and Section 3.6.

3.5

Regulatory Approvals (Including Competition Act Clearance)

(a)

As promptly as practicable or advisable, but in any event no later than five Business Days after the date of this Agreement or such other date as the Parties may agree in writing, Purchaser shall, with the assistance of and in consultation with Company, prepare and file a request for an Advance Ruling Certificate or, in the alternative, a No Action Letter and a request for a waiver under section 113 of the Competition Act. Upon the written request by either Party, both Purchaser and Company shall each file a notification under Part IX of the Competition Act within three Business Days after such written request is made (provided that, unless otherwise agreed to by the Parties, such notification under Part IX of the Competition Act will not need to be filed until two Business Days following the filing of the request for an Advance Ruling Certificate).

(b)

In connection with obtaining the Regulatory Approvals (including the Competition Act Clearance), each of the Parties shall, and shall cause their respective affiliates, to:

- (i) use best commercial efforts, including by cooperating with one another and providing such assistance to one another as the other Party may reasonably request in connection with obtaining the Regulatory Approvals (including the Competition Act Clearance) as soon as reasonably practicable and, in any event, no later than the Outside Date;
- (ii) respond at the earliest practicable date to any requests for information (including in respect of any submissions or supplementary information requests) or requests for meetings by any Governmental Authority, including the Commissioner;
- (iii) permit the other Party an advance opportunity to review and comment upon any proposed written communications to any Governmental Authority, including the Commissioner, consider in good faith the comments of the other Party, and provide the other Party with final copies thereof;
- (iv) provide the other Party a reasonable opportunity to participate in any substantive meetings or discussions (whether in person, by e-mail, by telephone or otherwise) with any Governmental Authority, including the Commissioner (except where the Governmental Authority expressly requests that a Party should not be present at the meeting or discussion or part or parts of the meeting or discussion);
- (v) keep the other Party informed of the status of the Regulatory Approval (including the Competition Act Clearance) and promptly notify the other Party of receipt of any communications (oral or written) of any nature from a Governmental Authority, including the Commissioner, and provide the other Party with copies thereof; and
- (vi) refrain from extending or consenting to any extension of any applicable waiting or review period or enter into any agreement with a Governmental Authority, including the Commissioner, to not consummate the transactions contemplated by this Agreement, except upon the prior written consent of the other Party.

(c)

Each of Purchaser and Company shall use best commercial efforts, including taking or causing to be taken such actions as are necessary, proper or advisable to obtain the

Regulatory Approvals so as to enable the Parties to close the transactions contemplated by this Agreement as promptly as practicable, and in any event no later than the Outside Date.

- (d) Neither Party shall take any action, or refrain from taking any action, or permitting any action to be taken or not taken, which would reasonably be expected to prevent, materially delay or otherwise materially impede the receipt of the Regulatory Approvals, including, for the avoidance of doubt, the taking of any action or the entering into of any transaction that would reasonably be expected to prevent, materially delay or materially impede the obtaining of, or increase the risk of not obtaining, the Competition Act Clearance or otherwise prevent, materially delay or materially impede the consummation of the transactions contemplated by this Agreement.
- (e) For certainty, in addition to the foregoing, Purchaser's best commercial efforts shall include, Purchaser or any of its affiliates, as a condition of obtaining Regulatory Approvals, to offer, accept or agree to: (i) the sale, divestiture, holding separate, licensing, or disposition of any part of the businesses or assets of Purchaser, Company, or any of their respective affiliates; or (ii) the taking of any other remedial action, including without limitation the termination of any existing contractual rights, relationships and obligations, or entry into, or amendment of, any such contractual arrangements. Notwithstanding the foregoing, in no event shall Purchaser or any of its affiliates, be required to offer, accept or agree to any of the items in part (i) or (ii) of the foregoing sentence which would individually, or together with all other such items, be reasonably expected to have a material adverse effect on any of: (i) the Canadian well servicing business of either Company or Purchaser, taken separately; (ii) the Canadian drilling business of either Company or Purchaser, taken separately; or (iii) the U.S. businesses of either Company or Purchaser, taken separately.
- (f) Notwithstanding any requirement in this Section 3.5 or any other provision in this Agreement, where a Party is required to provide information to the other Party that the disclosing Party deems to be competitively sensitive, the disclosing Party may restrict the provision of such competitively sensitive information only to the external legal counsel of the other Party, provided that the disclosing Party also provides a redacted version of any such information to the other Party.
- (g) Purchaser and Company shall each pay 50% of any filing fee payable to any Governmental Authority in connection with the Competition Act Clearance.

3.6

Provision of Information and Integration of Operations

Until the Effective Date or termination of this Agreement, Company shall:

- (a) provide Purchaser and its Representatives access, during normal business hours to its premises (including field offices and sites), assets, books, contracts, records, computer systems, properties, employees and management personnel, of Company;
- (b) furnish to Purchaser all information concerning its business, properties and personnel as Purchaser may reasonably request to permit Purchaser to be in a position to integrate the business and operations of Company expeditiously and efficiently with those of Purchaser immediately but not prior to the Effective Date;

- (c) provide Purchaser a weekly update (on each Thursday after the date hereof until the Effective Date) of the amount of indebtedness outstanding under the Company Credit Facility as of the date prior to such update; and
- (d) without limiting the generality of Section 3.6(b):
 - (i) furnish to Purchaser such information Purchaser may request, acting reasonably, to effect such reorganizations of the Company or its business and operations after the Effective Time (each, a "**Post-Arrangement Reorganization**"), including information relating to the Company's corporate structure, capital structure, business, operations and assets and Taxes;
 - (ii) cooperate with Purchaser and its advisors to determine the nature of the Post-Arrangement Reorganizations that might be undertaken and the manner in which they would most effectively be undertaken, including providing any necessary information in connection therewith; and
 - (iii) cooperate with Purchaser and its advisors to seek to obtain consents or waivers from third parties which might be required in connection with the Post-Arrangement Reorganizations, if any,

provided that Purchaser will be responsible for all reasonable costs and expenses of Company incurred in connection with any Post-Arrangement Reorganization and will make payment of same to Company within three Business Days of a request therefor.

Notwithstanding any requirement in this Section 3.6, Company is not required to provide information hereunder that Company deems, in its sole discretion, to be competitively sensitive information (provided that, Company acknowledges and agrees that Purchaser's external counsel may have access to such information on a privileged and confidential basis in connection with obtaining the Regulatory Approvals), would violate Applicable Laws or is subject to any confidentiality and other contractual provisions. Further, Company shall not be required to provide access to Purchaser or any of its Representatives if it reasonably determines that such access would interfere unreasonably with the conduct of the business of Company.

ARTICLE 4 **REPRESENTATIONS AND WARRANTIES**

4.1 Representations and Warranties of Purchaser

- (a) Except as set forth in the correspondingly numbered section of the Purchaser Disclosure Letter (it being expressly understood and agreed that the disclosure of any fact or item in any section of the Purchaser Disclosure Letter shall also be deemed to be an exception to (or, as applicable, disclosure for the purposes of) any other sections of this Agreement, including Schedule "C", and any other representations and warranties of Purchaser contained in this Agreement to the extent that its relevance to such other section, representation or warranty is reasonably apparent on its face), Purchaser hereby makes to Company the representations and warranties set forth in Schedule "C", and acknowledges that Company is relying on such representations and warranties in connection with the entering into of this Agreement and the carrying out of the Arrangement.

4.2

Representations and Warranties of Company

(a)

Except as set forth in the correspondingly numbered section of the Company Disclosure Letter (it being expressly understood and agreed that the disclosure of any fact or item in any section of the Company Disclosure Letter shall also be deemed to be an exception to (or, as applicable, disclosure for the purposes of) any other sections of this Agreement, including Schedule "D", and any other representations and warranties of the Company contained in this Agreement to the extent that its relevance to such other section, representation or warranty is reasonably apparent on its face), Company hereby makes to Purchaser the representations and warranties set forth in Schedule "D", and acknowledges that Purchaser is relying upon such representations and warranties in connection with the entering into of this Agreement and the carrying out of the Arrangement.

4.3

Privacy Issues

(a)

For the purposes of this Section 4.3, the following definitions shall apply:

- (i) "**applicable privacy laws**" means any and all Applicable Laws relating to privacy and the collection, use and disclosure of Personal Information in all applicable jurisdictions, including the *Personal Information Protection and Electronic Documents Act* (Canada) and/or any comparable provincial law including the *Personal Information Protection Act* (Alberta);
- (ii) "**authorized authority**" means, in relation to any Person, transaction or event, any:
 - (A) federal, provincial, municipal or local governmental body (whether administrative, legislative, executive or otherwise), both domestic and foreign;
 - (B) agency, authority, commission, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government;
 - (C) court, arbitrator, commission or body exercising judicial, quasi-judicial, administrative or similar functions; and
 - (D) other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing, including any stock or other securities exchange, in each case having jurisdiction over such Person, transaction or event; and
- (iii) "**Personal Information**" means information (other than business contact information when used or disclosed for the purpose of contacting such individual in that individual's capacity as an employee or an official of an organization and for no other purpose) about an identifiable individual disclosed or transferred in accordance with this Agreement and/or as a condition of the Arrangement.

(b)

The Parties acknowledge that they are responsible for compliance at all times with applicable privacy laws which govern the collection, use or disclosure of Personal Information disclosed to either Party pursuant to or in connection with this Agreement (the "**Disclosed Personal Information**").

(c)

Prior to the completion of the Arrangement, neither Party shall use or disclose the Disclosed Personal Information for any purposes other than those related to the performance of this Agreement and the completion of the Arrangement. After the completion of the transactions contemplated herein, a Party may only collect, use and disclose the Disclosed Personal Information for the purposes for which the Disclosed

Personal Information was initially collected from or in respect of the individual to which such Disclosed Personal Information relates or for the completion of the transactions contemplated herein, unless: (i) either Party shall have first notified such individual of such additional purpose, and where required by Applicable Laws, obtained the consent of such individual to such additional purpose; or (ii) such use or disclosure is permitted or authorized by Applicable Laws, without notice to, or consent from, such individual.

- (d) Each Party acknowledges and confirms that the disclosure of the Disclosed Personal Information is necessary for the purposes of determining whether the Parties shall proceed with the Arrangement, and that the Disclosed Personal Information relates solely to the carrying on of the business or the completion of the Arrangement.
- (e) Each Party acknowledges and confirms that it has taken and shall continue to take reasonable steps to prevent accidental loss or corruption of the Disclosed Personal Information, unauthorized input or access to the Disclosed Personal Information, or unauthorized or unlawful collection, storage, disclosure, recording, copying, alteration, removal, deletion, use or other processing of such Disclosed Personal Information.
- (f) Subject to the following provisions, each Party shall at all times keep strictly confidential all Disclosed Personal Information provided to it, and shall instruct those employees or advisors responsible for processing such Disclosed Personal Information to protect the confidentiality of such information in a manner consistent with the Parties' obligations hereunder. Prior to the completion of the Arrangement, each Party shall take reasonable steps to ensure that access to the Disclosed Personal Information shall be restricted to those employees or advisors of the respective Party who have a bona fide need to access such information.
- (g) Where authorized by Applicable Laws, each Party shall promptly notify the other Party of all inquiries, complaints, requests for access, variations or withdrawals of consent and claims of which the Party is made aware in connection with the Disclosed Personal Information. To the extent permitted by Applicable Laws, the Parties shall fully co-operate with one another, with the Persons to whom the Personal Information relates, and any authorized authority charged with enforcement of applicable privacy laws, in responding to such inquiries, complaints, requests for access, variations or withdrawals of consent and claims.
- (h) Upon the expiry or termination of this Agreement, or otherwise upon the reasonable request of the Party with original custody and control of the Disclosed Personal Information, the other Party shall forthwith cease all use of the Disclosed Personal Information acquired by it in connection with this Agreement and will return to the Party with original custody and control of the Disclosed Personal Information, or at such Party's request, destroy in a secure manner, the Disclosed Personal Information (and any copies thereof) in its possession.

ARTICLE 5 **CONDITIONS PRECEDENT**

5.1 Mutual Conditions Precedent

The respective obligations of the Parties to consummate the transactions contemplated hereby, and in particular the Arrangement, are subject to the satisfaction, on or before the Effective Date or such other time specified, of the following conditions, any of which may be waived in writing, in whole or

in part, by either Party (with respect to such Party) in its sole discretion at any time and without prejudice to any other rights that such Party may have:

- (a) Interim Order. The Interim Order shall have been obtained in form and substance satisfactory to each of Purchaser and Company, acting reasonably, on terms consistent with the Arrangement and such order shall not have been set aside or materially modified in a manner unacceptable to Purchaser and Company, each acting reasonably, on appeal or otherwise.
- (b) Arrangement Resolution. The Arrangement Resolution shall have been passed by the Company Shareholders in accordance with the Interim Order.
- (c) Final Order. The Final Order shall have been granted in form and substance satisfactory to Purchaser and Company, each acting reasonably, on terms consistent with the Arrangement and such order shall not have been set aside or materially modified in a manner unacceptable to Purchaser and Company, each acting reasonably, on appeal or otherwise.
- (d) Articles of Arrangement. The Articles of Arrangement to be filed by the Outside Date with the Registrar in accordance with the Arrangement shall be in form and substance satisfactory to each of Purchaser and Company, each acting reasonably.
- (e) Required Regulatory Approval. The Required Regulatory Approval has been obtained and shall be in full force and effect.
- (f) Outside Date. The Effective Date shall be on or before the Outside Date.
- (g) Purchaser Shares: The TSX and NYSE shall have conditionally approved for listing all of the Purchaser Shares issuable to the Company Shareholders pursuant to the Arrangement.
- (h) No Actions. There shall be no action taken under any existing Applicable Laws, nor any statute, rule, regulation or order which is enacted, enforced, promulgated or issued by any Governmental Authority which makes illegal or otherwise directly or indirectly restrains, enjoins or prohibits the Arrangement.

5.2 Additional Conditions to Obligations of Purchaser

The obligation of Purchaser to consummate the transactions contemplated hereby, and in particular the Arrangement, is subject to the following conditions:

- (a) Representations and Warranties. The representations and warranties of Company set forth:
 - (i) in Paragraphs (a) [*Organization and Qualification*], (b) [*Authority Relative to this Agreement*], (c) [*Subsidiaries, Joint Ventures and Partnerships*], (d) [*No Violations*] and (g) [*Bankruptcy and Insolvency*] of Schedule "D" shall be true and correct in all material respects as of the date of this Agreement and as of the Effective Time, as if made at and as of such time;
 - (ii) in Paragraph (j) [*Capitalization*] of Schedule "D" shall be true and correct in all respects as of the date of this Agreement and as of the Effective Time as if made at and as of such time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date)

(except for de minimis inaccuracies and it being understood the number of Company Shares outstanding may increase from the number outstanding on the date of this Agreement solely as a result of the conversion of securities of Company convertible into Company Shares, and that the number of Company Restricted Awards may change due to their vesting, expiry or termination in accordance with their terms); and

- (iii) the other representations and warranties of Company set forth in this Agreement shall be true and correct as of the Effective Time as if made as of such time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date), except to the extent that the failure or failures of such representations and warranties to be so true and correct, individually or in the aggregate, would not have a Material Adverse Effect with respect to Company (and, for this purpose, any reference to "material", "Material Adverse Effect" or other concepts of materiality in such representations and warranties shall be ignored),

and Company shall have provided to Purchaser a certificate of two senior officers of Company certifying the foregoing on the Effective Date.

- (b) Covenants. Company shall have complied in all material respects with its covenants herein, and Company shall have provided to Purchaser a certificate of two senior officers of Company certifying compliance with such covenants.
- (c) No Actions. No act, action, suit, proceeding, objection or opposition shall have been threatened or taken against Company before or by any Governmental Authority or by any elected or appointed public official or private Person in Canada or elsewhere, whether or not having the force of law, and no law, regulation, policy, judgment, decision, order, ruling or directive, whether or not having the force of law, shall have been proposed, enacted, promulgated, amended or applied, which in the sole judgment of Purchaser, acting reasonably, in either case has had or, if the Arrangement was consummated, would result in a Material Adverse Effect with respect to Company.
- (d) No Material Adverse Change. Between the date hereof and the Effective Time, there shall not have occurred any Material Adverse Change with respect to Company.
- (e) Company Board and Company Shareholders. Company shall have furnished Purchaser with:
 - (i) a certified copy of the resolutions duly passed by the Company Board approving this Agreement and the consummation of the transactions contemplated hereby; and
 - (ii) a certified copy of the resolution of the Company Shareholders, duly passed at the Company Meeting, approving the Arrangement Resolution.
- (f) Company Transaction Costs. The Company Transaction Costs paid, incurred or that will be payable on or after the Effective Date shall not exceed \$ [REDACTED] in aggregate.

(g) **Dissent Rights.** Holders of not greater than 10% of the outstanding Company Shares shall have validly exercised Dissent Rights in respect of the Arrangement that have not been withdrawn as of the Effective Date.

The conditions in this Section 5.2 are for the exclusive benefit of Purchaser and may be asserted by Purchaser regardless of the circumstances or may be waived in writing by Purchaser in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Purchaser may have.

5.3 Additional Conditions to Obligations of Company

The obligation of Company to consummate the transactions contemplated hereby, and in particular the Arrangement, is subject to the following conditions:

(a) **Representations and Warranties.** The representations and warranties of Purchaser set forth:

- (i) in Paragraphs (a) [*Organization and Qualification*], (b) [*Authority Relative to this Agreement*], (c) [*Subsidiaries, Joint Ventures and Partnerships*], (e) [*No Violations*] and (g) [*Bankruptcy and Insolvency*] of Schedule "C" shall be true and correct in all material respects as of the date of this Agreement and as of the Effective Time, as if made at and as of such time;
- (ii) in Paragraph (m) [*Capitalization*] of Schedule "C" shall be true and correct in all respects as of the date of this Agreement and as of the Effective Time as if made at and as of such time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date) (except, in each case, for de minimis inaccuracies and it being understood the number of Purchaser Shares outstanding may increase from the number outstanding on the date of this Agreement as a result of the conversion of securities of Purchaser convertible into Purchaser Shares, that the number of Purchaser convertible securities may change due to their vesting, expiry or termination in accordance with their terms, the number of Purchaser Shares may decrease as a result of purchases under any normal course issuer bid, and the number of Purchaser Shares may increase as a result of the share issuances pursuant to this Agreement); and
- (iii) the other representations and warranties of Purchaser set forth in this Agreement shall be true and correct as of the Effective Time as if made as of such time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date), except to the extent that the failure or failures of such representations and warranties to be so true and correct, individually or in the aggregate, would not have a Material Adverse Effect with respect to Purchaser (and, for this purpose, any reference to "material", "Material Adverse Effect" or other concepts of materiality in such representations and warranties shall be ignored),

and Purchaser shall have provided to Company a certificate of two senior officers of Purchaser certifying the foregoing on the Effective Date.

- (b) **Covenants**. Purchaser shall have complied in all material respects with its covenants herein, and Purchaser shall have provided to Company a certificate of two senior officers certifying compliance with such covenants.
- (c) **No Material Adverse Change**. Between the date hereof and the Effective Time, there shall not have occurred any Material Adverse Change with respect to Purchaser.
- (d) **Payment of Consideration**. Purchaser shall have deposited, or caused to be deposited, with the Depositary, sufficient funds and Purchaser Shares (or an irrevocable direction to the Depositary to issue Purchaser Shares in accordance with the Plan of Arrangement upon filing of the Articles of Arrangement) to satisfy Purchaser's obligations under Section 2.10 and the Depositary will have confirmed to Company receipt from or on behalf of Purchaser of the funds contemplated by Section 2.10.

The conditions in this Section 5.3 are for the exclusive benefit of Company and may be asserted by Company regardless of the circumstances or may be waived by Company in writing in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Company may have.

5.4 Notice and Effect of Failure to Comply with Conditions

Each of Purchaser and Company shall give prompt notice to the other of the occurrence, or failure to occur, at any time from the date hereof to the Effective Date of any event or state of facts which occurrence or failure would, or would be likely to: (i) cause any of the representations or warranties of such Party contained herein to be untrue or inaccurate in any material respect; or (ii) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by either Party hereunder; provided, however, that no such notification will affect the representations or warranties of the Parties or the conditions to the obligations of the Parties hereunder.

Purchaser may not exercise its right to terminate this Agreement pursuant to Section 8.1(a)(v), and Company may not exercise its right to terminate this Agreement pursuant to Section 8.1(a)(vi), unless the Party seeking to terminate the Agreement (the "**Terminating Party**") has delivered a written notice (the "**Termination Notice**") to the other Party (the "**Breaching Party**") specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which the Terminating Party asserts as the basis for the termination right. If any such notice is delivered, provided that, the Breaching Party is proceeding diligently to cure such matter and such matter is capable of being cured prior to the Outside Date, the Party seeking to terminate may not exercise such termination right until the earlier of: (a) the Outside Date; and (b) the date that is ten Business Days following receipt of such Termination Notice by the Breaching Party, if such matter has not been cured by such date. If the Terminating Party delivers a Termination Notice prior to the date of the Company Meeting, unless the Parties agree otherwise, Company shall postpone or adjourn the Company Meeting to the earlier of: (a) three Business Days prior to the Outside Date; and (b) the date that is ten Business Days following receipt of such Termination Notice by the Breaching Party.

5.5 Satisfaction of Conditions

The conditions set out in this Article 5 are conclusively deemed to have been satisfied, waived or released when, with the agreement of the Parties, Articles of Arrangement are filed under the ABCA to give effect to the Arrangement.

ARTICLE 6

NON-SOLICITATION AND AGREEMENT AS TO DAMAGES

6.1

Covenants Regarding Non-Solicitation

(a)

Company shall immediately cease and cause to be terminated all existing solicitations, discussions and negotiations (including, without limitation, through any of its Representatives), with any parties (other than Purchaser) initiated or conducted before the date of this Agreement with respect to any proposal that constitutes, or may reasonably be expected to constitute an Acquisition Proposal. Company represents and warrants that it has not waived, amended or failed to enforce any standstill provisions contained in a confidentiality agreement or otherwise for any Person other than Purchaser. Company shall: (i) enforce against all third parties, other than Purchaser, any confidentiality, standstill or similar agreement or restriction to which Company is a party (and shall not provide any consent that would relieve any such third party from any such restriction); provided that it is acknowledged by Purchaser that the automatic termination or release of any such agreement or restriction solely as a result of entering into this Agreement shall not be a violation of this Article 6; and (ii) immediately discontinue, and shall cause its Representatives to discontinue, access to any of Company's confidential information and not allow or establish access to any of its confidential information, or any data room, virtual or otherwise and shall promptly (and in any event within two Business Days of the date hereof) request, and exercise all rights it has to discontinue access to, and require the return or destruction of, all confidential information provided to any third parties who have entered into a confidentiality agreement with Company relating to an Acquisition Proposal and shall use all reasonable commercial efforts to ensure that such requests are honoured.

(b)

Company shall not, directly or indirectly, do or authorize or permit any of its Representatives to do, any of the following:

- (i) solicit, assist, initiate or knowingly facilitate or encourage or take any action to solicit or knowingly facilitate, initiate or encourage any Acquisition Proposal, or engage in any communication regarding the making of any proposal or offer that constitutes or may constitute or may reasonably be expected to lead to an Acquisition Proposal, including by way of furnishing information or access to properties, facilities or books and records;
- (ii) enter into or otherwise engage or participate in any discussions or negotiations regarding any inquiry, proposal or offer that constitutes or may constitute or may reasonably be expected to lead to an Acquisition Proposal, or furnish or provide access to any information with respect to its businesses, properties, operations, prospects, securities or conditions (financial or otherwise) in connection with or in furtherance of an Acquisition Proposal or otherwise cooperate in any way with, or assist or participate in, knowingly facilitate or encourage, any effort or attempt of any other Person to do or seek to do any of the foregoing;
- (iii) (A) withdraw, amend, modify or qualify, or propose publicly to withdraw, amend, modify or qualify, in any manner adverse to Purchaser, the Company Board Recommendation, or (B) make any public announcement or take any other action inconsistent with the Company Board Recommendation, except in each case, in the manner contemplated by Section 6.1(g);

- (iv) waive, modify or release any third party from or otherwise forbear in the enforcement of, or enter into or participate in any discussions, negotiations or agreements to waive, modify, release any third party from, or provide any consent to any third party under, or otherwise forbear in respect of, any rights or other benefits under confidential information, non-disclosure or similar agreements, including, without limitation, any "standstill provisions" thereunder; provided that it is acknowledged by Purchaser that the automatic termination or release of any such agreement or restriction solely as a result of entering into this Agreement shall not be a violation of this Article 6;
- (v) accept, recommend, approve, agree to, endorse, or propose publicly to accept, recommend, approve, agree to, or endorse, an Acquisition Proposal;
- (vi) for a period in excess of five Business Days, take no position or a neutral position with respect to, a publicly announced or publicly proposed Acquisition Proposal; or
- (vii) otherwise take any action that could reasonably be expected to lead to an Acquisition Proposal;

provided however, that notwithstanding the foregoing provisions of clause (ii) of Section 6.1(a) or this Section 6.1(b), Company and its Representatives may:

- (viii) at any time prior to obtaining the approval of the Company Shareholders of the Arrangement Resolution, enter into or participate in any discussions or negotiations with an arm's length third party who (without any solicitation, initiation or encouragement, directly or indirectly, after the date of this Agreement, by Company or any of its Representatives) seeks to initiate such discussions or negotiations with Company that do not result from a breach of this Section 6.1 and, subject to execution of a confidentiality and standstill agreement on terms that are no less favourable to Company than those contained in the Confidentiality Agreement (provided that, such confidentiality agreement shall provide for disclosure thereof (along with all information provided thereunder) to Purchaser as set out below and shall not grant such third party the exclusive right to negotiate with Company), may furnish to such third party information concerning Company and its business, properties and assets (on the condition that such third party is not furnished with greater access or information than Purchaser), in each case if, and only to the extent that:
 - (A) the third party has first made a written *bona fide* Acquisition Proposal which did not result from a breach of this Section 6.1 and in respect of which the Company Board determines in good faith, after consultation with its legal counsel and financial advisors, constitutes or could reasonably be expected to constitute or lead to, a Superior Proposal;
 - (B) such third party making the Acquisition Proposal was not restricted from making such Acquisition Proposal pursuant to an existing confidentiality, standstill, non-disclosure, non-solicitation or similar agreement, restriction or covenant with the Company or any of its subsidiaries;

- (C) prior to furnishing such information to or entering into or participating in any such discussions or negotiations with such third party, Company provides prompt written notice to Purchaser to the effect that it is furnishing information to or entering into or participating in discussions or negotiations with such Person together with a copy of the confidentiality and standstill agreement referenced above and, if not previously provided to Purchaser, copies of all information provided to such third party concurrently with the provision of such information to such third party, and provided further that Company shall notify Purchaser orally and in writing of any inquiries, offers or proposals with respect to an Acquisition Proposal (which written notice shall include a copy of any such proposal (and any amendments or supplements thereto), the identity of the Person making it, and, if not previously provided to Purchaser, copies of all information provided to such party), within 24 hours of the receipt thereof, shall keep Purchaser promptly and fully informed of the status of material developments, discussions and negotiations with respect to the Acquisition Proposal and of each change in the proposed consideration to be offered pursuant to such Acquisition Proposal and each material change in any of the terms of such Acquisition Proposal; and
- (D) Company shall continue to be, at all times, in compliance with this Section 6.1; and

(ix) at any time prior to obtaining the approval of the Company Shareholders of the Arrangement Resolution, withdraw any approval or recommendation contemplated by Section 6.1(b)(iii) and accept, recommend, approve or enter into an agreement to implement a Superior Proposal from a third party, but only if prior to such acceptance, recommendation, approval or implementation, (A) the Company Board shall have concluded in good faith, after considering all proposals to adjust the terms and conditions of this Agreement as contemplated by Section 6.1(d) and after receiving the advice of legal counsel and financial advisors, as reflected in the minutes of the Company Board, that the failure by the Company Board to take such action would be inconsistent with its fiduciary duties under Applicable Laws, (B) the Person making the Acquisition Proposal was not restricted from making such Acquisition Proposal pursuant to an existing confidentiality, standstill, non-disclosure, non-solicitation or similar agreement, restriction or covenant with the Company or any of its subsidiaries, (C) Company complies, and at all times has complied, with all of its obligations set forth in this Section 6.1, and (D) Company terminates this Agreement in accordance with Section 8.1(a)(viii) and concurrently therewith pays the Purchaser Termination Fee to Purchaser.

(c) Company shall promptly (and in any event within 24 hours) notify Purchaser of any Acquisition Proposal (or any amendment thereto) or any request for non-public information relating to Company or its assets in connection with an Acquisition Proposal, or any amendments to the foregoing or if it otherwise become aware of any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to an Acquisition Proposal. Such notice shall include a full and complete copy of any written Acquisition Proposal (and any amendment thereto) which has been received or, if no written Acquisition Proposal has been received, a description of the material terms and conditions of, and the identity of the Person making, any inquiry, proposal, offer or request. Company

shall keep Purchaser promptly and fully informed of the status of material developments, discussions and negotiations with respect to the Acquisition Proposal and of each change in the proposed consideration to be offered pursuant to such Acquisition Proposal and of each material change in any of the terms of such Acquisition Proposal and shall provide to Purchaser copies of all correspondence with the Person making such Acquisition Proposal, with respect to such Acquisition Proposal or proposal, inquiry, offer or request if in writing or in electronic form, and if not in writing or in electronic form, a description of the terms of such correspondence.

(d) Company shall give Purchaser at least five Business Days' advance notice of any decision by the Company Board to accept, recommend, approve or enter into an agreement to implement a Superior Proposal, which shall:

- (i) confirm that the Company Board (and any relevant committee thereof), in consultation with its financial advisors and legal counsel, has determined in good faith that such Acquisition Proposal constitutes a Superior Proposal;
- (ii) identify the third party making the Superior Proposal; and
- (iii) confirm that a definitive agreement to implement such Superior Proposal has been settled between Company and such third party in all material respects (including in respect of the value and financial terms) and the value ascribed to any non-cash consideration offered under such Acquisition Proposal, and Company will concurrently provide a true and complete copy thereof, together with all supporting materials, including any financing documents supplied to Company in connection therewith, and will thereafter promptly provide any amendments thereto, to Purchaser.

During the five Business Day period commencing on delivery of such notice that complies with the requirements set forth in paragraphs (i), (ii), and (iii) above in all respects, Company agrees not to accept, recommend, approve or enter into any agreement to implement such Superior Proposal and not to release the party making the Superior Proposal from any standstill provision, and shall not withdraw, redefine, modify or change the recommendation of its directors regarding the Arrangement. During such five Business Day period, Purchaser shall have the opportunity (but not the obligation) to offer to amend this Agreement and the Arrangement in order for such Acquisition Proposal to cease to be a Superior Proposal. In addition, during such five Business Day period, Company shall, and shall cause its Representatives to, if so requested by Purchaser, negotiate in good faith with Purchaser and its Representatives in respect of any proposed adjustments in the terms and conditions of this Agreement and the Arrangement as Purchaser deems appropriate. The Company Board shall review any proposal by Purchaser to amend the terms of the transactions contemplated in this Agreement and the Arrangement in order to determine, in good faith in the exercise of its fiduciary duties, whether Purchaser's proposal to amend the transactions contemplated by this Agreement and the Arrangement would result in the Acquisition Proposal not being a Superior Proposal compared to the proposed amendments to the transactions contemplated by this Agreement and the Arrangement. In the event Purchaser proposes to amend this Agreement such that the Acquisition Proposal ceases to be a Superior Proposal, and so advises the Company Board in writing prior to the expiry of such five Business Day period, the Company Board shall not accept, recommend, approve or enter into any agreement to implement such Superior Proposal and shall not withdraw, redefine, modify or change its recommendation in respect of the Arrangement

and Purchaser and Company shall enter into an amended version of this Agreement reflecting such proposed amendments prior to the expiry of such five Business Day period, and upon execution thereof, the Company Board shall promptly reaffirm its recommendations and determinations referred to in Section 2.2 by press release. For greater certainty, each successive amendment to an Acquisition Proposal shall constitute a new Acquisition Proposal for the purposes of this Section 6.1 and shall initiate a new five Business Day match right period.

- (e) Purchaser agrees that all information that may be provided to it by Company with respect to any Acquisition Proposal pursuant to this Section 6.1 shall be treated as if it were "Confidential Information" as that term is defined in the Confidentiality Agreement and shall not be disclosed or used except in accordance with the provisions of the Confidentiality Agreement or in order to enforce its rights under this Agreement in legal proceedings.
- (f) In the event that Company provides the notice contemplated by Section 6.1(d) on a date which is less than ten Business Days prior to the Company Meeting, Purchaser shall be entitled to require Company to adjourn or postpone the Company Meeting to a date acceptable to Purchaser, acting reasonably, provided that such adjournment or postponement may not exceed ten Business Days without the consent of Company.
- (g) Neither Company nor the Company Board shall withdraw, qualify, amend or modify in a manner adverse to Purchaser, the approval or recommendation of the Arrangement by the Company Board, except if: (i) such withdrawal, qualification, amendment or modification occurs simultaneously with the entry by Company, in accordance with the requirements of this Section 6.1, into a definitive agreement with respect to an Acquisition Proposal constituting a Superior Proposal; and (ii) Company concurrently pays the Purchaser Termination Fee to Purchaser.
- (h) Company shall ensure that its Representatives are aware of the provisions of this Section 6.1 and shall be responsible for any breach of this Section 6.1 by any of them.
- (i) Nothing contained in this Agreement shall prevent the Company Board from complying with Section 2.17 of NI 62-104 and similar provisions under Applicable Laws relating to the provision of a directors' circular with respect of an Acquisition Proposal; provided, however, that notwithstanding that the Company Board shall be permitted to make such disclosure, the Company Board shall not be permitted to withdraw, amend, modify or qualify, or propose publicly to withdraw, amend, modify or qualify, in any manner adverse to Purchaser, the Company Board Recommendation, or endorse, or propose publicly to accept, recommend, approve, agree to, or endorse, an Acquisition Proposal unless otherwise permitted by this Agreement.
- (j) Nothing contained in this Agreement shall prohibit Company or the Company Board from calling and/or holding a meeting requisitioned by the Company Shareholders in accordance with the ABCA or taking any other action to the extent ordered or otherwise mandated by a Governmental Authority in accordance with Applicable Laws; provided, however, in each case that notwithstanding that the Company Board shall be permitted to make such disclosure, the Company Board shall not be permitted to withdraw, amend, modify or qualify, or propose publicly to withdraw, amend, modify or qualify, in any manner adverse to Purchaser, the Company Board Recommendation, or endorse, or propose publicly to

accept, recommend, approve, agree to, or endorse, an Acquisition Proposal unless otherwise permitted by this Agreement.

6.2

Purchaser Damages

If at any time after the execution of this Agreement:

- (a) Company: (i) fails to make any of the Company Board Recommendation, including in any press release contemplated by Section 10.4 that is issued by Company with respect to this Agreement or the Arrangement or as otherwise required by this Agreement; (ii) withdraws, amends, changes or qualifies, or proposes publicly to withdraw, amend, change or qualify, any of the Company Board Recommendation in a manner adverse to Purchaser (it being understood that the taking of a neutral position or no position with respect to an announced Acquisition Proposal beyond the earlier of a period of two Business Days following such announcement or the date which is the day prior to the date proxies in respect of the Company Meeting must be deposited shall be considered an adverse modification to such recommendation); or (iii) resolves to do any of the foregoing, and this Agreement is terminated in accordance with Section 8.1(a)(vii);
- (b) the Company Board shall have failed to reaffirm publicly any of the Company Board Recommendation: (A) in the manner and within the time period set out in Section 6.1(d); or (B) within five Business Days after having been requested to do so by Purchaser, and this Agreement is terminated in accordance with Section 8.1(a)(vii);
- (c) this Agreement is terminated by either Party pursuant to Section 8.1(a)(ii) or Section 8.1(a)(iv) or by Purchaser (prior to the Company Meeting and due to wilful breach) pursuant to Section 8.1(a)(v), and in each case prior to such termination an Acquisition Proposal (or an intention to make an Acquisition Proposal) is or has been publicly announced, proposed, disclosed, offered or made by any Person (other than Purchaser or its affiliates) and, within 12 months following the date of such termination:
 - (i) the Company Board recommends any Acquisition Proposal which is subsequently consummated at any time thereafter (whether or not within such 12-month period);
 - (ii) Company enters into a binding definitive agreement in respect of any Acquisition Proposal which is subsequently consummated at any time thereafter (whether or not within such 12-month period); or
 - (iii) any Acquisition Proposal is consummated;
- (d) the Company Board (or any committee thereof) accepts, recommends, approves or enters into, or proposes publicly to accept, recommend, approve or enter into, an agreement, understanding or letter of intent to implement a Superior Proposal and this Agreement is terminated pursuant to Section 8.1(a)(viii); or
- (e) Company breaches any of its obligations under Article 6 in any material respect and this Agreement is terminated pursuant to Section 8.1(a)(vii).

(each of the above, a "Purchaser Damages Event"),

Company shall pay to Purchaser (or to whom Purchaser may direct in writing) \$4 million (the "Purchaser Termination Fee") as liquidated damages in immediately available funds to an account designated by Purchaser. The Purchaser Termination Fee shall be paid as aforesaid:

- (f) within two Business Days immediately following the termination of this Agreement by Purchaser in the case of a Purchaser Damages Event described in Sections 6.2(a), 6.2(b) or 6.2(e);
- (g) in accordance with Sections 6.1(b)(ix) and 8.1(a)(viii) in the case of the Purchaser Damages Event described in Section 6.2(d); and
- (h) upon consummation of the Acquisition Proposal referred to therein in the case of the Purchaser Damages Event described in Section 6.2(c).

Following a Purchaser Damages Event, but prior to payment of the Purchaser Termination Fee, Company shall, and shall be deemed to, hold any amount owing to Purchaser under this Section 6.2 in trust for Purchaser. Company shall only be obligated to pay one Purchaser Termination Fee pursuant to this Section 6.2.

6.3 Purchaser Liquidated Damages

Each Party acknowledges that the Purchaser Termination Fee set out in Section 6.2 represents liquidated damages, which is a genuine pre-estimate of the damages, including opportunity costs, reputational damage and out-of-pocket expenditures, which Purchaser and its affiliates will suffer or incur as a result of the event giving rise to such damages and the resultant termination of this Agreement and is not a penalty. Each Party irrevocably waives any right it may have to raise as a defence that any such liquidated damages are excessive or punitive. For greater certainty, the Parties agree that the payment of the amount pursuant to Section 6.2 is the sole monetary remedy of Purchaser in respect of the events contemplated by Section 6.2; provided, however, that this limitation shall not apply in the event of fraud or wilful or intentional breach of this Agreement by Company and, in such circumstances, Purchaser may pursue an action against Company for damages. Nothing in Section 6.2 and this Section 6.3 shall, in circumstances where a Purchaser Termination Fee is not payable, otherwise preclude Purchaser from pursuing an action against Company for damages under a breach of this Agreement or any remedies under Section 10.8, including seeking and obtaining injunctive relief to restrain any breach or threatened breach of the covenants or agreements of Company set forth in this Agreement or the Confidentiality Agreement or otherwise to obtain specific performance of any of such acts, covenants or agreements, without the necessity of posting bond or security in connection therewith. In no event shall Company be obligated to pay the Purchaser Termination Fee on more than one occasion whether or not such fee may be payable at different times or upon the occurrence of different events.

ARTICLE 7 AMENDMENT

7.1 Amendment

This Agreement may at any time and from time to time before or after the holding of the Company Meeting but not later than the Effective Time, be amended by written agreement of the Parties without, subject to Applicable Laws, further notice to or authorization on the part of the Company Shareholders and any such amendment may, without limitation:

- (a) change the time for performance of any of the obligations or acts of the Parties;

- (b) waive any inaccuracies or modify any representation or warranty contained herein or in any document delivered pursuant hereto;
- (c) waive compliance with or modify any of the covenants herein contained and waive or modify performance of any of the obligations of the Parties; or
- (d) waive compliance with or modify any other conditions precedent contained herein;

provided that, no such amendment reduces or materially adversely affects the consideration to be received by a Company Shareholder without approval by the affected Company Shareholders given in the same manner as required for the approval of the Arrangement or as may be ordered by the Court.

7.2 Amendment of Plan of Arrangement

The Parties may agree to amend the Plan of Arrangement as set forth in Article 6 of the Plan of Arrangement.

ARTICLE 8 TERMINATION

8.1 Termination

- (a) This Agreement may be terminated at any time prior to the Effective Date:
 - (i) by mutual written consent of Purchaser and Company;
 - (ii) by either Purchaser or Company if the Arrangement Resolution shall have failed to receive the requisite votes of the Company Shareholders for approval at the Company Meeting (including any adjournment or postponement thereof) in accordance with the Interim Order;
 - (iii) by either Purchaser or Company if a change in Applicable Laws is enacted, made, enforced or amended that makes the consummation of the Arrangement illegal or otherwise prohibits or enjoins the Parties from completing the Arrangement, and such Applicable Law has, if applicable, become final and non-appealable, on the condition that: (A) the Party seeking to terminate this Agreement has used its commercially reasonable efforts to, as applicable, appeal or overturn such Applicable Law or otherwise have it lifted or rendered non-applicable in respect of the Arrangement; and (B) the enactment, making, enforcement or amendment of such Applicable Law was not primarily due to the failure of such Party to perform any of its covenants or agreements under this Agreement;
 - (iv) by either Purchaser or Company if the Effective Time shall not have occurred on or prior to the Outside Date, except that the right to terminate the Agreement under this Section 8.1(a)(iv) shall not be available to the Party whose failure to fulfill any of its covenants or obligations in this Agreement has been the sole cause of, or resulted in, the failure of the Effective Time to occur by such date;
 - (v) by Purchaser if the conditions set forth in Sections 5.1 and 5.2 (other than those conditions that by their nature are to be satisfied at closing of the Arrangement, but subject to satisfaction or waiver of those conditions) have not been satisfied or

waived by the Outside Date or such condition is incapable of being satisfied by the Outside Date; provided that Purchaser has complied with Section 5.4 and Purchaser is not then in breach of this Agreement so as to cause any of the conditions set forth in Sections 5.1 and 5.3 not to be satisfied;

- (vi) by Company if the conditions set forth in Sections 5.1 and 5.3 (other than those conditions that by their nature are to be satisfied at closing of the Arrangement, but subject to satisfaction or waiver of those conditions) have not been satisfied or waived by the Outside Date or such condition is incapable of being satisfied by the Outside Date; provided that Company has complied with Section 5.4 and Company is not then in breach of this Agreement so as to cause any of the conditions set forth in Sections 5.1 and 5.2 not to be satisfied;
- (vii) by Purchaser upon the occurrence of a Purchaser Damages Event as provided in Section 6.2; or
- (viii) by Company to accept, recommend, approve or enter into an agreement to implement a Superior Proposal; provided that: (A) Company has complied with its obligations set forth in Section 6.1; and (B) Company concurrently pays the Purchaser Termination Fee to Purchaser.

(b) If this Agreement is terminated in accordance with the foregoing provisions of this Section 8.1, this Agreement shall forthwith become void and be of no further force or effect and neither Party shall have any liability or further obligation to the other Party hereunder except with respect to the obligations set out in any of Section 1.5, Section 1.7, Section 1.12, Section 2.1(c), Section 4.3, Section 6.2 (provided in the case of Section 6.2, the right of payment arose, other than with respect to Section 6.2(c), prior to or in connection with the termination of this Agreement), Section 6.3, Article 9 and Article 10, all of which survive such termination. Unless otherwise provided herein, the exercise by either Party of any right of termination hereunder shall be without prejudice to any other remedy available to such Party at law or in equity. For greater certainty, the termination of this Agreement pursuant to this Article 8 shall not: (i) subject to Section 6.3, relieve either Party from liability for any fraud or wilful breach by it of this Agreement that occurred prior to the date of termination; or (ii) affect the rights or obligations of either Party under the Confidentiality Agreement, which shall remain in full force and effect, subject to any further agreement of the Parties.

ARTICLE 9 NOTICES

9.1 Notices

All notices that may or are required to be given pursuant to any provision of this Agreement are to be given or made in writing and served personally, delivered by overnight courier or sent by email transmission:

- (a) in the case of Purchaser, to:

Precision Drilling Corporation
Suite 800, 525-8th Avenue S.W.
Calgary, AB, T2P 1G1

Attention: Chief Financial Officer
Email: [REDACTED]

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

Osler, Hoskin & Harcourt LLP
Suite 2700, Brookfield Place
225 - 6th Avenue S.W.
Calgary AB T2P 1N2
Canada

Attention: Andrea Whyte / Justin Sherman
Email: awhyte@osler.com / jsherman@osler.com

(b) in the case of Company, to:

CWC Energy Services Corp.
Suite 2910, 605 - 5th Avenue S.W.
Calgary, AB T2P 3H5

Attention: President and Chief Executive Officer
Email: [REDACTED]

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

Burnet, Duckworth & Palmer LLP
Suite 2400, 525 - 8th Avenue S.W.
Calgary, AB T2P 1G1

Attention: James Kidd
Email: jlk@bdplaw.com

or such other address as either Party may, from time to time, advise the other Party by notice in writing. The date or time of receipt of any such notice will be deemed to be the date of delivery or the time such email transmission is received.

ARTICLE 10 GENERAL

10.1 Non-Survival of Representations and Warranties

No investigation by or on behalf of, or knowledge of, a Party, will mitigate, diminish or affect the representations or warranties made by the other Party in this Agreement or any certificate delivered by such other Party pursuant to this Agreement. The respective representations and warranties of the Parties contained in this Agreement shall not survive the completion of the Arrangement and shall expire and be terminated on the earlier of the Effective Time and the date on which this Agreement is terminated in accordance with its terms. This Section 10.1 shall not limit any undertaking, obligation, covenant or agreement of whatever nature of a Party or any of its subsidiaries which, by its terms, contemplates performance after the Effective Time or date on which this Agreement is terminated, as the case may be.

10.2 Binding Effect

This Agreement shall be binding upon and enure to the benefit of the Parties and their respective successors and permitted assigns.

10.3 Assignment

Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by either of the Parties without the prior written consent of the other Party, except that Purchaser may assign all or a portion of its rights under this Agreement to any subsidiary of Purchaser (including AcquisitionCo) but no assignment shall relieve Purchaser of any of its obligations hereunder.

10.4 Public Communications

Each of Purchaser and Company agree to consult with each other prior to issuing any press releases or otherwise making public statements with respect to this Agreement or the Arrangement or making any filing with any Governmental Authority with respect thereto. Without limiting the generality of the foregoing, neither Party shall issue any press release regarding the Arrangement, this Agreement or any transaction relating to this Agreement without first providing a draft of such press release to the other Party and reasonable opportunity for comment; provided, however, that the foregoing shall be subject to each Party's overriding obligation to make any such disclosure required in accordance with Applicable Laws. If such disclosure is required and the other Party has not reviewed or commented on the disclosure, the Party making such disclosure shall use commercially reasonable efforts to give prior oral or written notice to the other Party, and if such prior notice is not possible, to give such notice promptly following such disclosure.

10.5 Costs

Except as otherwise expressly provided for in Article 3 and Article 6, all fees, costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the Party incurring such cost or expense, whether or not the Arrangement is completed.

10.6 Severability

If any one or more of the provisions or parts contained in this Agreement should be or become invalid, illegal or unenforceable in any respect, the remaining provisions or parts contained herein shall be and shall be conclusively deemed to be severable therefrom and the validity, legality or enforceability of such remaining provisions or parts shall not in any way be affected or impaired by the severance of the provisions or parts so severed. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

10.7 Further Assurances

Each Party shall, from time to time and at all times hereafter, at the request of the other Party, but without further consideration, do all such further acts, and execute and deliver all such further documents and instruments and provide all such further assurances as may be reasonably required in order to fully perform and carry out the terms and intent hereof.

10.8 Specific Performance

Purchaser and Company agree that irreparable harm would occur for which money damages would not be an adequate remedy at law in the event that any of the provisions of this Agreement were not performed by the other Party in accordance with the terms hereof. It is accordingly agreed that each Party shall be entitled to an injunction or injunctions and other equitable relief to prevent breaches or threatened breaches of the provisions of this Agreement or otherwise to obtain specific performance of any such provisions, any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief hereby being waived.

Each Party hereby agrees not to raise any objections to the availability of the equitable remedies provided for herein and the Parties further agree that (i) by seeking the remedies provided for in this Section, a Party shall not in any respect waive its right to seek any other form of relief that may be available to a Party under this Agreement (including any monetary damages, provided that under no circumstances will a Party be entitled to both a grant of specific performance or other equitable remedies provided for in this Section 10.8 and any monetary damages), and (ii) nothing set forth in this Section 10.8 shall require any Party hereto to institute any proceeding for (or limit any Party's right to institute any proceeding for) specific performance under this Section 10.8 prior or as a condition to exercising any termination right under this Agreement (and/or receipt of any amounts due in connection with such termination), nor shall the commencement of any legal action or legal proceeding pursuant to this Section 10.8 or anything set forth in this Section 10.8 restrict or limit any Party's right to terminate this Agreement in accordance with the terms hereof, or pursue any other remedies under this Agreement that may be available then or thereafter.

10.9 Time of Essence

Time shall be of the essence of this Agreement.

10.10 Applicable Laws and Enforcement

This Agreement shall be governed, including as to validity, interpretation and effect, by the Applicable Laws of the Province of Alberta and the Applicable Laws of Canada applicable therein. The Parties hereby irrevocably submit and attorn to the exclusive jurisdiction of the courts of the Province of Alberta located in Calgary, in respect of all matters arising out of this Agreement.

10.11 Waiver

Either Party may, on its own behalf only: (a) extend the time for the performance of any of the obligations or acts of the other Party; (b) waive compliance with the other Party's agreements or the fulfillment of any conditions to its own obligations contained herein; or (c) waive inaccuracies in the other Party's representations or warranties contained herein or in any document delivered by the other Party; provided, however, that any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such Party and, unless otherwise provided in the written waiver, will be limited to the specific breach or condition waived.

10.12 Third Party Beneficiaries

Nothing in this Agreement, expressed or implied, is intended to confer on any Person other than the Parties any rights, remedies, obligations or liabilities under or by reason of this Agreement, and no Person that is not a party to this Agreement (including any Company Shareholder, director, officer or employee) shall have any standing as a third party beneficiary with respect to this Agreement or the

transactions contemplated hereby. Notwithstanding the foregoing sentence, the provisions of Sections 2.4(h), 2.4(i) 2.7(f), , 3.2(a), and 3.2(b) are: (a) intended for the benefit of all such directors, officers and employees and shall be enforceable by each of such persons and their respective heirs, executors, administrators and other legal representatives (collectively, the "**Third Party Beneficiaries**") and Company and Purchaser shall hold the rights and benefits of such Sections in trust for and on behalf of the Third Party Beneficiaries and Company and Purchaser hereby accept such trust and agrees to hold the benefit of and enforce performance of such covenants on behalf of the Third Party Beneficiaries; and (b) are in addition to, and not in substitution for, any other rights that the Third Party Beneficiaries may have by contract or otherwise.

10.13 Counterparts

This Agreement may be executed by facsimile or other electronic signature and in counterparts, each of which shall be deemed an original, and all of which together constitute one and the same instrument.

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

PRECISION DRILLING CORPORATION

By: (signed) "Carey T. Ford"
Name: Carey T. Ford
Title: Chief Financial Officer

CWC ENERGY SERVICES CORP.

By: (signed) "Duncan Au"
Name: Duncan Au
Title: President and Chief Executive Officer

SCHEDULE "A"
PLAN OF ARRANGEMENT

**PLAN OF ARRANGEMENT UNDER SECTION 193
OF THE BUSINESS CORPORATIONS ACT (ALBERTA)**

**ARTICLE 1
DEFINITIONS AND INTERPRETATION**

1.1

Unless indicated otherwise, any capitalized term used herein but not defined shall have the meaning given to it in the Arrangement Agreement and the following terms shall have the respective meanings set out below (and grammatical variations of such terms shall have corresponding meanings):

- (a) **"ABCAct"** means the *Business Corporations Act*, R.S.A. 2000, c. B 9, as such may be amended from time to time prior to the Effective Date;
- (b) **"Aggregate Cash Elected"** means the aggregate amount of cash that would be payable to holders of Company Shares based on elections and deemed elections to receive (i) the Cash Consideration and, (ii) the Combined Consideration made pursuant to the provisions hereof before giving effect to the proration provision of subsection 3.1(e);
- (c) **"Aggregate Consideration"** means \$101,483,358;
- (d) **"Aggregate Shares Elected"** means the aggregate number of Purchaser Shares that would be issuable to holders of Company Shares based on elections and deemed elections to receive (i) the Share Consideration and, (ii) the Combined Consideration made pursuant to the provisions hereof before giving effect to the proration provision of subsection 3.1(e);
- (e) **"Applicable Laws"**, in the context that refers to one or more Persons, means any domestic or foreign, federal, state, provincial or local law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated or applied by a Governmental Authority, and any terms and conditions of any grant of approval, permission, authority or license of any Governmental Authority, that is binding upon or applicable to such Person or Persons or its or their business, undertaking, property or securities and emanate from a Person having jurisdiction over the Person or Persons or its or their business, undertaking, property or securities, and to the extent they have the force of law, policies, guidelines, notices and protocols of any Governmental Authority;
- (f) **"Arrangement"** means the arrangement under the provisions of section 193 of the ABCA, on the terms and conditions set forth in this Plan of Arrangement as supplemented, or modified in accordance with the provisions of the Arrangement Agreement and this Plan of Arrangement, or amended or made at the direction of the Court in the Final Order (with the consent of both Company and Purchaser, each acting reasonably);
- (g) **"Arrangement Agreement"** means the arrangement agreement made as of September 7, 2023 between Purchaser and Company, as supplemented, modified or amended from time to time in accordance with its terms;

- (h) "**Arrangement Resolution**" means the special resolution of the Company Shareholders in respect of the Arrangement to be considered at the Company Meeting substantially in the form attached to the Arrangement Agreement as Schedule "B"
- (i) "**Articles of Arrangement**" means the articles of arrangement of Company giving effect to the Arrangement, required under subsection 193(4.1) of the ABCA to be filed with the Registrar after the Final Order has been granted, which shall be in a form and content satisfactory to the Parties, acting reasonably;
- (j) "**Business Day**" means any day other than a Saturday, Sunday or statutory holiday or other day when banks in the City of Calgary, Alberta are not generally open for business;
- (k) "**Cash Consideration**" means the consideration in the form of cash to be paid on the election of a Company Shareholder pursuant to subsection 3.1(d)(i);
- (l) "**Cash Electing Shareholder**" means a Company Shareholder who has elected to receive Cash Consideration only pursuant to the Arrangement;
- (m) "**Cash Maximum**" means \$13,725,943, less an amount equal to 13.5% multiplied by the product of: (i) the number of Company Shares, if any, in respect of which Dissent Rights are validly exercised and which exercise remains valid immediately prior to the Effective Time; and (ii) the number obtained by dividing the Aggregate Consideration by the Total Company Shares;
- (n) "**Certificate**" means the certificate or other proof of filing to be issued by the Registrar pursuant to subsection 193(11) of the ABCA giving effect to the Arrangement;
- (o) "**Combination Electing Shareholder**" means a Company Shareholder who has elected or is deemed by Section 3.1(f) to have elected to receive a combination of Cash Consideration and Share Consideration pursuant to the Arrangement;
- (p) "**Combined Consideration**" means the consideration in the form of Cash Consideration and Share Consideration to be received on the election or deemed election of a Company Shareholder pursuant to the Arrangement;
- (q) "**Company**" means CWC Energy Services Corp., a corporation existing under the laws of the Province of Alberta;
- (r) "**Company Meeting**" means the special meeting of Company Shareholders to be held in accordance with the Arrangement Agreement and the Interim Order to consider the Arrangement Resolution and any adjournment(s) or postponement(s) thereof;
- (s) "**Company Option Plan**" means the stock option plan of Company dated May 1, 2007, as amended;
- (t) "**Company Restricted Award Plan**" means the restricted award incentive plan of Company dated December 18, 2012, as amended;

- (u) "**Company Restricted Awards**" means the restricted awards granted under the Company Restricted Award Plan;
- (v) "**Company Shareholders**" means holders of Company Shares, from time to time;
- (w) "**Company Shares**" means the common shares in the capital of Company;
- (x) "**Consideration**" means the consideration payable pursuant to the Plan of Arrangement to a Person who is a Company Shareholder;
- (y) "**Court**" means the Court of King's Bench of Alberta;
- (z) "**Depository**" means Computershare Trust Company of Canada or such other Person that may be appointed by Purchaser with the consent of Company (such consent not to be unreasonably withheld, conditioned or delayed) in connection with the Arrangement for *inter alia* the purpose of receiving deposits of certificates formerly representing the Company Shares and paying the Consideration;
- (aa) "**Dissent Rights**" means the rights of dissent in respect of the Arrangement described in Article 4 of this Plan of Arrangement;
- (bb) "**Dissenting Shareholder**" means a registered Company Shareholder who validly exercises its Dissent Rights in strict compliance with Article 4 of this Plan of Arrangement and the Interim Order, and has not withdrawn, or been deemed to have withdrawn, such exercise of Dissent Rights immediately prior to the Effective Time;
- (cc) "**Effective Date**" means the date shown on the Certificate;
- (dd) "**Effective Time**" means the time at which the Articles of Arrangement are filed with the Registrar on the Effective Date;
- (ee) "**Election Deadline**" means 4:30 p.m. (Calgary time) on the second business day immediately prior to the date of the Company Meeting or, if the Company Meeting is adjourned, the adjourned meeting;
- (ff) "**Encumbrances**" means any mortgage, hypothec, prior claim, lien, pledge, assignment, security interest, guarantee, right of third parties or other charge, encumbrance or any collateral securing the payment obligations of any person, as well as any other agreement or arrangement with any similar effect whatsoever;
- (gg) "**Final Order**" means the order of the Court approving the Arrangement to be applied for by Company following the approval of the Arrangement Resolution at the Company Meeting and to be granted pursuant to subsection 193(4) of the ABCA in respect of Company, as such order may be affirmed, amended or modified by the Court (with the consent of both Company and Purchaser, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that, such amendment is acceptable to both Company and Purchaser, each acting reasonably) on appeal;

(hh) **"Governmental Authority"** means any:

- (i) national, federal, provincial, state, regional, municipal, local or other government or any governmental regulatory or administrative authority department, court, tribunal, arbitral body, commission, board, bureau ministry or agency, or official, domestic or foreign including any political subdivision thereof;
- (ii) any subdivision, agent, commission, board or authority of any of the foregoing;
- (iii) any quasi-governmental or private body exercising any regulatory or expropriation authority under or for the account of any of the foregoing; and
- (iv) any stock exchange, including the TSXV, TSX or NYSE;

(ii) **"Interim Order"** means an interim order of the Court concerning the Arrangement under subsection 193(4) of the ABCA, containing declarations and directions with respect to the Arrangement and the holding of the Company Meeting, as such order may be affirmed, amended or modified by the Court (with the consent of both Company and Purchaser, each acting reasonably);

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

(kk) **"Letter of Transmittal and Election Form"** means the letter of transmittal and election form to be used by former registered Company Shareholders to surrender their certificate or certificates (as applicable) which, immediately prior to the Effective Time, represented outstanding Company Shares to the Depositary and pursuant to which they are required to elect to receive Cash Consideration, Share Consideration or Combined Consideration in respect of their Company Shares and to deliver certificates representing Company Shares;

(ll) **"Parties"** means, collectively, the parties to this Agreement, and **"Party"** means either one of them;

(mm) **"Person"** includes any individual, firm, partnership, joint venture, venture capital fund, association, trust, trustee, executor, administrator, legal personal representative, estate group, body corporate, corporation, unincorporated association or organization, Governmental Authority, syndicate or other entity, whether or not having legal status;

(nn) **"Plan of Arrangement"** means this plan of arrangement under the ABCA, as such plan of arrangement may be amended or supplemented from time to time in accordance with the terms hereof and the Arrangement Agreement or made at the direction of the Court in the Final Order with the prior written consent of the Parties, each acting reasonably;

(oo) **"Purchaser"** means Precision Drilling Corporation, a corporation existing under the laws of the Province of Alberta;

- (pp) "**Purchaser Share**" means a common share in the capital of Purchaser;
- (qq) "**Purchaser Share Price**" means the deemed price per Purchaser Share of \$92.58;
- (rr) "**Registrar**" means the Registrar of Corporations or a Deputy Registrar of Corporations appointed pursuant to section 263 of the ABCA;
- (ss) "**Share Consideration**" means the consideration in the form of Purchaser Shares to be issued on the election or deemed election of a Company Shareholder pursuant to subsection 3.1(d)(ii);
- (tt) "**Share Electing Shareholder**" means a Company Shareholder who has elected to receive the Share Consideration only pursuant to the Arrangement;
- (uu) "**Share Maximum**" means 947,909 Purchaser Shares less an amount equal to 86.5% multiplied by the product of: (i) the number of Company Shares, if any, in respect of which Dissent Rights are validly exercised and which exercise remains valid immediately prior to the Effective Time; and (ii) the number obtained by dividing the Aggregate Consideration by the Total Company Shares and then dividing such product of (i) and (ii) by the Purchaser Share Price; and
- (vv) "**Total Company Shares**" means the total number of issued and outstanding Company Shares as at the Effective Time which, for greater certainty, shall include Company Shares held by Dissenting Shareholders.

1.2

Interpretation Not Affected by Headings, Etc.

The division of this Plan of Arrangement into articles, sections and subsections and the insertion of headings are for convenience of reference only and does not affect the construction or interpretation of this Plan of Arrangement.

1.3

Article of References

Unless the contrary intention appears, references in this Plan of Arrangement to an Article, Section, subsection or paragraph by number or letter or both refer to the Article, Section, subsection or paragraph, respectively, bearing that designation in this Plan of Arrangement.

1.4

Number and Gender

Words importing the singular number include the plural and vice versa, and words importing the use of any gender include all genders. If a word is defined in this Plan of Arrangement a grammatical derivative of that word shall have a corresponding meaning.

1.5

Date for Any Action

If any date on which any action is required to be taken hereunder by any of the Parties is not a Business Day in the place where an action is required to be taken, such action is required to be taken on the next succeeding day which is a Business Day in such place.

1.6**Statutory References**

Any reference in this Plan of Arrangement to any statute or section thereof shall, unless otherwise expressly stated, be deemed to be a reference to any regulations promulgated thereunder from time to time in effect and such statute or section (or regulations thereunder) as amended, restated or re-enacted from time to time.

1.7**Currency**

Unless otherwise stated, all references in this Plan of Arrangement to sums of money are expressed in lawful money of Canada.

**ARTICLE 2
EFFECT OF THE ARRANGEMENT****2.1**

This Plan of Arrangement is made pursuant to the Arrangement Agreement and is subject to the provisions of, and forms part of, the Arrangement Agreement.

2.2

This Plan of Arrangement and the Arrangement, upon the filing of the Articles of Arrangement and the issuance of the Certificate (or if no Certificate is required, solely upon the filing of the Articles of Arrangement with the Registrar), shall become effective at, and be binding upon: (a) all registered and beneficial Company Shareholders (including Dissenting Shareholders); (b) all holders of Company Restricted Awards; (c) Company; (d) Purchaser; (e) the registrar and transfer agent in respect of the Company Shares and the Depository; and (f) all other Persons, without any further act or formality required on the part of any Person except as expressly provided herein, as and from the Effective Time.

2.3

The Articles of Arrangement shall be filed with the Registrar with the purpose and intent that none of the provisions of this Plan of Arrangement shall become effective unless all of the provisions of this Plan of Arrangement shall have become effective in the sequence provided herein. The Certificate shall be conclusive evidence that the Arrangement has become effective and that each of the events or transactions set out in Section 3.1 shall have become effective in the sequence and at the time set out therein. If no Certificate is required to be issued by the Registrar pursuant to section 193(11) of the ABCA, the Arrangement shall become effective commencing at the Effective Time on the date the Articles of Arrangement are filed with the Registrar pursuant to section 193(4.1) of the ABCA.

**ARTICLE 3
ARRANGEMENT****3.1**

Commencing at the Effective Time, each of the steps, events or transactions set out below shall occur and shall be deemed to occur sequentially in the order set out below without any further authorization, act or formality, in each case, unless stated otherwise, effective as at five minute intervals starting at the Effective Time (provided that none of the following shall occur unless all of the following occur):

Treatment of Company Restricted Awards

- (a) in accordance with the terms of the Company Restricted Award Plan, the Company Restricted Award Plan shall be terminated and each Company Restricted Award

granted under the Company Restricted Award Plan and outstanding at the Effective Time (whether then vested or unvested) shall, without any further action or formality on behalf of the holder thereof and Company, be deemed to be surrendered to Company in exchange for an amount equal to \$0.196668 in cash per Company Restricted Award, payable in cash to the holder and in accordance with Section 5.1(a)(ii), in full satisfaction of Company's obligations under such surrendered Company Restricted Award (as applicable), whereupon all Company Restricted Awards shall be, and shall be deemed to be, cancelled and terminated by Company, all obligations in respect of the Company Restricted Awards shall be deemed to be fully satisfied and the holders thereof shall cease to have any rights or claims in respect thereof other than the right to receive the consideration contemplated under this Plan of Arrangement (and for greater certainty, the Company shall be entitled to withhold or deduct any amounts in accordance with Section 3.3);

Termination of Company Option Plan

- (b) the Company Option Plan shall be terminated without any further action or formality on behalf of the Company;

Dissenting Shareholders

- (c) each Company Share held by a Dissenting Shareholder who has validly exercised and not withdrawn Dissent Rights described in Section 4.1 shall be deemed to be transferred by the holder thereof to Company without any further act or formality on the part of the Dissenting Shareholder, free and clear of all Encumbrances, and thereupon such holder's name will be removed from the securities register of the Company in respect of such Company Share, and at such time each Dissenting Shareholder will have only the rights set out in Article 4; and

Acquisition of Company Shares by Purchaser

- (d) each issued and outstanding Company Share (other than those transferred to Purchaser pursuant to Section 3.1(c)) shall be, and shall be deemed to be, transferred to, and acquired by, Purchaser (free and clear of any Encumbrances) and each Company Shareholder whose Company Shares are so transferred to Purchaser shall be entitled to receive (and, for greater certainty, the Purchaser or the Depositary shall be entitled to withhold or deduct any amounts in accordance with Section 3.3):

- (i) subject to subsection 3.1(e), in the case of each Cash Electing Shareholder, an amount of cash, rounded to the nearest whole cent, equal to the amount obtained by multiplying the Aggregate Consideration by a fraction, rounded to the nearest eight decimal places, the numerator of which is the number of Company Shares for which the cash election is being made by such Cash Electing Shareholder and the denominator of which is the Total Company Shares;
- (ii) subject to subsection 3.1(e), in the case of each Share Electing Shareholder, that number of Purchaser Shares, rounded down to the nearest whole Purchaser Share, equal to the amount obtained by

multiplying the Aggregate Consideration by a fraction, rounded to the nearest eight decimal places, the numerator of which is the number of Company Shares for which the share election is being made by such Share Electing Shareholder and the denominator of which is the Total Company Shares and then dividing such amount by the Purchaser Share Price; and

(iii) subject to subsection 3.1(e), in the case of each Combination Electing Shareholder: (A) for each Company Share for which each Combination Electing Shareholder is electing cash, an amount of cash, rounded to the nearest whole cent, equal to the amount obtained by multiplying the Aggregate Consideration by a fraction, rounded to the nearest eight decimal places, the numerator of which is the number of Company Shares for which the cash election is being made by such Combination Electing Shareholder and the denominator of which is the Total Company Shares; and (B) for each remaining Company Share held by each Combination Electing Shareholder, that number of Purchaser Shares, rounded to the nearest whole Purchaser Share (with all fractions being rounded down), equal to the amount obtained by multiplying the Aggregate Consideration by a fraction, rounded to the nearest eight decimal places, the numerator of which is the number of Company Shares for which the share election is being made by such Combination Electing Shareholder and the denominator of which is the Total Company Shares and then dividing such amount by the Purchaser Share Price.

(e) Purchaser shall not be required to pay an aggregate amount of Cash Consideration pursuant to Section 3.1(d)(i), 3.1(d)(iii)(A) and 3.1(f)(ii) in excess of the Cash Maximum and shall not be required to issue pursuant to Sections 3.1(d)(ii), 3.1(d)(iii)(B) and 3.1(f)(ii) an aggregate number of Purchaser Shares in excess of the Share Maximum in exchange for Company Shares transferred to Purchaser pursuant to Section 3.1(d), and:

- (i) if the Aggregate Cash Elected exceeds the Cash Maximum, the amount of Cash Consideration paid to each Cash Electing Shareholder and Combination Electing Shareholder shall be determined by multiplying (A) the fraction, rounded to the nearest eight decimal places, equal to the Cash Maximum divided by the Aggregate Cash Elected by (B) the amount of Cash Consideration that would otherwise be received by such Cash Electing Shareholder and Combination Electing Shareholder pursuant to subsections 3.1(d)(i), 3.1(d)(iii) or 3.1(f)(ii), and each such holder shall be deemed to have elected Cash Consideration for such number of their Company Shares, rounded down to the nearest whole, as is equal to the amount of cash received by such holder, as adjusted in accordance with this Section 3.1(e)(i), divided by \$0.196668, and to elect to receive the Share Consideration as if a share election were being made in respect of the balance of such holder's Company Shares; and
- (ii) if the Aggregate Shares Elected exceeds the Share Maximum, the amount of Share Consideration paid to each Share Electing Shareholder and Combination Electing Shareholder shall be determined by multiplying (A) the fraction, rounded to the nearest eight decimal places, equal to the Share Maximum divided by the Aggregate Shares Elected by (B) the amount of

Share Consideration that would otherwise be received pursuant to subsections 3.1(d)(ii), 3.1(d)(iii) or 3.1(f)(ii), and each such holder shall be deemed to have elected Share Consideration for such number of their Company Shares, rounded down to the nearest whole, as is equal to the amount of Share Consideration issuable to such holder, as adjusted in accordance with this Section 3.1(e)(ii), divided by 0.002124306, and to elect to receive the Cash Consideration as if a cash election were being made in respect of the balance of such holder's Company Shares.

- (f) With respect to the election required to be made by a holder of Company Shares pursuant to subsection 3.1(d):
 - (i) each of such holders of Company Shares shall be required to make such election by depositing with the Depositary, prior to the Election Deadline, a duly completed Letter of Transmittal and Election Form indicating such holder's election, together with certificates representing such holder's Company Shares; and
 - (ii) subject to subsection 3.1(e), any Company Shareholder who does not deposit a duly completed Letter of Transmittal and Election Form with the Depositary prior to the Election Deadline, or otherwise fails to comply with the requirements of subsection 3.1(f)(i) or the Letter of Transmittal and Election Form to make an election to exchange Company Shares as contemplated by subsection 3.1(d), shall be deemed to have elected to receive Combined Consideration in exchange for such holder's Company Shares comprised of: (i) Cash Consideration with respect to 13.5 percent of such holder's Company Shares, rounded down to the nearest whole Company Share; and (ii) Share Consideration with respect to the remaining 86.5 percent of such holder's Company Shares, rounded up to the nearest whole Company Share.
- (g) Where a Company Shareholder received a combination of Cash Consideration and Share Consideration, whether pursuant to: (x) the elections made pursuant to subsections 3.1(d); (y) the deemed elections pursuant to subsection 3.1(f)(ii); or (z) as a result of the proration adjustments under subsection 3.1(e),
 - (i) the Company Shareholder shall be deemed to have solely exchanged for Purchaser Shares that number of Company Shares (including any fraction thereof) equal to the Company Shares then held by the Company Shareholder multiplied by the proportion of the value of the Purchaser Shares (calculated based on the Purchaser Share Price) received by Company Shareholder is of the Aggregate Consideration received by the Company Shareholder, and to have exchanged such Company Shareholder's remaining number of Company Shares for the Cash Consideration received; except that
 - (ii) notwithstanding (i) hereof, if the Company Shareholder makes a valid joint election with the Purchaser in accordance with Section 3.4 to have the transfer of Company Shares to the Purchaser under this Plan of Arrangement take place pursuant to the provisions of subsection 85(1) or (2) of the ITA (and the analogous provisions of any provincial tax laws),

then such Company Shareholder shall be deemed to have transferred all of such Company Shareholder's Company Shares to the Purchaser as a single transaction for consideration consisting of the combination of Cash Consideration and Purchaser Shares received under this Plan of Arrangement;

- (h) The Share Maximum and Purchaser Share Price will be adjusted to reflect fully the effect of any stock split, reverse split, consolidation, reorganization or recapitalization with respect to Purchaser Shares effected in accordance with the terms of the Arrangement Agreement occurring after the date of the Arrangement Agreement and prior to the Effective Time.
- (i) The parties shall, forthwith following the Effective Time, make the appropriate entries into their securities registers to reflect the matters referred to under Section 3.1.

3.2

Securities Register

With respect to each Company Shareholder (other than Dissenting Shareholders), at the effective time of Section 3.1:

- (a) such Company Shareholder shall cease to be a holder of the Company Shares so transferred and to have any rights or claims as a holder of such Company Shares other than the right to receive the Consideration pursuant to Section 3.1;
- (b) such Company Shareholder's name shall be removed from the register of holders of Company Shares maintained by or on behalf of Company as it relates to the Company Shares so transferred; and
- (c) Purchaser shall become the holder of the Company Shares so transferred and shall be added to the register of holders of Company Shares maintained by or on behalf of Company.

3.3

Withholding

Company, Purchaser and the Depositary shall be entitled to deduct or withhold from any amounts payable to any Person under this Plan of Arrangement (including, without limitation, any amounts payable pursuant to Section 4.2), such amounts as Company, Purchaser or the Depositary, as applicable, determines, acting reasonably, are required to be deducted or withheld with respect to such payment under the ITA or any provision of any other Applicable Laws. To the extent that amounts are so deducted or withheld, such deducted or withheld amounts shall be treated for all purposes hereof as having been paid to the Persons in respect of which such deduction or withholding was made, provided that such deducted or withheld amounts are actually remitted to the appropriate Governmental Authority.

3.4

Section 85 ITA Election

A Company Shareholder who received consideration consisting, in whole or in part, of Share Consideration shall be entitled to make a tax election, pursuant to subsection 85(1) or 85(2) of the ITA, as applicable (and the analogous provisions of provincial income tax

law). Purchaser shall make available on Purchaser's website tax election forms required under the ITA within 60 days of the Effective Date. Any Company Shareholder who wants to make such election and otherwise qualifies to make such election may do so by providing to Purchaser two signed copies of the necessary election forms within 120 days following the Effective Date, duly completed with the details of the number of Company Shares transferred and the applicable agreed amount or amounts for the purposes of such election. Thereafter, subject to the election forms complying with the provisions of the ITA (or applicable provincial or territorial income tax law), the forms will be signed by Purchaser and returned to such Company Shareholder by ordinary mail within 45 days after the receipt thereof by Purchaser for filing with the Canada Revenue Agency (or the applicable provincial or territorial taxing authority). Purchaser will not be responsible for the proper completion of any election form, except for the obligation of Purchaser to so sign and return duly completed election forms which are received by Purchaser within 120 days of the Effective Date. Purchaser will not be responsible for any taxes, interest or penalties resulting from the failure by a Company Shareholder to properly complete or file the election forms in the form and manner and within the time prescribed by the ITA (or any applicable provincial or territorial legislation). In its sole discretion, Purchaser may choose to sign and return an election form received by it more than 120 days following the Effective Date, but Purchaser will have no obligation to do so.

ARTICLE 4 **DISSENTING SHAREHOLDERS**

4.1

Each registered Company Shareholder shall have the right to dissent with respect to the Arrangement in accordance with section 191 of the ABCA, as modified by the Interim Order and this Article 4; provided that, notwithstanding subsection 191(5) of the ABCA, the written objection to the Arrangement Resolution referred to in subsection 191(5) of the ABCA must be received by Company from the Dissenting Shareholder not later than 4:00 p m. (Calgary time) on the date that is five Business Days prior to the date of the Company Meeting.

4.2

A Dissenting Shareholder shall, concurrently with the step contemplated in Section 3.1, cease to have any rights as a holder of Company Shares and shall only be entitled to be paid by Company the fair value of such holder's Company Shares net of all withholding or other taxes required to be withheld by Company or Purchaser or the Depositary in accordance with Applicable Laws, to the extent applicable. A Dissenting Shareholder who is entitled to be paid by Company the fair value of such holder's Company Shares shall, pursuant to Section 3.1(c), be deemed to have transferred such holder's Company Shares (free and clear of any Encumbrances) to Company for cancellation without any further act or formality at the effective time of Section 3.1(c), notwithstanding the provisions of section 191 of the ABCA.

4.3

The fair value of the Company Shares held by a Dissenting Shareholder shall be determined as of the close of business on the last Business Day before the day on which the Arrangement Resolution is approved by the Company Shareholders at the Company Meeting.

4.4

A Dissenting Shareholder who for any reason is not ultimately entitled to be paid the fair value of such holder's Company Shares shall be deemed to have participated in the Arrangement, commencing as of the Effective Time, on the same basis as a non-dissenting holder of Company Shares, notwithstanding the provisions of section 191 of the ABCA,

and such Dissenting Shareholder shall be entitled to receive only the consideration contemplated in Section 3.1(d) of this Plan of Arrangement that such holder would have received pursuant to the Arrangement if such holder had not exercised Dissent Rights.

4.5 In no event shall Company, Purchaser or any other Person be required to recognize any Dissenting Shareholder as a Company Shareholder after the effective time of the transfer of the Company Shares to Company pursuant to Section 3.1(c), and the names of such holders shall be removed from the register of holders of Company Shares maintained by or on behalf of Company as at the Effective Time. In addition to any other restrictions under the ABCA and holders of Company Restricted Awards shall not be entitled to Dissent Rights.

4.6 For greater certainty, in addition to any other restrictions in section 191 of the ABCA: (a) no Person who has voted (including by way of instructing a proxy holder to vote) in favour of the Arrangement shall be entitled to exercise Dissent Rights; (b) voting against the Arrangement (including by way of instructing a proxy holder to vote) will not constitute a written objection referred to in subsection 191(5) of the ABCA; and (c) a Person may only exercise Dissent Rights in respect of all, and not less than all, of its Company Shares.

ARTICLE 5 **CONSIDERATION, CERTIFICATES AND FRACTIONAL SHARES**

5.1 Right to Consideration

- (a) On or as soon as practicable after the Effective Time,
 - (i) the Depository shall pay to the former holders of Company Shares the Consideration to which they are entitled in accordance with Section 3.1(d), less applicable withholdings; and
 - (ii) Company shall pay to the former holders of Company Restricted Awards the consideration to which they are entitled in accordance with Section 3.1(a), less applicable withholdings.
- (b) The Depository shall pay the Consideration in respect of those Company Shares that were transferred or deemed to be transferred, as applicable, pursuant to Section 3.1(d) which are held on a book-entry basis, less any amounts withheld pursuant to Section 3.3, in accordance with normal industry practice for payments relating to securities held on a book-entry only basis. In respect of those Company Shares not held on a book-entry basis, upon surrender to the Depository for cancellation of a certificate or certificates (as applicable) which, immediately prior to the Effective Time, represented outstanding Company Shares that were transferred or deemed to be transferred, as applicable, pursuant to Section 3.1(d), together with a duly completed and executed Letter of Transmittal and Election Form and such additional documents and instruments as Company, Purchaser or the Depository may reasonably require, each holder of such surrendered certificate(s) shall be entitled to receive in exchange therefor, and the Depository shall pay to such holder as directed in the Letter of Transmittal and Election Form, a cheque (or other form of immediately available funds) and Purchaser Shares in respect of the Consideration which such holder has the right to receive under this Plan of Arrangement for such Company Shares, less any amounts deducted or

withheld pursuant to Section 3.3, and any certificate(s) so surrendered shall forthwith be cancelled.

- (c) From and after the Effective Time, the certificate(s) or agreement(s), as applicable, formerly representing Company Restricted Awards or Company Shares shall represent only the right to receive:
 - (i) in the case of each holder of Company Restricted Awards, the portion of the cash consideration the former holder of Company Restricted Awards represented by the certificate or agreement is entitled to receive pursuant to Section 3.1(a);
 - (ii) in the case of certificates held by Dissenting Shareholders, other than those Dissenting Shareholders deemed to have participated in the Arrangement pursuant to Section 3.1(d), the fair value of the Company Shares represented by such certificates from Company as provided for in the Interim Order and Section 4.2; and
 - (iii) in the case of certificates held by all other Company Shareholders, the Consideration pursuant to Section 3.1(d), subject to such former Company Shareholder validly depositing with the Depository, as contemplated by Section 5.1(b), the certificates representing its Company Shares, a duly completed and executed Letter of Transmittal and Election Form and such additional documents and instruments as the Depository may reasonably require,
- in each case, less any amounts deducted or withheld pursuant to Section 3.3.
- (d) Any certificate formerly representing Company Shares that is not deposited, together with all other documents required hereunder, and any payment made by way of cheque by the Company or the Depository pursuant to this Plan of Arrangement that has not been deposited or has been returned to the Company or the Depository or that remains unclaimed, in each case, on or before the last Business Day prior to the third anniversary of the Effective Date shall cease to represent a claim by or interest of any former Company Shareholder or holder of Company Restricted Awards of any kind or nature against Company or Purchaser. On such date, all consideration and other property to which such former holder was entitled shall be deemed to have been surrendered and forfeited to the Company and Purchaser, as applicable for no consideration.
- (e) From and after the Effective Time, no Company Shareholder (other than Purchaser) or holders of Company Restricted Awards shall be entitled to receive any consideration with respect to such Company Shares or Company Restricted Awards, as applicable, other than the consideration to which such holder is entitled to receive under the Arrangement and, for greater certainty, no such holder will be entitled to receive any interest, dividend, premium or other payment in connection therewith.
- (f) No certificates representing fractional Purchaser Shares shall be issued. In lieu of any fractional Purchaser Shares, each registered Company Shareholder otherwise

entitled to a fractional interest in a Purchaser Shares will receive the nearest whole number of Purchaser Shares (with all fractions being rounded down).

5.2

Lost Certificates

In the event any certificate which immediately prior to the Effective Time represented an interest in one or more Company Shares that were transferred pursuant to Section 3.1 has been lost, stolen or destroyed, upon satisfying such reasonable requirements as may be imposed by Purchaser and the Depositary in relation to the issuance of replacement share certificates, the Depositary will issue and deliver in exchange for such lost, stolen or destroyed certificate the consideration to which the holder is entitled pursuant to this Plan of Arrangement as determined in accordance with the Arrangement. The Person who is entitled to receive such consideration shall, as a condition precedent to the receipt thereof, give a bond satisfactory to each of Purchaser and the Depositary in such form as is satisfactory to Purchaser and the Depositary (each acting reasonably), or shall otherwise indemnify Company, Purchaser and the Depositary, to the reasonable satisfaction of such parties, against any claim that may be made against any of them with respect to the certificate alleged to have been lost, stolen or destroyed.

ARTICLE 6

AMENDMENTS

6.1

Company and Purchaser may amend, modify or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Date, provided that each such amendment, modification or supplement must be:

- (a) set out in writing;
- (b) approved in writing by both Parties;
- (c) filed with the Court and, if made following the Company Meeting, approved by the Court; and
- (d) communicated to Company Shareholders and/or holders of Company Restricted Awards, if and as required by the Court.

6.2

Any amendment, modification or supplement to this Plan of Arrangement may be proposed by Company or Purchaser at any time prior to or at the Company Meeting (provided that the other Party shall have consented in writing prior thereto, acting reasonably), with or without any other prior notice or communication, and, if so proposed and accepted, in the manner contemplated and to the extent required by the Arrangement Agreement by the Company Shareholders (other than as may be required by the Interim Order or other order of the Court), shall become part of this Plan of Arrangement for all purposes.

6.3

Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court following the Company Meeting shall be effective only:

- (a) if it is consented to in writing by each of Company and Purchaser (each acting reasonably); and

(b) if required by the Court or Applicable Law, it is consented to by the Company Shareholders, voting in a manner directed by the Court.

6.4 Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Time provided it is consented to in writing by each of Purchaser and Company, and further provided that it concerns a matter which, in the reasonable opinion of each of Purchaser and Company, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the financial or economic interests of any former Company Shareholder or holder of Company Restricted Awards.

ARTICLE 7 **FURTHER ASSURANCES**

7.1 Notwithstanding that the transactions and events set out herein shall occur and shall be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of Purchaser and Company shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required in order to further document or evidence any of the transactions or events set out herein.

7.2 From and after the Effective Time: (a) this Plan of Arrangement shall take precedence and priority over any and all rights related to Company Restricted Awards and Company Shares issued prior to the Effective Time; (b) the rights and obligations of the holders of Company Restricted Awards and Company Shares shall be solely as provided for in this Plan of Arrangement; and (c) all actions, causes of action, claims or proceedings (actual or contingent, and whether or not previously asserted) based on or in any way relating to Company Restricted Awards or Company Shares shall be deemed to have been settled, compromised, released and determined without liability except as set forth herein.

7.3 From and after the Effective Date, any conflict between this Plan of Arrangement and the covenants, warranties, representations, terms, conditions, provisions or obligations, express or implied, of any contract or other agreement, written or oral, and any and all amendments or supplements thereto existing between one or more of the holders of Company Restricted Awards and Company Shareholders and any of Company, Purchaser or any of their respective subsidiaries with respect to the Company Restricted Awards or the Company Shares as at the Effective Date shall be deemed to be governed by the terms, conditions and provisions of this Plan of Arrangement and the Final Order, which shall take precedence and priority.

ARTICLE 8 **U.S. SECURITIES LAW EXEMPTION**

8.1 Notwithstanding any provision herein to the contrary, the parties each agree that the Plan of Arrangement will be carried out with the intention that all Purchaser Shares to be issued to Company Shareholders in exchange for their Company Shares pursuant to the Plan of Arrangement will be issued and exchanged in reliance on the exemption from the registration requirements of the U.S. Securities Act as provided by Section 3(a)(10) thereof and in reliance upon similar exemptions under applicable U.S. state securities laws, and pursuant to the terms, conditions and procedures set forth in the Arrangement Agreement

SCHEDULE "B"
FORM OF ARRANGEMENT RESOLUTION

BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:

1. The arrangement (the "**Arrangement**") under section 193 of the *Business Corporations Act* (Alberta) (the "**ABC**A") involving CWC Energy Services Corp. ("**Company**"), as more particularly described and set forth in the management information circular of Company accompanying the notice of this meeting, as the Arrangement may be modified or amended in accordance with its terms, is hereby authorized, approved and adopted.
2. The plan of arrangement (the "**Plan of Arrangement**") involving, among others, Company, the full text of which is set out as Schedule "A" to the Arrangement Agreement made as of September 7, 2023 between Precision Drilling Corporation ("**Purchaser**") and Company (the "**Arrangement Agreement**"), as the Plan of Arrangement may be modified or amended in accordance with its terms, is hereby authorized, approved and adopted.
3. The Arrangement Agreement, the actions of the directors of Company in approving the Arrangement Agreement and the actions of the directors and officers of Company in executing and delivering the Arrangement Agreement and any amendments thereto in accordance with its terms are hereby ratified and approved.
4. Notwithstanding that this resolution has been passed (and the Plan of Arrangement adopted) by the applicable securityholders of Company (the "**Securityholders**") or that the Arrangement has been approved by the Court of King's Bench of Alberta, the directors of Company are hereby authorized and empowered, at their discretion, without further notice to or approval of the Securityholders: (a) to amend the Arrangement Agreement or the Plan of Arrangement, to the extent permitted by the Arrangement Agreement or the Plan of Arrangement; and (b) subject to the terms of the Arrangement Agreement, to disregard the approval of the Securityholders and not proceed with the Arrangement, at any time prior to the issuance of the Certificate (as defined in the Plan of Arrangement).
5. Any one director or officer of Company is hereby authorized and directed, for and on behalf of Company, to execute, under the corporate seal of Company or otherwise, and to deliver to the Registrar under the ABCA for filing articles of arrangement and such other documents as are necessary or desirable to give effect to the Arrangement and the Plan of Arrangement in accordance with the Arrangement Agreement.
6. Any one director or officer of Company is hereby authorized and directed, for and on behalf of Company, to execute, or cause to be executed, under the corporate seal of Company or otherwise, and to deliver, or cause to be delivered, all such other documents, agreements and instruments and to perform, or cause to be performed, all such other acts and things as in such director's or officer's opinion may be necessary or desirable to give full effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

SCHEDEULE "C"

REPRESENTATIONS AND WARRANTIES OF PURCHASER

- (a) Organization and Qualification. Purchaser has been duly incorporated or formed, as the case may be, and is validly subsisting under the Applicable Laws of its jurisdiction of formation and has the requisite power and authority to own its assets and properties as now owned and to carry on its business as it is now conducted.
- (b) Authority Relative to this Agreement. Purchaser has the requisite corporate power and authority to enter into this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement and the consummation by Purchaser of the transactions contemplated by the Arrangement have been duly authorized by the Purchaser Board and no other proceedings on the part of Purchaser are necessary to authorize this Agreement, the Arrangement or the other transactions contemplated herein, and such other consents and approvals as are specifically contemplated in this Agreement. This Agreement has been duly executed and delivered by Purchaser and constitutes a legal, valid and binding obligation of Purchaser enforceable against it in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other Applicable Laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are discretionary and may not be ordered.
- (c) Subsidiaries, Joint Ventures and Partnerships. Purchaser owns, directly or indirectly, all of the outstanding voting and equity securities of each of the Purchaser Material Subsidiaries. All of the outstanding shares in the Purchaser Material Subsidiaries of Purchaser are duly authorized, validly issued and fully paid and non-assessable, and all such shares and any other equity securities of the Purchaser Material Subsidiaries are owned by Purchaser free and clear of all Encumbrances (other than Permitted Encumbrances), except pursuant to restrictions on transfer contained in the constituting documents of such subsidiary. There are no rights of first refusal or similar rights restricting the transfer of Purchaser Shares contained in shareholders, partnership, joint venture or similar agreements or pursuant to existing financing arrangements and, other than in connection with any normal course issuer bids for Purchaser Shares or open market repurchases of debt securities, there are no outstanding contractual or other obligations of Purchaser to repurchase, redeem or otherwise acquire any of its securities or with respect to the voting or disposition of any outstanding securities of Purchaser.
- (d) Governmental Authorization. The execution and delivery of this Agreement by Purchaser, and performance of its obligations hereunder and the consummation by Purchaser of the Arrangement and the other transactions contemplated hereby, do not require any licenses, permits, certificates, consents, orders, grants, registrations, recognition orders, exemption relief orders, no-action relief and other authorizations from any Governmental Authority necessary in connection with its business as it is now, individually or in the aggregate, being or proposed to be conducted or other action by or in respect of, or filing with or notification to, any Governmental Authority by Purchaser other than (i) the Regulatory Approvals (including the Competition Act Clearance), (ii) TSX and NYSE filings with respect to the listing of the Purchaser Shares, (iii) the Interim Order and the Final Order, and (iv) the filing of the Articles of Arrangement.
- (e) No Violations. The execution, delivery and performance of this Agreement by Purchaser and the consummation of the transactions contemplated by the Arrangement do not and will not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition):

- (i) contravene, conflict with, or result in any violation or breach of the constating documents of Purchaser; or
- (ii) other than the Regulatory Approvals (including TSX and NYSE approvals for the listing of the Purchaser Shares issuable under the Plan of Arrangement), contravene, conflict with, or result in a violation or breach of Applicable Laws.

(f) **Litigation.** Except as disclosed by Purchaser in writing to Company, there are no material claims, actions, suits, proceedings, investigations, arbitrations, audits, grievances, assessments or reassessments in existence or pending or, to the knowledge of Purchaser, threatened, affecting or that would reasonably be expected to impede significantly the ability of Purchaser to consummate the Arrangement.

(g) **Bankruptcy and Insolvency.**

- (i) No action or proceeding has been commenced or filed by or against Purchaser which seeks or would reasonably be expected to lead to:
 - (A) receivership, bankruptcy, a commercial proposal or similar proceeding of Purchaser;
 - (B) the adjustment or compromise of claims against Purchaser; or
 - (C) the appointment of a trustee, receiver, liquidator, custodian or other similar officer for Purchaser or any portion of its assets, and no such action or proceeding has been authorized or is being considered by or on behalf of Purchaser.
- (ii) Purchaser:
 - (A) has not made, nor is it considering making, an assignment for the benefit of its creditors; or
 - (B) has not requested, nor is it considering requesting, a meeting of its creditors to seek a reduction, compromise, composition or other accommodation with respect to its indebtedness.

(h) **Investment Canada Act.** Purchaser is not a "non-Canadian" within the meaning of the Investment Canada Act or is a trade agreement investor within the meaning of the Investment Canada Act.

(i) **Funds Available.** As at the date hereof, Purchaser has, and as at the Effective Date, Purchaser will have, sufficient funds available to satisfy the transactions and obligations contemplated by this Agreement.

(j) **Issuance of Purchaser Shares.** Purchaser has reserved and allotted a sufficient number of Purchaser Shares as are issuable pursuant to the Arrangement. The Purchaser Shares to be issued as part of the Consideration will, when issued pursuant to the Arrangement, be duly authorized and validly issued as fully paid and non-assessable common shares in the capital of Purchaser, free and clear of all Encumbrances (other than Encumbrances created by the holders thereof), freely tradeable under Applicable Canadian Securities Laws and shall not be subject to resale restrictions under Applicable Canadian Securities Laws (other than as applicable to control persons or pursuant to section 2.6 of National Instrument 45-102 Resale of Securities) and will be freely transferable

securities under U.S. Securities Laws (other than to persons who are, have been within 90 days of the Effective Time, or, at the Effective Time become, "affiliates" of Purchaser, as such term is defined in Rule 144 under the U.S. Securities Act) and listed and posted for trading on the TSX and the NYSE and are not and will not be subject to or issued in violation of, any pre-emptive rights or back-in rights.

(k) Taxes, etc.

- (i) Purchaser and its subsidiaries, as the case may be, in all material respects, have each duly and timely filed all Tax Returns required to be filed by or on its behalf prior to the date hereof and all such Tax Returns are complete and correct in all material respects and no extension of time to file any such Tax Returns is in effect.
- (ii) Purchaser and its subsidiaries, as the case may be, in all material respects, have each paid on a timely basis all Taxes which are due and payable, all assessments and reassessments, and all other Taxes due and payable by them, other than those which are being or have been contested in good faith and in respect of which adequate reserves have been provided in the most recently published consolidated financial statements of Purchaser.
- (iii) No material deficiencies, litigation, proposed adjustments or matters in controversy exist or have been asserted in writing with respect to Taxes of Purchaser and its subsidiaries, as the case may be.
- (iv) Purchaser and its subsidiaries, as the case may be, in all material respects, has withheld or collected all amounts required to be withheld or collected by it on account of Taxes and has remitted all such amounts to the appropriate Governmental Authority and within the prescribed time when required by Applicable Laws to do so.
- (v) Purchaser is a taxable Canadian corporation as defined in subsection 89(1) of the ITA.

(l) Reporting Issuer Status. Purchaser is a "reporting issuer" in each Province of Canada and is in material compliance with all Applicable Canadian Securities Laws therein and the Purchaser Shares are listed and posted for trading on the TSX and the NYSE. Purchaser is not in default of any material requirements of Applicable Canadian Securities Laws in such jurisdictions or any rules or regulations of, or agreement with, the TSX or the NYSE in any material respect. No delisting, suspension of trading in or cease trading order with respect to the Purchaser Shares or any other securities of Purchaser is pending or, to the knowledge of Purchaser, threatened or is expected to be implemented or undertaken and, to the knowledge of Purchaser, is not subject to any formal or informal review, enquiry, investigation or other proceeding relating to any such order or restriction. To the knowledge of Purchaser, none of its officers or directors are subject to an order or ruling of any securities regulatory authority or stock exchange prohibiting such individual from acting as a director or officer of a public entity or of an entity listed on a particular stock exchange. The documents and information comprising the Purchaser Public Record did not at the respective times they were filed with the relevant Securities Authorities, contain any Misrepresentation, unless such document or information was subsequently corrected or superseded in the Purchaser Public Record prior to the date hereof and all material facts regarding Purchaser (other than the Arrangement) are disclosed in the Purchaser Public Record. Since January 1, 2023, Purchaser has timely filed with the Securities Authorities all material forms, reports, schedules, statements and other documents required to be filed by Purchaser with Securities Authorities. Purchaser has not filed any confidential material change report that, at the date hereof, remains confidential.

(m) Capitalization. As of the date hereof, the authorized capital of Purchaser consists of an unlimited number of Purchaser Shares and a number of preferred shares, issuable in series, that would not exceed half the number of Purchaser Shares issued and outstanding. As of the date hereof, there are issued and outstanding 13,607,739 Purchaser Shares and no other shares are issued and outstanding. Other than as disclosed in the Purchaser Public Record and for awards and options outstanding under Purchaser's amended and restated Omnibus Equity Incentive Plan from time to time and subject to the limits set forth therein (as may be updated from time to time), there are no options, warrants or other rights, plans agreements or commitments of any nature whatsoever requiring the issuance, sale or transfer by Purchaser of any securities of Purchaser (including Purchaser Shares) or any securities convertible into, or exchangeable or exercisable for, or otherwise evidencing a right to acquire, any securities of Purchaser (including Purchaser Shares). All outstanding Purchaser Shares have been duly authorized and validly issued, are fully paid and non-assessable and are not subject to, nor were they issued in violation of, any pre-emptive rights and all Purchaser Shares issuable upon the exercise of Purchaser options in accordance with the terms of such options will be duly authorized and validly issued as fully paid and non-assessable and will not be subject to any pre-emptive rights. Other than the Purchaser Shares, there are no securities of Purchaser outstanding which have the right to vote generally (or, except for awards and options disclosed in the Purchaser Public Record or for awards and options outstanding under Purchaser's amended and restated Omnibus Equity Incentive Plan, are exercisable or convertible into or exchangeable for securities having the right to vote generally) with the shareholders of Purchaser on any matter. To the knowledge of Purchaser, none of the Purchaser Shares are the subject of any escrow, voting trust, shareholder rights agreement or other similar agreement.

(n) Equity Monetization Plans. Other than awards and options as disclosed in the Purchaser Public Record and for awards and options outstanding under Purchaser's amended and restated Omnibus Equity Incentive Plan, there are no outstanding stock options, restricted or deferred share units, performance share units, stock appreciation rights, phantom equity, profit sharing plan or any other similar rights, agreements, arrangements or commitments payable to any director, officer or employee of Purchaser and which are based upon the revenue, value, income or any other attribute of Purchaser.

(o) Financial Reports. The Purchaser Financial Statements, and any interim or annual financial statements filed by or on behalf of Purchaser on and after the date hereof with the Securities Authorities, were or, when so filed, will have been prepared, in all material respects, in accordance with IFRS (except in the case of unaudited interim statements, to the extent they may not include footnotes, are subject to normal year-end adjustments or may be condensed or summary statements), and present or, when so filed, will present fairly in accordance with IFRS the financial position, results of operations and changes in financial position of Purchaser and its subsidiaries, as the case may be, on a consolidated basis as of the dates thereof and for the periods indicated therein (subject, in the case of any unaudited interim financial statements, to normal year-end audit adjustments). Purchaser does not intend to correct or restate, nor, to the knowledge of Purchaser, is there any basis for any correction or restatement of any aspect of the Purchaser Financial

Statements. There has been no material change in Purchaser's accounting policies, except as described in the notes to the Purchaser Financial Statements, since January 1, 2023.

- (p) **Reportable Disagreements.** There has not been a reportable disagreement (within the meaning of section 4.11 of National Instrument 51-102 – *Continuous Disclosure Obligations*) with Purchaser's auditors.
- (q) **Absence of Undisclosed Liabilities.** Purchaser and its subsidiaries each has no material liabilities of any nature (matured or unmatured, fixed or contingent), other than:
 - (i) those set forth or adequately provided for in the most recent consolidated statement of financial position and associated notes thereto included in the Purchaser Financial Statements (the "**Purchaser Balance Sheet**");
 - (ii) those incurred in the ordinary course of business since the date of the Purchaser Balance Sheet and not required to be set forth in the Purchaser Balance Sheet and consistent with past practice; and
 - (iii) those incurred in connection with the execution of this Agreement.
- (r) **Absence of Certain Changes or Events.** Except for the Arrangement or any action taken in accordance with this Agreement and except as has been publicly disclosed by Purchaser in the Purchaser Public Record, since December 31, 2022, there has been no Material Adverse Change or Material Change in respect of Purchaser or its subsidiaries.
- (s) **Compliance with Laws.** Neither Purchaser or its subsidiaries is in violation of any Applicable Laws which violation could reasonably be expected to have a Material Adverse Effect with respect to Purchaser. The operations and business of Purchaser and its subsidiaries, respectively, is and has been carried out in compliance with and not in violation of any Applicable Laws, other than non-compliance or violation which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect or would significantly impact the ability of Purchaser to consummate the Arrangement, and neither Purchaser nor its subsidiaries have received any notice of any alleged violation of any such Applicable Laws.
- (t) **Restrictions on Business Activities.** There is no judgment, injunction or order binding upon Purchaser or any of its subsidiaries that has or could reasonably be expected to have the effect of prohibiting, restricting or impairing its business or, individually or in the aggregate, have a Material Adverse Effect on Purchaser or any of its subsidiaries.
- (u) **Off-Balance Sheet Arrangements.** Except as disclosed in the Purchaser Disclosure Letter, purchaser does not have any "off-balance sheet arrangements" (as such term is defined under IFRS).
- (v) **Pre-emptive and Prior Consent Rights.** There are no rights of first refusal, consent, or other pre-emptive rights of purchase which entitle any Person to acquire any of the rights, title, interests, property, licenses or assets of Purchaser, or any other right of first refusal, consent, or pre-emptive right in respect of such assets, that will be triggered or accelerated by the Arrangement, which would have a Material Adverse Effect on Purchaser's business.
- (w) **Purchaser Material Contracts.** The Purchaser Disclosure Letter lists all of the Purchaser Material Contracts. Except as would not reasonably be expected to have a Material Adverse Effect on Purchaser's business, each of the Purchaser Material Contracts constitutes a legally valid and

binding agreement of Purchaser, enforceable in accordance with its respective terms and, to the knowledge of Purchaser, no party thereto is in default in the observance or performance of any term or obligation to be performed by it under any such Purchaser Material Contract, and no event has occurred which with notice or lapse of time or both would directly or indirectly constitute such a default. Except as would not reasonably be expected to have a Material Adverse Effect on Purchaser's business, neither Purchaser nor its subsidiaries has received any written notice or verbal communications that any party to a Purchaser Material Contract intends to modify, cancel, terminate or not renew its relationship with Purchaser or its subsidiaries, as the case may be, and, to the knowledge of the Purchaser, no such action is pending or threatened.

- (x) **Brokers and Finders.** Except for Persons whose fees will be paid by Purchaser, neither Purchaser nor its subsidiaries has retained nor will it retain any financial advisor, broker, agent or finder or paid or agreed to pay any financial advisor, broker, agent or finder on account of this Agreement.
- (y) **No Limitation.** Except as would not have a Material Adverse Effect on Purchaser, neither Purchaser nor its subsidiaries is a party to or bound or affected by any commitment, agreement or document containing any covenant expressly limiting its freedom to compete in any line of business, compete in any geographic region, or transfer or move any of its assets or operations.
- (z) **Insurance.** Policies of insurance that are in force as of the date hereof naming Purchaser or its subsidiaries as an insured adequately and reasonably cover all risks as are customarily covered by oilfield services companies in the industry in which Purchaser or its subsidiaries, as the case may be, operates and having regard to the nature of the risk insured and the relative cost of obtaining insurance protect the interests of Purchaser and its subsidiaries, respectively. All such policies shall remain in force and effect and shall not be cancelled or otherwise terminated as a result of the transactions contemplated by this Agreement.
- (aa) **Whistleblower Reporting.** As of the date of this Agreement, no Person has reported evidence of a violation of any Applicable Canadian Securities Laws, breach of fiduciary duty or similar violation by Purchaser, its subsidiaries or their respective officers, directors, employees, agents or independent contractors to an officer of Purchaser or its subsidiaries, as the case may be, the audit committee (or other committee designated for that purpose) of the Purchaser Board.
- (bb) **Board Approval.** The Purchaser Board has approved the Arrangement.
- (cc) **Title.** Except as would not reasonably be expected to have a Material Adverse Effect on Purchaser's business, Purchaser and its subsidiaries has good and marketable title to the assets of Purchaser or its subsidiaries free and clear of any Encumbrances, except for Permitted Encumbrances. The assets of Purchaser or its subsidiaries currently owned, licensed or leased by Purchaser and its subsidiaries include materially all of the property, rights and assets that Purchaser and its subsidiaries has utilized to carry on its business and operations and Purchaser is not aware of any defects, failures or impairments in the title of Purchaser or its subsidiaries to the assets of Purchaser or its subsidiaries, whether or not an action, suit, proceeding or inquiry is pending or threatened or whether or not discovered by any third party, which in aggregate, could reasonably be expected to have a Material Adverse Effect on Purchaser and its subsidiaries.
- (dd) **Customers and Suppliers.** There are no unresolved disputes with any of Purchaser or its subsidiaries material suppliers or customers, which in aggregate, could reasonably be expected to have a Material Adverse Effect on Purchaser and its subsidiaries. Except as would not reasonably be expected to have a Material Adverse Effect on Purchaser's business, no Contract with any supplier or customer contains terms under which the execution or performance of this Agreement would

give the supplier or customer the right to terminate or adversely change the terms of that Contract. Since January 1, 2023, there has been no termination or cancellation of, and no modification or change in, the business relationship of Purchaser and its subsidiaries with any major customer or group of major customers which could reasonably be expected to have a Material Adverse Effect on Purchaser.

(ee) Money Laundering, Anti-Corruption and International Risks.

- (i) The operations of Purchaser and of each of its subsidiaries are, and have been, conducted at all time in material compliance with applicable financial recordkeeping and reporting requirements and money laundering laws and the rules and regulations thereunder and any related or similar laws, rules, regulations or guidelines, issued, administered or enforced by any Governmental Authority relating to money laundering, including the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) (collectively, the "**Money Laundering Laws**").
- (ii) Purchaser and its subsidiaries, and all of their respective directors, officers, employees, and, to the knowledge of Purchaser, agents retained by Purchaser or any of its subsidiaries, and other Persons acting on their behalves, are, and have been, at all times in material compliance with any Applicable Laws relating to antibribery or anti-corruption (governmental or commercial), including without limitation, the *Corruption of Foreign Public Officials Act* (Canada), the *Criminal Code* (Canada), the *U.S. Foreign Corrupt Practices Act* and all national and international laws enacted to implement the *OECD Convention on Combatting Bribery of Foreign Officials in International Business Transactions* (collectively, "**Anti-Corruption Laws**"), all applicable anti-slavery and human trafficking laws, statutes, regulations and codes from time to time in force including, *An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff* (Canada) (collectively, "**Modern Slavery Laws**") and any economic or financial sanctions or trade embargoes imposed, authorized, administered or enforced by any Governmental Authority (collectively, "**Sanctions**").
- (iii) To the knowledge of Purchaser, neither Purchaser nor its subsidiaries has, directly or indirectly: (i) made or authorized any contribution, payment or gift of funds or property to any official, employee or agent of any governmental agency, authority or instrumentality of any jurisdiction; or (ii) made any contribution to any candidate for public office, in either case, where either the payment or the purpose of such contribution, payment or gift was, is, or would be prohibited under Anti-Corruption Laws.
- (iv) Neither Purchaser nor any of its subsidiaries, nor, to the knowledge of Purchaser, any of their respective directors, officers, agents, employees, consultants or other Persons acting on behalf of Purchaser or any of its subsidiaries, is aware of or has taken any action, directly or indirectly, including, but not limited to sales, transactions, contracts, loans or investments, in any currency, in or with any Person listed in any Sanctions related list of designated Persons maintained by any Governmental Authority, any Person operating, organized or resident in a Sanctioned Country or any Person controlled by such Person (a "**Sanctioned Person**"). Neither Purchaser, its subsidiaries nor any of their affiliates are owned or affiliated by or with any Sanctioned Person or a government of a country or territory which is the subject or target of any Sanctions (a "**Sanctioned Country**"), and no director, officer, agent, employee, consultant, representative or affiliate of Purchaser or any of its subsidiaries is a Sanctioned Person or is employed by or affiliated with the government, or is resident in, a Sanctioned Country.

- (v) Purchaser and each of its subsidiaries has in place and has adhered to policies and procedures designed to prevent their respective directors, officers, employees, agents duly retained by Purchaser or one of its subsidiaries and other Persons retained to act on their behalves from undertaking any activity, practice, or conduct that would constitute an offense under Money Laundering Laws, Anti-Corruption Laws, or Sanctions.
- (vi) Neither Purchaser nor any of its subsidiaries, nor any of their respective directors, officers, employees, or, to the knowledge of Purchaser, agents retained by Purchaser, or one of its subsidiaries, or other Persons acting on their behalves, has violated or been alleged to have violated, or been the subject of any investigations, reviews, audits, or inquiries by a Governmental Authority related to, Money Laundering Laws, Anti-Corruption Laws, Modern Slavery Laws, or Sanctions, and no investigation, review, audit, or inquiry by any Governmental Authority with respect to Money Laundering Laws, Anti-Corruption Laws, Modern Slavery Laws and Sanctions has been pending or, to the knowledge of Purchaser or any of its subsidiaries, threatened.

SCHEDEULE "D"

REPRESENTATIONS AND WARRANTIES OF COMPANY

(a) Organization and Qualification.

- (i) Each of Company and its subsidiaries has been duly incorporated or formed, as the case may be, and is validly subsisting under the Applicable Laws of its jurisdiction of formation and has the requisite power and authority to own its assets and properties as now owned and to carry on its business as it is now conducted. Copies of the constating documents of Company and its subsidiaries provided to Purchaser, together with all amendments, are accurate and complete and have not been amended or superseded.
- (ii) Each of Company and its subsidiaries is duly registered or authorized to conduct its affairs or do business, as applicable, and is in good standing in each jurisdiction in which the character of its assets and properties, owned, leased, licensed or otherwise held, or the nature of its activities makes such registration or authorization necessary, except where the failure to be so registered or authorized would not, individually or in the aggregate, have a Material Adverse Effect on Company.

(b) Authority Relative to this Agreement. Company has the requisite corporate power and authority to enter into this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement and the consummation by Company of the transactions contemplated by the Arrangement have been duly authorized by the Company Board and, subject to the requisite approval of the Company Shareholders and the obtaining of the Interim Order and the Final Order, no other proceedings on the part of Company are necessary to authorize this Agreement or the Arrangement, other than the approval of the TSXV, the approval of the Information Circular by the Company Board, and such other consents and approvals as are specifically contemplated in this Agreement. This Agreement has been duly executed and delivered by Company and constitutes a legal, valid and binding obligation of Company enforceable against it in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other Applicable Laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are discretionary and may not be ordered.

(c) Subsidiaries, Joint Ventures and Partnerships. Other than CWC Energy Employee Services Corp., a corporation existing under the laws of the Province of Alberta, and CWC Energy Services (USA) Corp., a corporation existing under the laws of the State of Delaware, Company has no subsidiaries and, except as set out in the Company Disclosure Letter, Company has no joint ventures or partnerships. Company owns, directly or indirectly, all of the outstanding voting and equity securities of each of its subsidiaries. All of the outstanding shares in the subsidiaries of Company are duly authorized, validly issued and fully paid and non-assessable, and all such shares are owned by Company free and clear of all Encumbrances (other than Permitted Encumbrances), except pursuant to restrictions on transfer contained in the constating documents of such subsidiary. There are no rights of first refusal or similar rights restricting the transfer of Company Shares contained in shareholders, partnership, joint venture or similar agreements or pursuant to existing financing arrangements and there are no outstanding contractual or other obligations of Company to repurchase, redeem or otherwise acquire any of its securities or with respect to the voting or disposition of any outstanding securities of Company.

(d) No Violations. Except as contemplated by this Agreement, and subject to the approval of the Company Shareholders of the Arrangement, the approval of the Interim Order and the Final Order by the Court, and the receipt of Regulatory Approvals:

(i) neither the execution and delivery of this Agreement by Company nor the consummation of the transactions contemplated by the Arrangement nor compliance by Company with any of the provisions hereof will:

(A) except as set out in the Company Disclosure Letter, violate, conflict with, or result in a breach of any provision of, require any consent, approval or notice under, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) or result in a right of termination or acceleration under, or result in the creation of any Encumbrance (other than Permitted Encumbrances) upon any of the properties or assets of Company or its subsidiaries or cause any indebtedness to come due before its stated maturity, require Company or its subsidiaries to (or to offer to) purchase or redeem any outstanding debt, or cause any credit to cease to be available, under any of the terms, conditions or provisions of: (1) the articles or by- laws of Company; or (2) any note, bond, mortgage, indenture, loan agreement, deed of trust, agreement, lien, Contract or other instrument or obligation to which Company or its subsidiaries is a party or to which it, or any of its properties or assets, may be subject or by which Company is bound; or

(B) subject to obtaining the requisite approvals of the Company Shareholders, Court, Governmental Authorities (including the Competition Act Clearance), the TSXV and compliance with Applicable Canadian Securities Laws, violate any Applicable Law, including any judgment, ruling, order, writ, injunction, determination, award, decree, statute, ordinance, rule or regulation applicable to Company or any of its properties or assets; or

(C) cause the suspension or revocation of any authorization, consent, approval or license currently in effect.

(ii) other than in connection with or in compliance with the provisions of Applicable Laws in relation to the completion of the Arrangement or which are required to be fulfilled post Arrangement, and except for the requisite approvals of Governmental Authorities, the TSXV and the Company Shareholders and the obtaining of the Interim Order and the Final Order:

(A) there is no legal impediment to Company's consummation of the Arrangement; and

(B) no filing or registration with, or authorization, consent or approval of, any domestic or foreign public body or authority is required of Company in connection with the consummation of the Arrangement.

(e) No Default. Neither Company nor its subsidiaries is in default under, and there exists no event, condition or occurrence which, after notice or lapse of time or both, would constitute such a default under any Contract or licence to which Company or its subsidiaries is a party or by which it is bound which would, if terminated or upon exercise of a right made available to a third party solely by a reason of such a default due to such default, individually or in the aggregate, reasonably be

expected to have a Material Adverse Effect with respect to Company, or significantly impede the ability of the Company to consummate the Arrangement..

(f) Litigation. There are no claims, actions, suits, proceedings, investigations, arbitrations, audits, grievances, assessments or reassessments in existence or pending or, to the knowledge of Company, threatened, affecting or that would reasonably be expected to affect Company, its subsidiaries or any of the properties or assets at law or in equity or before or by any court or Governmental Authority which claim, action, suit, proceeding, investigation, arbitration, audit, grievance, assessment or reassessment involves a possibility of any judgment against or liability of Company or its subsidiaries which would reasonably be expected to cause, individually or in the aggregate, a Material Adverse Change with respect to Company or would significantly impede the ability of Company to consummate the Arrangement. Neither Company nor its subsidiaries is subject to any outstanding order, writ, injunction or decree that has or would reasonably be expected to have a Material Adverse Effect with respect to Company, or would significantly impede the ability of Company to consummate the Arrangement.

(g) Bankruptcy and Insolvency.

(i) No action or proceeding has been commenced or filed by or against Company or any of its subsidiaries which seeks or would reasonably be expected to lead to:

- (A) receivership, bankruptcy, a commercial proposal or similar proceeding of Company or any of its subsidiaries;
- (B) the adjustment or compromise of claims against Company or any of its subsidiaries; or
- (C) the appointment of a trustee, receiver, liquidator, custodian or other similar officer for Company or any portion of its assets, and no such action or proceeding has been authorized or is being considered by or on behalf of Company or any of its subsidiaries.

(ii) Neither Company nor any of its subsidiaries has made, nor is Company or any of its subsidiaries considering making, an assignment for the benefit of its creditors.

(h) Taxes, etc.

(i) Company and its subsidiaries, as the case may be, in all material respects, have each duly and timely filed all Tax Returns required to be filed by or on its behalf prior to the date hereof and all such Tax Returns are complete and correct in all material respects and except as disclosed in the Company Disclosure Letter no extension of time to file any such Tax Returns is in effect.

(ii) Company and its subsidiaries, as the case may be, have each paid on a timely basis all Taxes which are due and payable (including instalments required by Applicable Law on account of Taxes for the current year), all assessments and reassessments, and all other Taxes due and payable by them, other than those which are being or have been contested in good faith and in respect of which adequate reserves have been provided in the most recently published consolidated financial statements of Company. Company has provided adequate accruals in accordance with IFRS in the most recently published consolidated financial statements of Company for any Taxes (including related future Taxes) of

Company and its subsidiaries, as the case may be, for the period covered by such financial statements that have not been paid whether or not shown as being due on any Tax Returns.

- (iii) No material deficiencies, litigation, proposed adjustments or matters in controversy exist or have been asserted in writing with respect to Taxes of Company and its subsidiaries, as the case may be, and Company and its subsidiaries, as the case may be, is not a party to any material action or proceeding for assessment or collection of Taxes and no such event has been asserted or, to the knowledge of Company, threatened against Company and its subsidiaries, as the case may be, or any of their respective assets.
- (iv) No written claim has been made by any Governmental Authority in a jurisdiction where Company and its subsidiaries, as the case may be, does not file Tax Returns that Company and its subsidiaries, as the case may be, is or may be subject to Tax by that jurisdiction.
- (v) Each of the Company and its subsidiaries has not had a permanent establishment in any country other than the country under the Applicable Laws of which it is organized.
- (vi) There are no Encumbrances (other than Permitted Encumbrances) with respect to Taxes upon any of the assets of Company.
- (vii) Each of the Company and the Subsidiaries has duly and timely withheld all Taxes and other amounts required by Applicable Laws to be withheld by it (including Taxes and other amounts required to be withheld by it in respect of any amount paid or credited or deemed to be paid or credited by it to or for the account or benefit of any Person, including any employees, officers or directors and any non-resident Person), and has duly and timely remitted to the appropriate Governmental Authority such Taxes and other amounts required by Applicable Laws to be remitted by it.
- (viii) Each of the Company and the Subsidiaries in all material respects has duly and timely collected all amounts on account of any sales or transfer taxes, including goods and services, harmonized sales and provincial or territorial sales taxes, required by Applicable Laws to be collected by it and has duly and timely remitted to the appropriate Governmental Authority any such amounts required by Applicable Laws to be remitted by it.
- (ix) Each of the Company and its subsidiaries is duly registered under subdivision (d) of Division V of Part IX of the *Excise Tax Act* (Canada) with respect to the goods and services tax and harmonized sales tax and under any applicable provincial sales tax legislation.
- (x) Company and its subsidiaries, as the case may be, is not party to or bound by any tax sharing agreement, tax indemnity obligation in favour of any Person or similar agreement in favour of any Person with respect to Taxes (including any advance pricing agreement or other similar agreement relating to Taxes with any Governmental Authority).
- (xi) Company and its subsidiaries has made available to Purchaser true, correct and complete copies of all Tax Returns, examination reports, statements of deficiencies by all Taxing Authorities and all communications to or from any Taxing Authority relating to Taxes for taxable periods, or transactions consummated, for which the applicable statutory periods of limitations have not expired.

- (xii) Company and its subsidiaries, as the case may be, has not ever directly or indirectly transferred any property to or supplied any services to or acquired any property or services from a Person with whom it was not dealing at arm's length (within the meaning of the ITA) for consideration other than consideration equal to the fair market value of the property or services at the time of the transfer, supply or acquisition of the property or services or in circumstances which could subject the Company or the subsidiaries to a liability under section 160 of the ITA (taking into account all proposals to amend the ITA on the date hereof).
- (xiii) The Company and each Subsidiary has complied in all material respect with the transfer pricing provisions of each applicable Law relating to Taxes, including the contemporaneous documents and disclosure requirements thereunder.
- (xiv) Company is a taxable Canadian corporation as defined in subsection 89(1) of the ITA.
- (xv) Company is not a non-resident of Canada within the meaning of the ITA.
- (xvi) None of the Company or any of the Subsidiaries has participated in any transactions which are subject to the reporting requirements under section 237.3 or section 237.5 of the ITA, or the notification requirements under section 237.4 of the ITA. None of the Company or any of the Subsidiaries has an obligation to file an information return pursuant to (i) any of the sections specified above in the ITA, or (ii) sections 1079.8.5 or 1079.8.6 of the Quebec Taxation Act.
- (xvii) Any amounts claimed and/or received under or pursuant to section 125.7 of the ITA by the Company or any of the Subsidiaries were claimed, applied for or received by the Company or Subsidiary, as applicable, in accordance with applicable Law (including without limitation the ITA), and the Company or the Subsidiary, as applicable, satisfied at all time the relevant criteria and conditions entitling it to any such amount.

(i) Reporting Issuer Status. Company is a "reporting issuer" in the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and is in material compliance with all Applicable Canadian Securities Laws therein and the Company Shares are listed and posted for trading on the TSXV. Company is not in default of any material requirements of Applicable Canadian Securities Laws in such jurisdictions or any rules or regulations of, or agreement with, the TSXV in any material respect. No delisting, suspension of trading in or cease trading order with respect to the Company Shares or any other securities of Company is pending or, to the knowledge of Company, threatened or is expected to be implemented or undertaken and, to the knowledge of Company, is not subject to any formal or informal review, enquiry, investigation or other proceeding relating to any such order or restriction. To the knowledge of Company, none of its officers or directors are subject to an order or ruling of any securities regulatory authority or stock exchange prohibiting such individual from acting as a director or officer of a public entity or of an entity listed on a particular stock exchange. The documents and information comprising the Company Public Record did not at the respective times they were filed with the relevant Securities Authorities, contain any Misrepresentation, unless such document or information was subsequently corrected or superseded in the Company Public Record prior to the date hereof and all material facts regarding Company (other than the Arrangement) are disclosed in the Company Public Record. Since January 1, 2023, Company has timely filed with the Securities Authorities all material forms, reports, schedules, statements and other documents required to be filed by Company with Securities Authorities. Company has not filed any confidential material change report that, at the date hereof, remains confidential.

(j) **Capitalization.** As of the date hereof, the authorized capital of Company consists of an unlimited number of Company Shares and an unlimited number of preferred shares, issuable in series. As of the date hereof, there are issued and outstanding 516,012,894 Company Shares and no other shares are issued and outstanding. Other than Company Options to acquire up to 89,000 Company Shares and Company Restricted Awards to acquire up to 16,320,744 Company Shares, there are no options, warrants or other rights, plans agreements or commitments of any nature whatsoever requiring the issuance, sale or transfer by Company of any securities of Company (including Company Shares) or any securities convertible into, or exchangeable or exercisable for, or otherwise evidencing a right to acquire, any securities of Company (including Company Shares). All outstanding Company Shares have been duly authorized and validly issued, are fully paid and non-assessable and are not subject to, nor were they issued in violation of, any pre-emptive rights and all Company Shares issuable upon the exercise of Company Options in accordance with the terms of such options will be duly authorized and validly issued as fully paid and non-assessable and will not be subject to any pre-emptive rights. Other than the Company Shares, there are no securities of Company outstanding which have the right to vote generally (or, except for the Company Options and Company Restricted Awards, are exercisable or convertible into or exchangeable for securities having the right to vote generally) with the Company Shareholders on any matter. Except as disclosed in the Company Disclosure Letter, to the knowledge of Company, none of the Company Shares are the subject of any escrow, voting trust, shareholder rights agreement or other similar agreement.

(k) **Equity Monetization Plans.** Other than the Company Options and the Company Restricted Awards, there are no outstanding stock options, restricted or deferred share units, performance share units, stock appreciation rights, phantom equity, profit sharing plan or any other similar rights, agreements, arrangements or commitments payable to any director, officer or employee of Company and which are based upon the revenue, value, income or any other attribute of Company.

(l) **Financial Reports.** The Company Financial Statements, and any interim or annual financial statements filed by or on behalf of Company on and after the date hereof with the Securities Authorities, were or, when so filed, will have been prepared in accordance with IFRS (except in the case of unaudited interim statements, to the extent they may not include footnotes, are subject to normal year-end adjustments or may be condensed or summary statements), and present or, when so filed, will present fairly in accordance with IFRS the financial position, results of operations and changes in financial position of Company and its subsidiaries, as the case may be, on a consolidated basis as of the dates thereof and for the periods indicated therein (subject, in the case of any unaudited interim financial statements, to normal year-end audit adjustments). Company does not intend to correct or restate, nor, to the knowledge of Company, is there any basis for any correction or restatement of any aspect of the Company Financial Statements. There has been no material change in Company's accounting policies, except as described in the notes to the Company Financial Statements, since January 1, 2023.

(m) **Reportable Disagreements.** There has not been a reportable disagreement (within the meaning of section 4.11 of National Instrument 51-102 – *Continuous Disclosure Obligations*) with Company's auditors.

(n) **Books and Records.** The financial books, records and accounts of Company and its subsidiaries, in all material respects: (i) have been maintained in accordance with good business practices on a basis consistent with prior years; (ii) are stated in reasonable detail and accurately and fairly reflect the material transactions involving Company; and (iii) accurately and fairly reflect the basis for the Company Financial Statements. The corporate records and minute books of Company and its subsidiaries have been maintained substantially in compliance with Applicable Laws and are

complete and accurate in all material respects (other than those minutes of the meetings of the Company Board or committees thereof which are in draft form or relate to the transactions contemplated hereby), and full access thereto has been provided to Purchaser.

(o) Absence of Undisclosed Liabilities. Company and its subsidiaries each has no material liabilities of any nature (matured or unmatured, fixed or contingent), other than:

- (i) those set forth or adequately provided for in the most recent consolidated statement of financial position and associated notes thereto included in the Company Financial Statements (the "**Company Balance Sheet**");
- (ii) those incurred in the ordinary course of business since the date of the Company Balance Sheet and not required to be set forth in the Company Balance Sheet and consistent with past practice; and
- (iii) those incurred in connection with the execution of this Agreement.

(p) Absence of Certain Changes or Events. Except for the Arrangement or any action taken in accordance with this Agreement and except as has been publicly disclosed by Company in the Company Public Record, since December 31, 2022:

- (i) Company and its subsidiaries have conducted their respective businesses only in the ordinary course of business consistent with past practice;
- (ii) no liability or obligation of any nature (whether absolute, accrued, contingent or otherwise) material to Company or its subsidiaries has been incurred other than in the ordinary course of business consistent with past practice;
- (iii) except as set out in the Company Disclosure Letter, there are no outstanding authorizations for expenditure over \$250,000 pertaining to any of the assets of Company or any other commitments, approvals, authorizations pursuant to which an expenditure over \$250,000 may be required to be made in respect of such assets;
- (iv) there has been no Material Adverse Change or Material Change in respect of Company or its subsidiaries;
- (v) there have been no Material Facts, transactions, events or occurrences which would have a Material Adverse Effect on the capital, assets, liabilities or obligations (absolute, accrued, contingent or otherwise), condition (financial or otherwise) or results of the operations of Company which have not been disclosed in the Company Public Record or in the Company Disclosure Letter; and
- (vi) Company has not, and to the knowledge of Company, no director, officer, employee, contractor, consultant or agent or auditor of Company or its subsidiaries, has received or otherwise had or obtained knowledge of any fraud, material complaint, allegation, assertion or claim, whether written or oral, regarding fraud or the accounting or auditing practices, procedures, methodologies or methods of Company or its subsidiaries or their internal accounting controls.

(q) Registration, Exemption Orders, Licenses, etc.

- (i) Company and its subsidiaries have each obtained and is in compliance with all licenses, permits, certificates, consents, orders, grants, registrations, recognition orders, exemption relief orders, no-action relief and other authorizations (including in connection with Environmental Laws) from any Governmental Authority necessary in connection with its business as it is now, individually or in the aggregate, being or proposed to be conducted (collectively, the "**Governmental Authorizations**"), except where the failure to obtain or be in compliance could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect with respect to Company. Such Governmental Authorizations are in full force and effect in accordance with their terms, and, to the knowledge of Company, no event has occurred or circumstance exists that (with or without notice or lapse of time) may constitute or result in a violation of any such Governmental Authorization except where the violation would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; and
- (ii) no proceedings are pending or, to the knowledge of Company, threatened, which could result in the revocation or limitation of any Governmental Authorization, and all steps have been taken and filings made on a timely basis with respect to each Governmental Authorization and its renewal, except where the failure to take such steps and make such filings would not individually or in the aggregate, reasonably be expected to have a Material Adverse Effect with respect to Company. Neither Company, its subsidiaries nor any of their respective officers or directors has received notice, whether written or oral, of revocation, non-renewal or material amendments of any material Governmental Authorization, or of the intention of any Person to revoke, refuse to renew or materially amend any such material Governmental Authorization.

(r) Third Party Consents. The Company Disclosure Letter sets out a complete and accurate list of all notifications required to be given and waivers, approvals and consents required to be obtained by the Company in connection with the execution, delivery and performance of this Agreement or any other documents and agreements to be delivered under this Agreement, where the failure to give such notifications or obtain such waivers, approvals and consents would have a Material Adverse Effect with respect to Company.

(s) Compliance with Laws. Neither Company or its subsidiaries is in violation of any Applicable Laws which violation could reasonably be expected to have a Material Adverse Effect with respect to Company. The operations and business of Company and its subsidiaries, respectively, is and has been carried out in compliance with and not in violation of any Applicable Laws, other than non-compliance or violation which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect with respect to Company or would significantly impact the ability of Company to consummate the Arrangement, and neither Company nor its subsidiaries have received any notice of any alleged violation of any such Applicable Laws.

(t) Restrictions on Business Activities. There is no judgment, injunction or order binding upon Company or any of its subsidiaries that has or could reasonably be expected to have the effect of prohibiting, restricting or impairing its business or, individually or in the aggregate, have a Material Adverse Effect on Company or any of its subsidiaries.

(u) Non-Arm's Length Transactions. Except for amounts due as normal salaries and bonuses and in reimbursement of ordinary expenses, existing employment agreements, existing agreements respecting Company Options and Company Restricted Awards, and existing agreements respecting retention payments, there are no Contracts or other transactions (including with respect to loans or other indebtedness) currently in place between Company, on the one hand, and: (i) any officer,

director or employee of, or consultant of Company; (ii) any holder of record or beneficial owner of 10% or more of the voting securities of Company; or (iii) any associate or affiliate of any such Person.

(v) **Title.** Except as would not reasonably be expected to have a Material Adverse Effect on Company's business, Company and its subsidiaries has good and marketable title to the assets of Company or its subsidiaries free and clear of any Encumbrances, except for Permitted Encumbrances. The assets of Company or its subsidiaries currently owned, licensed or leased by Company and its subsidiaries include materially all of the property, rights and assets that Company and its subsidiaries has utilized to carry on its business and operations and Company is not aware of any defects, failures or impairments in the title of Company or its subsidiaries to the assets of Company or its subsidiaries, whether or not an action, suit, proceeding or inquiry is pending or threatened or whether or not discovered by any third party, which in aggregate, could reasonably be expected to have a Material Adverse Effect on Company and its subsidiaries.

(w) **Customers and Suppliers.** There are no unresolved disputes with any of Company or its subsidiaries material suppliers or customers, which in aggregate, could reasonably be expected to have a Material Adverse Effect on Company and its subsidiaries. Except as would not reasonably be expected to have a Material Adverse Effect on Company's business, no Contract with any supplier or customer contains terms under which the execution or performance of this Agreement would give the supplier or customer the right to terminate or adversely change the terms of that Contract. Since January 1, 2023, there has been no termination or cancellation of, and no modification or change in, the business relationship of Company and its subsidiaries with any major customer or group of major customers which could reasonably be expected to have a Material Adverse Effect on Company.

(x) **Off-Balance Sheet Arrangements.** Company does not have any "off-balance sheet arrangements" (as such term is defined under IFRS).

(y) **Capital Commitments.** The capital spending plan of Company and its subsidiaries as set out in the Company Disclosure Letter sets out all commitments to expend any capital expenditures in excess of \$250,000, individually or in aggregate, to which Company or its subsidiaries is subject, as the case may be.

(z) **Pre-emptive and Prior Consent Rights.** Except as set out in the Company Disclosure Letter, there are no rights of first refusal, consent, or other pre-emptive rights of purchase which entitle any Person to acquire any of the rights, title, interests, property, licenses or assets of Company, or any other right of first refusal, consent, or pre-emptive right in respect of such assets, that will be triggered or accelerated by the Arrangement.

(aa) **No Insider Rights.** No director, officer, employee, insider or other Person not at arm's length to Company has any right, title or interest in (or the right to acquire any right, title or interest in) any royalty interest, participation interest or any other interest whatsoever, in any assets or properties of Company.

(bb) **Government Incentives.** All filings made by Company and its subsidiaries under which it has received or is entitled to government incentives have been made in compliance with all Applicable Laws and contain no misrepresentations which could cause any material amount previously paid to Company or its subsidiaries, respectively, or previously accrued on the accounts thereof to be recovered or disallowed. Except as set out in the Company Disclosure Letter, any credits, payments or other benefits received or receivable by Company or its subsidiaries pursuant to any

governmental benefit or incentive program including any royalty holidays or credits to any taxes, royalties or governmental payment or obligations otherwise payable, have been properly received and it has not received any notice of any claim to the contrary.

(cc) Outstanding AFE's. Except as set out in the Company Disclosure Letter, to the knowledge of Company, there are no outstanding cash calls, equalization payments or authorizations for expenditure which exceed \$250,000 pursuant to which expenditures will or may be made in respect of the assets of Company.

(dd) Owned Real Property

- (i) The Company Disclosure Letter sets forth a complete list of the Owned Real Property in each case by reference to the owner, municipal address and legal description.
- (ii) Company or the named subsidiary, as the case may be, is the legal and beneficial owner of the Owned Real Property in fee simple, with good and marketable title thereto, free and clear of all Encumbrances other than Permitted Encumbrances.

(ee) Leased Real Property

- (i) The Company Disclosure Letter sets forth a complete list of the Leased Real Property by reference to municipal address and description of the corresponding Real Property Leases.
- (ii) Except as disclosed in the Company Disclosure Letter, the Real Property Leases have not been altered or amended and are in full force and effect.
- (iii) There are no outstanding material defaults (or events which would constitute a material default with the passage of time or giving of notice or both) under the Real Property Leases on the part of Company or any of its subsidiaries or, to the knowledge of Company, on the part of any other party to such Real Property Leases.
- (iv) All interests held by Company or any of its subsidiaries as lessee or occupant under the Real Property Leases are free and clear of all Encumbrances other than Permitted Encumbrances.

(ff) Real Property Generally

- (i) Except as would not be reasonably expected to have a Material Adverse Effect on the Company and its subsidiaries, the Improvements are in proper working order, having regard to their use and age.
- (ii) The Owned Real Property has suitable access to public roads and Company and its subsidiaries otherwise have such rights of entry and exit to and from the Owned Real Property as are reasonably necessary to carry on the business of Company and its subsidiaries upon the Owned Real Property as it has been carried on in the ordinary course by Company and its subsidiaries.
- (iii) Except as disclosed in the Company Disclosure Letter and except for Permitted Encumbrances, neither the Company nor any of its subsidiaries have leased or otherwise granted to any third-party the right to use or occupy the Real Property and the Owned Real

Property is not subject to any options to purchase, rights of first refusal to purchase or similar interests.

- (iv) Except as would not be reasonably expected to have a Material Adverse Effect on the Company and its subsidiaries, the current uses of the Real Property are permitted under current zoning and land use regulations and Applicable Laws and the Company has no knowledge of any proposed or pending changes to any zoning regulation or official plan affecting the Real Property.
- (v) Except as would not be reasonably expected to have a Material Adverse Effect on the Company and its subsidiaries, no Improvements encroach on real property not forming part of the Real Property and no buildings, structures or other improvements on adjoining lands encroach upon the Real Property.
- (vi) The Company has no knowledge of any expropriation or condemnation or similar proceeding pending or threatened against the Real Property or any part of the Real Property.
- (vii) The Real Property is fully serviced (including water, storm and sanitary sewer and electrical service) to a level sufficient to permit the operation of the business of Company and its subsidiaries to be carried on after the closing of the transactions contemplated herein as it has been carried on in the ordinary course by Company and its subsidiaries. All municipal levies, local improvements, imposts and permit fees due and payable prior to the Effective Date have been or shall be paid by Company and its subsidiaries as at the Effective Date.

(gg) Environmental. To the knowledge of Company, except to the extent that any violation or other matter referred to in this Section (gg) does not, and would not reasonably be expected to, have a Material Adverse Effect:

- (i) Neither Company nor its subsidiaries is in violation of any applicable Environmental Laws;
- (ii) Company and its subsidiaries have operated their respective businesses at all times and has received, handled, used, stored, treated, shipped and disposed of all Hazardous Substances in material compliance with Environmental Laws;
- (iii) there are no Hazardous Substances present in, on, at, under, or about any of the Real Property (including underlying soils and substrata, vegetation, surface water and groundwater) except in material compliance with Environmental Laws;
- (iv) except as set out in the Company Disclosure Letter, there have been no spills, releases, deposits or discharges of Hazardous Substances, or wastes into the earth, subsoil, underground waters, air or into any body of water or any municipal or other sewer or drain water systems by Company or its subsidiaries, or on or underneath any location which is or was currently or formerly owned, leased or otherwise operated by Company or its subsidiaries, that have not been remediated in material compliance with Environmental Laws;
- (v) no Hazardous Substance originating from any neighbouring or adjoining properties has migrated onto, into or under any of the Real Property or any other assets of Company or any of its subsidiaries;

- (vi) no orders, directions, directives, demands or notices have been issued and remain outstanding pursuant to any Environmental Laws relating to the business or assets of Company or its subsidiaries;
- (vii) neither Company nor its subsidiaries has failed to report to the proper Governmental Authority the occurrence of any event which is required to be so reported by any Environmental Law;
- (viii) Company and its subsidiaries each hold all Environmental Approvals required in connection with the operation of its business and the ownership and use of the assets of Company, all Environmental Approvals are in full force and effect, and neither Company nor its subsidiaries have received any notification pursuant to any Environmental Laws that any work, repairs, constructions or capital expenditures are required to be made by it as a condition of continued compliance with any Environmental Laws or Environmental Approvals, or that any of its Environmental Approvals are about to be reviewed, made subject to limitation or conditions, revoked, withdrawn or terminated;
- (ix) there are no pending or, to the knowledge of Company, threatened claims, liens or Encumbrances (other than Permitted Encumbrances) resulting from Environmental Laws with respect to any of the properties of Company or its subsidiaries currently or formerly owned, leased, operated or otherwise used; and
- (x) neither Company nor its subsidiaries has assumed, indemnified or retained by contract or operation of law any losses, expenses, claims, damages or liabilities of any third party pursuant to applicable Environmental Laws.

(hh) **First Nations, Métis and Native Matters.** The Company Disclosure Letter discloses all of the contracts, agreements, arrangements or understandings to which Company is a party with First Nations, Métis, tribal or native authorities or communities in relation to the environment or development of communities in the vicinity of any of the assets or properties of Company or its subsidiaries which are material. Except as set out in the Company Disclosure Letter, neither Company nor its subsidiaries has received notice of any claim with respect to any of the assets or properties of Company or its subsidiaries for which Company or its subsidiaries, as the case may be, has been served, either from First Nations, Métis, tribal or native authorities or any Governmental Authority, indicating that any of such assets or properties infringe upon or has an adverse effect on any aboriginal rights or interests of such First Nations, Métis, tribal or native authorities.

(ii) **Intellectual Property.**

- (i) Neither Company nor its subsidiaries has any right, title or interest in and to, nor does Company or its subsidiaries hold any, license in respect of any patents, trade-marks, trade names, service marks, copyrights, know-how, trade secrets, software, technology, or any other intellectual property and proprietary rights that are material to the conduct of any business related to its assets, as now conducted.
- (ii) All computer hardware and their associated firmware and operating systems, application software, database engines and processed data, technology infrastructure and other computer systems used in connection with the conduct of any business related to the assets of Company or its subsidiaries (collectively, the "**Technology**") are up-to-date and reasonably sufficient for conducting any business related to its assets, as now conducted.

- (iii) Company and its subsidiaries each own or has validly licensed (and is not in breach of such licenses in any material respect) such Technology and has sufficient virus protection and security measures in place in relation to such Technology.
- (iv) Company and its subsidiaries each have reasonably sufficient backup systems and audit procedures and disaster recovery strategies adequate to ensure the continuing availability of the functionality provided by the Technology, and has ownership of or a valid license to the intellectual property rights necessary to allow it to continue to provide the functionality provided by the Technology in the event of any malfunction of the Technology or other form of disaster affecting the Technology.
- (jj) Company Material Contracts. The Company Disclosure Letter lists all of the Contracts, correct, current and complete copies of which have been made available to Purchaser, which: (i) are outside of the ordinary course of the business, (ii) are non-industry standard, (iii) relate to indebtedness for borrowed money, (iv) involve aggregate payments to or by Company in any fiscal year in excess of \$2,000,000, (v) restrict the business or activities of Company; (vi) are for any material liability or obligation of Company, or (vii) are otherwise material to Company and its subsidiaries (the "**Company Material Contracts**"). Except as would not reasonably be expected to have a Material Adverse Effect on Company's business, each of the Company Material Contracts constitutes a legally valid and binding agreement of Company, enforceable in accordance with its respective terms and, to the knowledge of Company, no party thereto is in default in the observance or performance of any term or obligation to be performed by it under any such Company Material Contract, and no event has occurred which with notice or lapse of time or both would directly or indirectly constitute such a default. Except as would not reasonably be expected to have a Material Adverse Effect on Company's business, neither Company nor its subsidiaries has received any written notice or verbal communications that any party to a Company Material Contract intends to modify, cancel, terminate or not renew its relationship with Company or its subsidiaries, as the case may be, and, to the knowledge of Company, no such action is pending or threatened.
- (kk) Employee Benefit Plans. Company has made available to Purchaser true, complete and correct copies of each employee benefits plan (collectively, the "**Company Plans**") covering active, former or retired employees of Company and its subsidiaries, any related trust agreement, annuity or insurance contract or other funding vehicle, and:
 - (i) each Company Plan has been established, funded, invested, maintained and administered in material compliance with its terms;
 - (ii) all required employer contributions under any such plans have been made or are accurately reflected on Company's books and records and the applicable funds have been funded in accordance with the terms thereof;
 - (iii) each Company Plan that is required or intended to be qualified under Applicable Laws or registered or approved by a Governmental Authority has been so qualified, registered or approved by the appropriate Governmental Authority, and to the knowledge of Company, nothing has occurred since the date of the last qualification, registration or approval that would reasonably be expected to adversely affect, or cause, the appropriate Governmental Authority to revoke such qualification, registration or approval;
 - (iv) except as disclosed in the Company Disclosure Letter and other than the Company Options and the Company Restricted Awards, none of the Company Plans provide for benefit

increases or the acceleration of funding obligations that are contingent upon, or will be triggered by the entering into of this Agreement or the completion of the Arrangement;

- (v) to the knowledge of Company, there are no pending or anticipated material claims against or otherwise involving any of the Company Plans and no suit, action or other litigation (excluding claims for benefits incurred in the ordinary course of Company Plan activities) has been brought against or with respect to any Company Plan;
- (vi) no Company Plan is a "registered pension plan" as such term is defined in the ITA;
- (vii) all material contributions, reserves or premium payments required to be made to the Company Plans have been made or provided for; and
- (viii) neither Company nor its subsidiaries has any obligations for retiree health and life benefits under any Company Plan.

(ll) Employees.

- (i) The Company Disclosure Letter sets out a complete list of all employees and contractors of Company and its subsidiaries, including the current salary or fee rate, incentive compensation (including commissions, bonuses, equity incentives and other variable pay), benefits, vacation entitlement, start date, full-time or part-time status, job title or classification and location of employment or engagement of each employee and contractor.
- (ii) The Company Disclosure Letter sets out a complete list of all employees of Company and its subsidiaries who are on disability leave, maternity leave, parental leave or other authorized or unauthorized leave of absence from Company or its subsidiaries, as the case may be, which list indicates each employee's reason for leave, expected date of return from leave (if known) and entitlement to or eligibility for benefits while on leave.
- (iii) All of the Persons who are receiving remuneration for work or services provided to Company or its subsidiaries who are not employees or directors are treated as independent contractors.
- (iv) Current and complete copies of all employment Contracts with Executive Employees have been delivered to the Purchaser.
- (v) The Company Disclosure Letter sets forth all Company Employee Costs, and except for such Company Employee Costs disclosed in the Company Disclosure Letter, neither Company nor its subsidiaries has paid and will not be required to pay any bonus, fee, distribution, remuneration or other compensation to any employee or contractor as a result of the transactions contemplated by this Agreement (other than salaries, wages or fees paid or payable to employees and contractors in the ordinary course of business).
- (vi) To the knowledge of Company, Company and its subsidiaries have been and are each in material compliance with all Applicable Laws in respect of employees and contractors, including employment standards, workers' compensation, human rights, privacy, labour relations and occupational health and safety matters.
- (vii) Except as disclosed in the Company Disclosure Letter, neither Company nor its subsidiaries is a party to any application, complaint or legal proceeding under any

Applicable Laws relating to employees, contractors, former employees or former contractors. Neither Company nor its subsidiaries is aware of any factual or legal basis on which any such proceeding might be commenced.

- (viii) There are no outstanding, or to the knowledge of the Company, threatened or pending claims, decisions, directives, orders, charges, tickets, notices or settlements against Company or its subsidiaries relating to employees or former employees under Applicable Laws, including employment standards legislation, human rights legislation, privacy legislation, labour relations legislation or occupational health and safety legislation. All costs, charges, experience rating assessments or other assessments or other liabilities, contingent or otherwise, under workers' compensation legislation or other legislation relating to industrial accidents and/or occupational disease have been paid or are accurately reflected on the books and records of Company and its subsidiaries, respectively.
- (ix) No trade union, council of trade unions, employee bargaining agency or affiliated bargaining agent holds bargaining rights with respect to any employees of Company or its subsidiaries by way of certification, interim certification, voluntary recognition, designation or successor rights or has applied to have Company or its subsidiaries declared a related employer, true employer or successor employer pursuant to applicable labour relations legislation. Neither Company nor its subsidiaries has engaged in any unfair labour practices and, no strike, lock-out, work stoppage, or other material labour dispute is occurring. To the knowledge of Company, there are no threatened or pending strikes, work stoppages, picketing, lock-outs, hand-billings, boycotts, slowdowns or similar labour-related disputes pertaining to Company or its subsidiaries that could reasonably be expected to lead to a material and continuing interruption of operations of Company or its subsidiaries, as the case may be, at any location. Neither Company nor its subsidiaries has engaged in any closing or lay-off activities within the past two years that would violate or in any way subject Company or any of its subsidiaries to group termination or lay-off requirements of Applicable Laws.
- (x) Neither Company nor its subsidiaries has recognized any trade union, staff association, staff council, works council, or other organization formed for or arrangements having a similar purpose and no notification to any trade union, staff association, staff council, works council or other organization formed for or in respect of any arrangements having a similar purpose is required by Company or its subsidiaries for the purpose of consummating the transactions contemplated by this Agreement. To the knowledge of Company, there are no organizational efforts currently being made, threatened by or on behalf of, any trade union, staff association, staff council, works council, or other organization with respect to any employees or contractors of Company or its subsidiaries.

(mm) **Employment Agreements.** Except as set out in the Company Disclosure Letter, neither Company nor its subsidiaries is a party to any written contract of employment: (A) specifying severance, termination pay, notice of termination (or pay in lieu thereof) upon termination of employment without cause; or (B) which provides for payments or other benefits occurring on a "change of control" of Company.

(nn) **Brokers and Finders.** Neither Company nor its subsidiaries has retained nor will it retain any financial advisor, broker, agent or finder or paid or agreed to pay any financial advisor, broker, agent or finder on account of this Agreement, except that CIBC Capital Markets has been retained as Company's financial advisors in connection with certain matters including the transactions contemplated hereby.

(oo) Employment and Officer Obligations. Except as set out in the Company Disclosure Letter, there are no existing health plans or pension obligations or other employment or consulting services agreements, termination, severance and retention plans or policies of Company or its subsidiaries or accrued bonuses payable to any present or former employee, director, officer, consultant or contractor of Company or its subsidiaries, respectively.

(pp) Indebtedness To and By Directors, Officers and Others. Neither Company nor its subsidiaries is indebted to any of the directors, officers or employees of, or consultants to, Company, its subsidiaries, or any of their respective associates or affiliates or other parties not at arm's length to Company, except for amounts due as normal compensation or reimbursement of ordinary business expenses, nor is there any indebtedness owing by any such parties to Company or its subsidiaries, as the case may be.

(qq) Fairness Opinion. The Company Board has received the Company Fairness Opinion.

(rr) Long Term and Derivative Transactions. Except as set out in the Company Disclosure Letter or the Company Financial Statements, neither Company nor its subsidiary has any obligations or liabilities, direct or indirect, vested or contingent in respect of any rate swap transactions, basis swaps, forward rate transactions, commodity swaps, commodity options, equity or equity index swaps, equity or equity index options, bond options, interest rate options, foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross currency rate swap transactions, currency options, production sales transactions having terms greater than 90 days or any other similar transactions (including any option with respect to any of such transactions) or any combination of such transactions.

(ss) No Limitation. Neither Company nor its subsidiaries is a party to or bound or affected by any commitment, agreement or document containing any covenant expressly limiting its freedom to compete in any line of business, compete in any geographic region, or transfer or move any of its assets or operations.

(tt) Insurance. Policies of insurance that are in force as of the date hereof naming Company or its subsidiaries as an insured as are appropriate to their operations, property and assets and as are adequate and reasonable to cover all risks as are customarily covered by oilfield services companies in the industry in which Company or its subsidiaries, as the case may be, operates and having regard to the nature of the risk insured and the relative cost of obtaining insurance protect the interests of Company and its subsidiaries, respectively. All such policies shall remain in force and effect and shall not be cancelled or otherwise terminated as a result of the transactions contemplated by this Agreement, and none of Company or any of its subsidiaries are in default, as to the payment of premiums or otherwise, under the terms of any such policies.

(uu) Money Laundering, Anti-Corruption and International Risks

(i) The operations of Company and of each of its subsidiaries are, and have been, conducted at all time in material compliance with applicable financial recordkeeping and reporting requirements and money laundering laws and the rules and regulations thereunder and any related or similar laws, rules, regulations or guidelines, issued, administered or enforced by any Governmental Authority relating to money laundering, including the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) (collectively, the “**Money Laundering Laws**”).

- (ii) Company and its subsidiaries, and all of their respective directors, officers, employees, and, to the knowledge of Company, agents retained by Company or any of its subsidiaries, and other Persons acting on their behalves, are, and have been, at all times in material compliance with any Applicable Laws relating to antibribery or anti-corruption (governmental or commercial), including without limitation, the *Corruption of Foreign Public Officials Act* (Canada), the *Criminal Code* (Canada), the *U.S. Foreign Corrupt Practices Act* and all national and international laws enacted to implement the *OECD Convention on Combatting Bribery of Foreign Officials in International Business Transactions* (collectively, "**Anti-Corruption Laws**"), all applicable anti-slavery and human trafficking laws, statutes, regulations and codes from time to time in force including, *An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff* (Canada) (collectively, "**Modern Slavery Laws**") and any economic or financial sanctions or trade embargoes imposed, authorized, administered or enforced by any Governmental Authority (collectively, "**Sanctions**").
- (iii) To the knowledge of Company, neither Company nor its subsidiaries has, directly or indirectly: (i) made or authorized any contribution, payment or gift of funds or property to any official, employee or agent of any governmental agency, authority or instrumentality of any jurisdiction; or (ii) made any contribution to any candidate for public office, in either case, where either the payment or the purpose of such contribution, payment or gift was, is, or would be prohibited under Anti-Corruption Laws.
- (iv) Neither Company nor any of its subsidiaries, nor, to the knowledge of Company, any of their respective directors, officers, agents, employees, consultants or other Persons acting on behalf of Company or any of its subsidiaries, is aware of or has taken any action, directly or indirectly, including, but not limited to sales, transactions, contracts, loans or investments, in any currency, in or with any Person listed in any Sanctions related list of designated Persons maintained by any Governmental Authority, any Person operating, organized or resident in a Sanctioned Country or any Person controlled by such Person (a "**Sanctioned Person**"). Neither Company, its subsidiaries nor any of their affiliates are owned or affiliated by or with any Sanctioned Person or a government of a country or territory which is the subject or target of any Sanctions (a "**Sanctioned Country**"), and no director, officer, agent, employee, consultant, representative or affiliate of Company or any of its subsidiaries is a Sanctioned Person or is employed by or affiliated with the government, or is resident in, a Sanctioned Country.
- (v) Company and each of its subsidiaries has in place and has adhered to policies and procedures designed to prevent their respective directors, officers, employees, agents duly retained by Company or one of its subsidiaries and other Persons retained to act on their behalves from undertaking any activity, practice, or conduct that would constitute an offense under Money Laundering Laws, Anti-Corruption Laws, or Sanctions.
- (vi) Neither Company nor any of its subsidiaries, nor any of their respective directors, officers, employees, or, to the knowledge of Company, agents retained by Company, or one of its subsidiaries, or other Persons acting on their behalves, has violated or been alleged to have violated, or been the subject of any investigations, reviews, audits, or inquiries by a Governmental Authority related to, Money Laundering Laws, Anti-Corruption Laws, Modern Slavery Laws or Sanctions, and no investigation, review, audit, or inquiry by any Governmental Authority with respect to Money Laundering Laws, Anti-Corruption Laws, Modern Slavery Laws and Sanctions has been pending or, to the knowledge of Company or any of its subsidiaries, threatened.

- (vv) Whistleblower Reporting. No Person has reported evidence of a violation of any Applicable Canadian Securities Laws, breach of fiduciary duty or similar violation by Company, its subsidiaries or their respective officers, directors, employees, agents or independent contractors to an officer of Company or its subsidiaries, as the case may be, the audit committee (or other committee designated for that purpose) of the Company Board.
- (ww) Board Approval. Based upon, among other things, the Company Fairness Opinion, the Company Board has unanimously determined that the Arrangement is fair to the Company Shareholders, has unanimously determined that the Arrangement is in the best interests of Company and the Company Shareholders, and has resolved unanimously to recommend that the Company Shareholders vote in favour of the Arrangement.
- (xx) Rights Plans. Company does not have and will not implement any shareholder rights plan or any other form of plan, Contract or instrument that will trigger any rights to acquire Company Shares or other securities of Company or rights, entitlements or privileges in favour of any Person upon the entering into of this Agreement or in connection with the Arrangement, with the exception of the Company Option Plan and the Company Restricted Award Plan.
- (yy) No Guarantees and Indemnities. The Company Disclosure Letter lists all of the guarantees, indemnities, letters of credit, surety and performance bonds and other security that Company and its subsidiaries have outstanding. Except for an indemnification of directors and officers as listed in the Company Disclosure Letter in accordance with existing indemnification agreements (which have been made available to Purchaser), the by-laws of Company and its subsidiaries, respectively, or Applicable Laws and other than standard indemnity agreements in underwriting and agency agreements, credit facilities, transfer agent and registrar agreements, and in the ordinary course provided to customers of Company's business in Company's standard form contracts, neither Company nor its subsidiaries has guaranteed, endorsed, assumed, indemnified or accepted any responsibility for, and does not and will not guarantee, endorse, assume, indemnify or accept any responsibility for, contingently or otherwise, any indebtedness or the performance of any obligation of any Person.
- (zz) No Encumbrances. Neither Company nor its subsidiaries has encumbered or alienated its interest in the assets of Company or agreed to do so and such assets are free and clear of all Encumbrances (other than Permitted Encumbrances), created by, through or under Company or its subsidiaries, as the case may be, except for those arising in the ordinary course of business, which are not material in the aggregate.
- (aaa) Company Transaction Costs. The Company Disclosure Letter sets out Company's bona fide good faith estimate of the aggregate amount and each component of the Company Transaction Costs.

APPENDIX C – INTERIM ORDER

(see attached)

COURT FILE NUMBER 2301-12910

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

MATTER IN THE MATTER OF SECTION 193 OF THE BUSINESS CORPORATIONS ACT, RSA 2000, c B-9, AS AMENDED

AND IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING CWC ENERGY SERVICES CORP., THE SHAREHOLDERS OF CWC ENERGY SERVICES CORP. AND PRECISION DRILLING CORPORATION

APPLICANT **CWC ENERGY SERVICES CORP.**

DOCUMENT **INTERIM ORDER**

Clerk's Stamp:
"Filed October 2, 2023"

ADDRESS FOR SERVICE AND **Burnet, Duckworth & Palmer LLP**
CONTACT INFORMATION OF 2400, 525 – 8 Avenue SW
PARTY FILING THIS DOCUMENT Calgary, Alberta T2P 1G1
Lawyer: Craig O. Alcock
Phone Number: (403) 260-0120
Email Address: coa@bdplaw.com
File No. 67584-140

DATE ON WHICH ORDER WAS PRONOUNCED: October 2, 2023

NAME OF JUDGE WHO MADE THIS ORDER: The Honourable Justice D.B. Nixon

LOCATION OF HEARING: Calgary, Alberta

UPON the Originating Application (the "**Originating Application**") of CWC Energy Services Corp. ("**CWC**" or the "**Applicant**");

AND UPON reading the affidavit of Duncan Au, the President and Chief Executive Officer and a director of the Applicant, sworn September 28, 2023 (the "**Affidavit**") and the documents referred to therein and upon being advised that it is the intention of Precision Drilling Corporation ("**Precision**") to rely upon subsection 3(a)(10) of the United States Securities Act of 1933 (the "**1933 Act**") as a basis for an exemption from the registration requirements of the 1933 Act with

respect to shares of Precision issued under the proposed Plan of Arrangement based on the Court's approval of the Arrangement;

AND UPON being advised that notice of the Originating Application has been given to the Registrar (the "**Registrar**") appointed under section 263 of the *Business Corporations Act*, RSA 2000, c B-9, as amended (the "**ABCA**");

AND UPON HEARING counsel for the Applicant;

FOR THE PURPOSES OF THIS ORDER:

- (a) the capitalized terms not defined in this Order (the "**Order**") shall have the meanings attributed to them in the draft Management Information Circular (the "**Information Circular**") of the Applicant which is attached as Exhibit "A" to the Affidavit; and
- (b) all references to "Arrangement" used herein mean the arrangement under section 193 of the *ABCA* to be affected by the plan of arrangement attached as Schedule "A" to the arrangement agreement dated September 7, 2023 (the "**Arrangement Agreement**"), which Arrangement Agreement is attached as Appendix B to the Information Circular.

IT IS HEREBY ORDERED THAT:

General

1. The Applicant shall seek approval of the Arrangement as described in the Information Circular by the holders (the "**CWC Shareholders**") of common shares of the Applicant ("**CWC Shares**") in the manner set forth below.

The Meeting

2. The Applicant shall call and conduct a special meeting (the "**Meeting**") of CWC Shareholders on or about November 6, 2023. At the Meeting, the CWC Shareholders will consider and vote upon a special resolution to approve the Arrangement substantially in the form attached as Appendix A to the Information Circular (the "**Arrangement Resolution**") and such other business as may properly be brought before the Meeting or

any adjournment or postponement thereof, all as more particularly described in the Information Circular.

3. A quorum at the Meeting shall be persons present in person or represented by proxy not being less than two (2) in number and holding or representing not less than five (5) per cent of the CWC Shares entitled to be voted at the Meeting. If a quorum is present at the opening of the Meeting, the CWC Shareholders present or represented by proxy may proceed with the business of the Meeting notwithstanding that a quorum is not present throughout the Meeting. If a quorum is not present at the opening of the Meeting, the CWC Shareholders present or represented by proxy may adjourn the Meeting to a fixed time and place but may not transact any other business.
4. Each CWC Share entitled to be voted at the Meeting will entitle the holder to one vote at the Meeting in respect of the Arrangement Resolution and any other matters to be considered at the Meeting.
5. The record date for CWC Shareholders entitled to receive notice of and vote at the Meeting shall be October 2, 2023 (the "**Record Date**"). CWC Shareholders whose names have been entered on the register of CWC Shareholders as at the close of business on the Record Date will be entitled to receive notice of, attend and vote at the Meeting, except to the extent that a CWC Shareholder transfers the ownership of any CWC Shares after the Record Date and the transferee of those CWC Shares produces properly endorsed CWC Share certificates or otherwise establishes ownership of such CWC Shares and demands, not later than ten (10) days before the Meeting, to be included on the list of CWC Shareholders entitled to vote at the Meeting, such transferee will be entitled to vote those CWC Shares at the Meeting. The Record Date will not change as a consequence of any adjournment or postponement of the Meeting.
6. The Meeting shall be called, held and conducted in accordance with the applicable provisions of the *ABC4*, the articles and by-laws of the Applicant in effect at the relevant time, the Information Circular, the rulings and directions of the Chair of the Meeting, this Order and any further Order of this Court. To the extent that there is any inconsistency or discrepancy between this Order and the *ABC4* or the articles or by-laws of the Applicant,

the terms of this Order shall govern.

Conduct of the Meeting

7. The Chair of the Meeting shall be the chair of the board of directors of CWC, or in such person's absence, the chief executive officer of CWC, or otherwise any director who is a shareholder of CWC. If no such officer or director is present within fifteen (15) minutes from the time fixed for holding the Meeting, or declines to be Chair of the Meeting, the persons present and entitled to vote shall choose one of their number to be the Chair of the Meeting.
8. The only persons entitled to attend the Meeting shall be registered CWC Shareholders or their duly authorized proxy holders, the Applicant's directors and officers and its auditors, the Applicant's legal counsel, representatives and legal counsel of other parties to the Arrangement (including Precision and its affiliates), and such other persons who may be permitted to attend by the Chair of the Meeting.
9. The number of votes required to pass the Arrangement Resolution shall be:
 - (a) a majority of not less than 66 $\frac{2}{3}$ % of the aggregate votes cast by the CWC Shareholders; and
 - (b) a simple majority of the aggregate votes cast by the CWC Shareholders after excluding the votes cast by those persons whose votes are required to be excluded in accordance with Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*;

in each case either in person or by proxy, at the Meeting and entitled to vote thereat.
10. To be valid, a proxy must be deposited with Computershare Trust Company of Canada, the Applicant's transfer agent, in the manner described in the Information Circular.
11. Any proxy that is properly signed and dated but which does not contain voting instructions shall be deemed to be voted in favour of the Arrangement Resolution.

12. The accidental omission to give notice of the Meeting or the non-receipt of the notice shall not invalidate any resolution passed or proceedings taken at the Meeting.
13. CWC, with the prior written consent of Precision if such consent is required pursuant to the terms of the Arrangement Agreement, may adjourn or postpone the Meeting from time to time and from place to place, without further order from this Court. If the Meeting is adjourned for less than thirty (30) days, it shall not be necessary to give notice of the adjourned Meeting, other than by announcement at the time of the adjournment. Subject to the *ABCA*, if the Meeting is adjourned by one or more adjournments for an aggregate of thirty (30) days or more, notice of the adjourned Meeting shall be given in the same manner as notice for the original Meeting but, unless the Meeting is adjourned by one or more adjournments for an aggregate of more than ninety (90) days, subsection 149(1) of the *ABCA* does not apply. If the Meeting is adjourned or postponed in accordance with this Order, the references to the Meeting in this Order shall be deemed to be the Meeting as adjourned or postponed, as the context allows. The Record Date for CWC Shareholders entitled to notice of and to vote at the Meeting will not change in respect of or as a consequence of any adjournment(s) or postponement(s) of the Meeting.

Amendments to the Arrangement

14. The Applicant and Precision are authorized to make such amendments, revisions or supplements to the Arrangement as they may together determine necessary or desirable, provided that such amendments, revisions or supplements are made in accordance with and in the manner contemplated by the Plan of Arrangement and the Arrangement Agreement. The Arrangement so amended, revised or supplemented shall be deemed to be the Arrangement submitted to the Meeting and the subject of the Arrangement Resolution, without need to return to this Court to amend this Order.

Amendments to Meeting Materials

15. Subject to the Arrangement Agreement, the Applicant is authorized to make such amendments, revisions or supplements ("**Additional Information**") to the Information Circular, the form of proxy or voting instruction form, notice of the Meeting ("**Notice of**

Meeting"), form of letter of transmittal and election form ("**Letter of Transmittal and Election Form**") and notice of Originating Application ("**Notice of Originating Application**") as it may determine, and the Applicant may disclose such Additional Information, including material changes, by the method and in the time most reasonably practicable in the circumstances, as determined by the Applicant, subject to the terms of the Arrangement Agreement. Without limiting the generality of the foregoing, if any material change or material fact arises between the date of this Order and the date of the Meeting, which change or fact, if known prior to mailing of the Information Circular, would have been disclosed in the Information Circular, then:

- (a) the Applicant shall advise the CWC Shareholders of the material change or material fact by disseminating a news release (a "**News Release**") in accordance with applicable Canadian securities laws;
- (b) provided that the News Release describes the applicable material change or material fact in reasonable detail, the Applicant shall not be required to deliver an amendment to the Information Circular to the CWC Shareholders or otherwise give notice to the CWC Shareholders of the material change or material fact other than the dissemination of the News Release as aforesaid; and
- (c) unless determined to be advisable by the Applicant, and in accordance with the Arrangement Agreement, the Applicant shall not be required to adjourn or otherwise postpone the Meeting as a result of any Additional Information, including any material change, as contemplated by this paragraph 15.

Dissent Rights

- 16. The registered CWC Shareholders are, subject to the provisions of this Order and the Arrangement, accorded the right to dissent under section 191 of the *ABCA* with respect to the Arrangement Resolution and the right to be paid the fair value of their CWC Shares in respect of which such right to dissent was validly exercised.
- 17. In order for a registered CWC Shareholder (a "**Dissenting Shareholder**") to exercise such right to dissent under section 191 of the *ABCA*:

- (a) notwithstanding subsection 191(5) of the *ABCA*, the written objection to the Arrangement Resolution must be received by CWC c/o Burnet, Duckworth & Palmer LLP, 2400, 525 – 8th Avenue S.W., Calgary, Alberta, Attention: Craig Alcock by 4:00 p.m. (Calgary time) on October 30, 2023 (or 4:00 p.m. (Calgary time) five business days immediately preceding the date of the Meeting if it is not held on November 6, 2023 but is adjourned or postponed); and
- (b) the exercise of such right to dissent must otherwise comply with the requirements of section 191 of the *ABCA*, to the extent modified and supplemented by the Interim Order and the Plan of Arrangement, and the Dissenting Shareholder shall not have withdrawn such dissent prior to the Effective Time.

18. The fair value of the CWC Shares in respect to which such right to dissent was validly exercised shall be determined as of the close of business on the last business day before the day on which the Arrangement Resolution is approved by the CWC Shareholders and shall be paid to the Dissenting Shareholders by Precision as contemplated by the Arrangement and this Order.

19. Dissenting Shareholders who validly exercise their right to dissent, as set out in paragraphs 16 and 17 above, and who:

- (a) are determined to be entitled to be paid the fair value of their CWC Shares, shall cease to have any rights as a holder of CWC Shares and be deemed to have transferred such CWC Shares (free and clear of all encumbrances) in each case as of the effective time pursuant to subsection 3.1(c) of the Plan of Arrangement, without any further act or formality notwithstanding the provisions of section 191 of the *ABCA*, to CWC for cancellation in exchange for the right to be paid the fair value of the CWC Shares as contemplated by the Arrangement; or
- (b) are, for any reason (including, for clarity, any withdrawal by any Dissenting Shareholder of their dissent) determined not to be entitled to be paid the fair value for their CWC Shares shall be treated as if the holder had participated in the Arrangement on the same basis as a non-dissenting CWC Shareholder

notwithstanding the provisions of section 191 of the *ABCA* and such CWC Shares will be deemed to be exchanged for the consideration under the Arrangement,

but in no event shall the Applicant, Precision or any other person be required to recognize such Dissenting Shareholder as a shareholder of CWC (or in respect of paragraph 19(a), as a shareholder of Precision) after the Effective Time, and the names of such Dissenting Shareholders shall be removed from the applicable register of holders as at the Effective Time.

20. A holder of CWC Shares may not exercise the right of dissent in respect of only a portion of the holder's CWC Shares, but may dissent only with respect to all of the CWC Shares held by the holder.
21. A vote against the Arrangement Resolution, whether in person or by proxy, shall not constitute a written objection to the Arrangement Resolution as required under paragraph 17(a) herein.
22. Subject to further order of this Court, the rights available to CWC Shareholders under the *ABCA*, this Order and the Arrangement to dissent from the Arrangement Resolution shall constitute full and sufficient dissent rights for the CWC Shareholders with respect to the Arrangement Resolution.
23. Notice to the CWC Shareholders of their right to dissent with respect to the Arrangement Resolution and to receive, subject to the provisions of the *ABCA*, this Order and the Arrangement, the fair value of their CWC Shares shall be sufficiently given by including information with respect to this right as set forth in the Information Circular which is to be sent to CWC Shareholders in accordance with paragraph 24 of this Order.

Notice

24. The Information Circular, substantially in the form attached as Exhibit "A" to the Affidavit, with such amendments thereto as the Applicant may determine necessary or desirable (provided such amendments are not inconsistent with the terms of this Order), and including the Notice of the Meeting, the form of proxy (in respect of registered holders of CWC Shares) or voting instruction form (in respect of non-registered holders of CWC

Shares), as applicable, the Notice of Originating Application and this Order, together with any other communications or documents determined by the Applicant to be necessary or advisable (collectively, the "**Meeting Materials**"), shall be sent not less than twenty-one (21) days and not more than fifty (50) days before the Meeting to those registered CWC Shareholders who hold CWC Shares, as of the Record Date, the directors of the Applicant, the auditors of the Applicant, and the Registrar by one or more of the following methods:

- (a) in the case of registered CWC Shareholders (i) by mail addressed to and, to the extent email addresses of the CWC Shareholders are known by the Applicant, by electronic means in accordance with the *Electronic Transactions Act*, or (ii) may be delivered personally to, the CWC Shareholder, at such CWC Shareholder's latest address or email address, as shown on the records of the Applicant or its transfer agent as of the Record Date;
- (b) in the case of non-registered CWC Shareholders, by providing sufficient copies of the Meeting Materials to intermediaries in accordance with National Instrument 54-101 - *Communications With Beneficial Owners of Securities of a Reporting Issuer*;
- (c) in the case of the directors of the Applicant, by electronic means in accordance with the *Electronic Transactions Act*, or by mail addressed to, or may be delivered personally to, each director of the Applicant, at the director's latest address or email address, as shown on the records of the Applicant or in the last notice filed pursuant to section 106 or 113 of the *ABCA*;
- (d) in the case of the auditors of the Applicant, by electronic means in accordance with the *Electronic Transactions Act*, or by mail addressed to, or may be delivered personally to, the auditors at its most recent address or email address as shown in the records of the Applicant; and
- (e) in the case of the Registrar, by email to corp.reg@gov.ab.ca, by courier or by delivery in person, addressed to the Registrar not later than twenty-one (21) days prior to the date of the Meeting.

25. Delivery of the Meeting Materials in the manner directed by this Order shall be deemed to be good and sufficient service upon the CWC Shareholders, the directors and auditors of the Applicant and the Registrar of:
 - (a) the Originating Application;
 - (b) this Order;
 - (c) the Notice of the Meeting; and
 - (d) the Notice of Originating Application.

Final Application

26. Subject to further Order of this Court, and provided that the CWC Shareholders have approved the Arrangement in the manner directed by this Court and the directors of the Applicant have not revoked their approval, the Applicant may proceed with an application for a final Order of the Court approving the Arrangement (the "**Final Order**") on November 7, 2023 at 2:00 p.m. (Calgary time) or so soon thereafter as counsel may be heard. Subject to the Final Order and to the issuance of the proof of filing of the articles of arrangement, the Applicant, all CWC Shareholders and all other persons affected will be bound by the Arrangement in accordance with its terms.
27. Any CWC Shareholder or other interested party (each an "**Interested Party**") desiring to appear and make submissions at the application for the Final Order is required to file with this Court and serve upon the Applicant, on or before 4:00 p.m. (Calgary time) on October 31, 2023 (or the business day that is five (5) business days prior to the date of the hearing of the application for the Final Order if it is not held on November 7, 2023), a notice of intention to appear ("**Notice of Intention to Appear**") including the Interested Party's address for service (or, alternatively, an email address for service by electronic mail), indicating whether such Interested Party intends to support or oppose the application or make submissions at the application, together with a summary of the position such Interested Party intends to advocate before the Court, and any evidence or materials which are to be presented to the Court. Service of this notice on the Applicant shall be effected by service upon the solicitors for the Applicant, Burnet, Duckworth &

Palmer LLP, 2400, 525 – 8th Avenue S.W., Calgary, Alberta T2P 1G1, email: coa@bdplaw.com, Attention: Craig Alcock.

28. In the event that the application for the Final Order is adjourned, only those parties appearing before this Court for the Final Order, and those Interested Parties serving a Notice of Intention to Appear in accordance with paragraph 27 of this Order, shall have notice of the adjourned date.

General

29. The Applicant is entitled at any time to seek leave to vary this Order upon such terms and the giving of such notice as this Court may direct.
30. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction to give effect to this Order and to assist this Court in carrying out the terms of this Order

(signed) "Justice D. B. Nixon "

Justice of the Court of King's Bench of Alberta

APPENDIX D - FAIRNESS OPINION

(see attached)



CIBC CAPITAL MARKETS

CIBC World Markets Inc.
9th Floor, Bankers Hall East
855 – 2nd Street S.W.
Calgary, Alberta T2P 4J7

September 6, 2023

The Board of Directors
of CWC Energy Services Corp.
Suite 2910, 605 - 5th Ave SW
Calgary, Alberta, Canada T2P 3H5

To the Board of Directors:

CIBC World Markets Inc. (“CIBC”, “we”, “us” or “our”) understands that CWC Energy Services Corp. (“CWC” or the “Company”) is proposing to enter into an arrangement agreement (the “Arrangement Agreement”) with Precision Drilling Corporation (“Precision” or the “Purchaser”) providing for, among other things, the acquisition (the “Proposed Transaction”) by the Purchaser of all of the outstanding common shares of the Company (the “Shares”).

We understand that pursuant to the Arrangement Agreement:

- a) the Purchaser will acquire each of the issued and outstanding Shares in consideration per Share for \$0.196668 in cash or 0.002124306 of a common share of the Purchaser, or any combination thereof, subject to proration and rounding in accordance with the terms of the Arrangement Agreement (the “Consideration”);
- b) the Proposed Transaction will be effected by way of a plan of arrangement under Section 193 of the *Business Corporations Act* (Alberta);
- c) the completion of the Proposed Transaction will be conditional upon, among other things, (i) approval by at least two-thirds of the votes cast by the shareholders of the Company (the “Shareholders”) who are present in person or represented by proxy at the special meeting (the “Special Meeting”) of such securityholders, (ii) if required, a majority of the votes cast by the Shareholders who are present in person or represented by proxy at the Special Meeting, after excluding the votes cast by those persons whose votes must be excluded in accordance with Multilateral Instrument 61-101 – *Protection of Minority Securityholders in Special Transactions* and (iii) the approval of the Court of King's Bench of Alberta; and
- d) the terms and conditions of the Proposed Transaction will be described in a management information circular of the Company and related documents (collectively, the “Circular”) that will be mailed to the Shareholders in connection with the Special Meeting.

Engagement of CIBC

By letter agreement dated August 3, 2023 (the “Engagement Agreement”), the Company retained CIBC to act as financial advisor to the Company and its board of directors (the “Board of Directors”) in connection with the Proposed Transaction and any alternative transaction. Pursuant to the Engagement Agreement, the Company has requested that we prepare and deliver to the Board of Directors our written opinion (the “Opinion”) as to the fairness, from a financial point of view, of the Consideration to be received by Shareholders pursuant to the Arrangement Agreement.

CIBC will be paid a fee for rendering the Opinion and will be paid an additional fee that is contingent upon the completion of the Proposed Transaction or any alternative transaction. The Company has also agreed to reimburse CIBC for its reasonable out-of-pocket expenses and to indemnify CIBC in respect of certain liabilities that might arise out of our engagement.

In the ordinary course of its business and unrelated to the Proposed Transaction, Canadian Imperial Bank of Commerce or an affiliate thereof (i) has acted as an underwriter to obtain financing in the equity capital markets and debt capital markets for Precision and (ii) may provide foreign exchange, equity derivatives, interest rate and/or commodity hedging services to CWC and Precision.

Credentials of CIBC

CIBC is one of Canada's largest investment banking firms with operations in all facets of corporate and government finance, mergers and acquisitions, equity and fixed income sales and trading and investment research. The Opinion expressed herein is the opinion of CIBC and the form and content herein have been approved for release by a committee of its managing directors and internal counsel, each of whom is experienced in merger, acquisition, divestiture and valuation matters.

Scope of Review

In connection with rendering our Opinion, we have reviewed and relied upon, among other things, the following:

- i) a draft Arrangement Agreement dated September 5, 2023;
- ii) a draft Form of Support Agreement dated September 4, 2023;
- iii) the audited financial statements, annual reports and annual information forms of CWC for the fiscal years ended December 31, 2020, 2021 and 2022;
- iv) the unaudited financial statements and management's discussion and analysis of CWC for the three months ended March 31 and June 30, 2023;
- v) the audited financial statements, annual reports and annual information forms of Precision for the fiscal years ended December 31, 2020, 2021 and 2022;
- vi) the unaudited financial statements and management's discussion and analysis of Precision for the three months ended March 31 and June 30, 2023;
- vii) certain internal financial, operational, corporate and other information concerning CWC that was prepared or provided by the management of CWC, including internal operating and financial projections;
- viii) selected financial information of CWC, Precision, and other selected public companies considered by us to be relevant;
- ix) various reports published by equity research analysts and industry sources regarding CWC, Precision, the oil and gas industry and other public companies, to the extent deemed relevant by us;
- x) a certificate addressed to us, dated as of the date hereof, from two senior officers of CWC as to the completeness and accuracy of the information provided; and
- xi) such other information, analyses, investigations, and discussions as we considered necessary or appropriate in the circumstances.

In addition, we have participated in discussions with members of the senior management of each of the Company and the Purchaser regarding its past and current business operations, financial condition and future prospects. We have also participated in discussions with Burnet, Duckworth & Palmer LLP, external legal counsel to the Company, concerning the Proposed Transaction, the Arrangement Agreement and related matters.

Assumptions and Limitations

Our Opinion is subject to the assumptions, qualifications and limitations set forth below.

We have not been asked to prepare and have not prepared a formal valuation or appraisal of any of the assets or securities of the Company, the Purchaser or any of their respective affiliates and our Opinion should not be construed as such.

With your permission, we have relied upon, and have assumed the completeness, accuracy and fair presentation of all financial and other information, data, advice, opinions and representations obtained by us from public sources, or provided to us by the Company or its affiliates or advisors or otherwise obtained by us pursuant to our engagement, and our Opinion is conditional upon such completeness, accuracy and fair presentation. We have not been requested to or attempted to verify independently the accuracy, completeness or fairness of presentation of any such information, data, advice, opinions and representations. We have not met separately with the independent auditors of the Company or the Purchaser in connection with preparing this Opinion and with your permission, we have assumed the accuracy and fair presentation of, and relied upon, the Company's and the Purchaser's audited financial statements and the reports of the auditors thereon and the Company's and the Purchaser's interim unaudited financial statements.

With respect to the historical financial data, operating and financial forecasts and budgets provided to us concerning the Company and relied upon in our financial analyses, we have assumed that they have been reasonably prepared on bases reflecting the most reasonable assumptions, estimates and judgments of management of the Company, having regard to the Company's business, plans, financial condition and prospects.

We have also assumed that all of the representations and warranties contained in the Arrangement Agreement are correct as of the date hereof and that the Proposed Transaction will be completed substantially in accordance with its terms and all applicable laws and that the Circular will disclose all material facts relating to the Proposed Transaction and will satisfy all applicable legal requirements.

The Company has represented to us, in a certificate of two senior officers of the Company dated the date hereof, among other things, that the information, data and other material (financial or otherwise) provided to us by or on behalf of the Company, including the written information and discussions concerning the Company referred to above under the heading "Scope of Review" (collectively, the "Information"), are complete and correct at the date the Information was provided to us and that, since the date on which the Information was provided to us, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Company or any of its affiliates and no material change has occurred in the Information or any part thereof which would have or which would reasonably be expected to have a material effect on the Opinion.

We are not legal, tax or accounting experts and we express no opinion concerning any legal, tax or accounting matters concerning the Proposed Transaction or the sufficiency of this letter for your purposes.

Our Opinion is rendered on the basis of securities markets, economic and general business and financial conditions prevailing as at the date hereof and the conditions and prospects, financial and otherwise, of the Company as they are reflected in the Information and as they were represented to us in our discussions with management of the Company and its affiliates and advisors. In our analyses and in connection with the preparation of our Opinion, we made numerous assumptions with respect to industry performance, general business, markets and economic conditions and other matters, many of which are beyond the control of any party involved in the Proposed Transaction.

The Opinion is being provided to the Board of Directors for its exclusive use only in considering the Proposed Transaction and may not be published, disclosed to any other person, relied upon by any other person, or used for any other purpose, without the prior written consent of CIBC. Our Opinion is not intended to be and does not constitute a recommendation to the Board of Directors as to whether they should approve the Arrangement Agreement nor as a recommendation to any Shareholder as to how to vote or act at the Special Meeting or as an opinion concerning the trading price or value of any securities of the Company or the Purchaser following the announcement or completion of the Proposed Transaction.

CIBC believes that its financial analyses must be considered as a whole and that selecting portions of its analyses and the factors considered by it, without considering all factors and analyses together, could create a misleading view of the process underlying the Opinion. The preparation of a fairness opinion is complex and is

not necessarily susceptible to partial analysis or summary description and any attempt to carry out such could lead to undue emphasis on any particular factor or analysis.

The Opinion is given as of the date hereof and, although we reserve the right to change or withdraw the Opinion if we learn that any of the information that we relied upon in preparing the Opinion was inaccurate, incomplete or misleading in any material respect, we disclaim any obligation to change or withdraw the Opinion, to advise any person of any change that may come to our attention or to update the Opinion after the date of this Opinion.

Should this Opinion be executed in any other language, the English version of this Opinion shall be controlling in all respects and any other version is provided solely as a translation. In the event of any inconsistency between the versions, the English version of this Opinion shall prevail.

Opinion

Based upon and subject to the foregoing and such other matters as we considered relevant, it is our opinion, as of the date hereof, that the Consideration to be received by Shareholders pursuant to the Arrangement Agreement is fair, from a financial point of view, to Shareholders.

Yours very truly,

CIBC World Markets Inc.

APPENDIX E – SECTION 191 OF THE BUSINESS CORPORATIONS ACT (ALBERTA)

Pursuant to the Interim Order, Company Shareholders have the right to dissent in respect of the Arrangement in accordance with Section 191 of the ABCA, as modified by the Interim Order and the Plan of Arrangement. Such right to dissent is described in the Information Circular. The full text Section 191 of the ABCA is set forth below.

191(1) Subject to sections 192 and 242, a holder of shares of any class of a corporation may dissent if the corporation resolves to

- (a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue or transfer of shares of that class,
- (b) amend its articles under section 173 to add, change or remove any restrictions on the business or businesses that the corporation may carry on,
- (b.1) amend its articles under Section 173 to add or remove an express statement establishing the unlimited liability of shareholders as set out in Section 15.2(1);
- (c) amalgamate with another corporation, otherwise than under section 184 or 187,
- (d) be continued under the laws of another jurisdiction under section 189, or
- (e) sell, lease or exchange all or substantially all its property under section 190.

(2) A holder of shares of any class or series of shares entitled to vote under section 176, other than section 176(1)(a), may dissent if the corporation resolves to amend its articles in a manner described in that section.

(3) In addition to any other right the shareholder may have, but subject to subsection (20), a shareholder entitled to dissent under this section and who complies with this section is entitled to be paid by the corporation the fair value of the shares held by the shareholder in respect of which the shareholder dissents, determined as of the close of business on the last business day before the day on which the resolution from which the shareholder dissents was adopted.

(4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the shareholder or on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

(5) A dissenting shareholder shall send to the corporation a written objection to a resolution referred to in subsection (1) or (2)

- (a) at or before any meeting of shareholders at which the resolution is to be voted on, or
- (b) if the corporation did not send notice to the shareholder of the purpose of the meeting or of the shareholder's right to dissent, within a reasonable time after the shareholder learns that the resolution was adopted and of the shareholder's right to dissent.

(6) An application may be made to the Court after the adoption of a resolution referred to in subsection (1) or (2),

- (a) by the corporation, or

(b) by a shareholder if the shareholder has sent an objection to the corporation under subsection (5),

to fix the fair value in accordance with subsection (3) of the shares of a shareholder who dissents under this section, or to fix the time at which a shareholder of an unlimited liability corporation who dissents under this section ceases to become liable for any new liability, act or default of the unlimited liability corporation.

(7) If an application is made under subsection (6), the corporation shall, unless the Court otherwise orders, send to each dissenting shareholder a written offer to pay the shareholder an amount considered by the directors to be the fair value of the shares.

(8) Unless the Court otherwise orders, an offer referred to in subsection (7) shall be sent to each dissenting shareholder

- (a) at least 10 days before the date on which the application is returnable, if the corporation is the applicant, or
- (b) within 10 days after the corporation is served with a copy of the application, if a shareholder is the applicant.

(9) Every offer made under subsection (7) shall

- (a) be made on the same terms, and
- (b) contain or be accompanied with a statement showing how the fair value was determined.

(10) A dissenting shareholder may make an agreement with the corporation for the purchase of the shareholder's shares by the corporation, in the amount of the corporation's offer under subsection (7) or otherwise, at any time before the Court pronounces an order fixing the fair value of the shares.

(11) A dissenting shareholder

- (a) is not required to give security for costs in respect of an application under subsection (6), and
- (b) except in special circumstances must not be required to pay the costs of the application or appraisal.

(12) In connection with an application under subsection (6), the Court may give directions for

- (a) joining as parties all dissenting shareholders whose shares have not been purchased by the corporation and for the representation of dissenting shareholders who, in the opinion of the Court, are in need of representation,
- (b) the trial of issues and interlocutory matters, including pleadings and questioning under Part 5 of the Alberta Rules of Court,
- (c) the payment to the shareholder of all or part of the sum offered by the corporation for the shares,

- (d) the deposit of the share certificates with the Court or with the corporation or its transfer agent,
- (e) the appointment and payment of independent appraisers, and the procedures to be followed by them,
- (f) the service of documents, and
- (g) the burden of proof on the parties.

(13) On an application under subsection (6), the Court shall make an order

- (a) fixing the fair value of the shares in accordance with subsection (3) of all dissenting shareholders who are parties to the application,
- (b) giving judgment in that amount against the corporation and in favour of each of those dissenting shareholders,
- (c) fixing the time within which the corporation must pay that amount to a shareholder, and
- (d) fixing the time at which a dissenting shareholder of an unlimited liability corporation ceases to become liable for any new liability, act or default of the unlimited liability corporation.

(14) On:

- (a) the action approved by the resolution from which the shareholder dissents becoming effective,
- (b) the making of an agreement under subsection (10) between the corporation and the dissenting shareholder as to the payment to be made by the corporation for the shareholder's shares, whether by the acceptance of the corporation's offer under subsection (7) or otherwise, or
- (c) the pronouncement of an order under subsection (13);

whichever first occurs, the shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shareholder's shares in the amount agreed to between the corporation and the shareholder or in the amount of the judgment, as the case may be.

(15) Subsection (14)(a) does not apply to a shareholder referred to in subsection (5)(b).

(16) Until one of the events mentioned in subsection (14) occurs,

- (a) the shareholder may withdraw the shareholder's dissent, or
- (b) the corporation may rescind the resolution,

and in either event proceedings under this section shall be discontinued.

- (17) The Court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder, from the date on which the shareholder ceases to have any rights as a shareholder by reason of subsection (14) until the date of payment.
- (18) If subsection (20) applies, the corporation shall, within 10 days after
 - (a) the pronouncement of an order under subsection (13), or
 - (b) the making of an agreement between the shareholder and the corporation as to the payment to be made for the shareholder's shares,notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.
- (19) Notwithstanding that a judgment has been given in favour of a dissenting shareholder under subsection (13)(b), if subsection (20) applies, the dissenting shareholder, by written notice delivered to the corporation within 30 days after receiving the notice under subsection (18), may withdraw the shareholder's notice of objection, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to the shareholder's full rights as a shareholder, failing which the shareholder retains a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.
- (20) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that
 - (a) the corporation is or would after the payment be unable to pay its liabilities as they become due, or
 - (b) the realizable value of the corporation's assets would by reason of the payment be less than the aggregate of its liabilities.