

## **SHARE PROVISIONS SCHEDULE TO THIS PLAN**

The classes and any maximum number of shares that the Corporation is authorized to issue:

an unlimited number of Class A Common Shares;  
an unlimited number of Class B Common Shares;

all without nominal or par value and subject to the rights, privileges, restrictions and conditions as set out below.

### **1. CLASS A COMMON SHARES**

The Class A Common Shares shall confer on the holders thereof and shall be subject to the following rights, restrictions, privileges and conditions:

(a) Voting:

The holders of the Class A Common Shares shall be entitled to one (1) vote in respect of each such Class A Common Share held at all meetings of the shareholders of the Corporation.

(b) Dividends and Distributions:

The Class A Common Shares and Class B Common Shares shall rank equally with respect to the declaration and payment of all dividends and distributions of any kind (including any returns of capital). The Class A Common Shares and Class B Common Shares shall, in each year, in the absolute discretion of the directors, be entitled, out of any or all profits or surplus available for dividends, to non-cumulative dividends at a rate to be determined by the directors.

(c) Liquidation:

In the event of the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs or upon a reduction of capital, the holders of the Class A Common Shares and the Class B Common Shares will be entitled to participate equally, share for share, in the distribution of the assets of the Corporation.

### **2. CLASS B COMMON SHARES**

The Class B Common Shares shall confer on the holders thereof and shall be subject to the following rights, restrictions, privileges and conditions:

(a) Voting:

The holders of the Class B Common Shares shall not, except as otherwise required by law, be entitled as such to receive notice of or to attend any meeting of the shareholders of the Corporation, and shall not be entitled to vote at any such meeting.

(b) Dividends and Distributions:

The Class A Common Shares and Class B Common Shares shall rank equally with respect to the declaration and payment of all dividends and distributions of any kind (including any returns of capital). The Class A Common Shares and Class B Common Shares shall, in each year, in the absolute discretion of the directors, be entitled, out of any or all profits or surplus available for dividends, to non-cumulative dividends at a rate to be determined by the directors.

(c) Liquidation:

In the event of the liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs or upon a reduction of capital, the holders of the Class A Common Shares and the Class B Common Shares will be entitled to participate equally, share for share, in the distribution of the assets of the Corporation.

(d) Redemption by the Corporation:

(i) Subject to the provisions of the *Business Corporations Act* (Alberta) as now enacted or as may from time to time be amended, re-enacted or replaced (in which case any such reference shall be read as referring to the amended, re-enacted or replaced provisions) (the “**ABCA**”), at any time on or after the occurrence of both of the following events:

(A) the fifth anniversary of the date of issuance of the Class B Common Shares; and

(B) the Fair Value (as defined below) of all outstanding Class A Common Shares and Class B Common Shares of the Corporation reaching the equivalent of \$70,000,000,

and provided the Corporation is not in default of any obligation to the holders of the Class B Common Shares (which default has not been waived by the holders of a majority of the outstanding Class B Common Shares), the Corporation may redeem any or all of the then outstanding Class B Common Shares, upon paying the Fair Value for each Class B Common Share to be redeemed (the “**Class B Common Share Redemption Price**”), together with all dividends and distributions declared and remaining unpaid on such Class B Common Share up to and including the Redemption Date (as defined herein). If only some of the then outstanding Class B Common Shares are to be redeemed at any time, then such Class B Common Shares shall be redeemed pro rata disregarding fractions and the directors of the Corporation may make such adjustments as may be necessary to avoid the redemption of fractional parts of shares, provided that, with the consent of two-thirds of the then outstanding Class B Common Shares represented in person or by proxy at a meeting or the consent of two-thirds of such holders in writing, the Class B Common Shares to be redeemed may be selected in any other manner including, without limitation, the selection of all or any part of the Class B Common Shares of any particular holder or holders thereof.

(ii) To redeem Class B Common Shares under the provisions of the foregoing paragraph, the Corporation shall notify each registered holder of Class B Common Shares to be

redeemed in writing not less than twenty-one (21) days in advance of the proposed date of redemption (the “**Redemption Date**”) confirming the Corporation’s intention to redeem such Class B Common Shares. On the Redemption Date, the Corporation shall pay to or to the order of the registered holder of the Class B Common Shares to be redeemed, for each Class B Common Share to be redeemed, the Class B Common Share Redemption Price together with all dividends and distributions declared and remaining unpaid on such Class B Common Share (collectively, the “**Redemption Amount**”) provided that, if certificates have been issued for any such Class B Common Shares, the holder presents and surrenders to the Corporation the certificate or certificates representing the Class B Common Shares to be redeemed. If any holder has not surrendered the certificate for a Class B Common Share to be redeemed, the Corporation may pay the Redemption Amount to an account in any chartered bank in Canada (and the Corporation shall notify such holder accordingly) to be paid without interest to or to the order of the holder of such Class B Common Share called for redemption when the holder presents and surrenders the certificate representing the holder’s shares to such bank, and upon depositing such Redemption Amount or upon the Redemption Date, whichever is later, the Class B Common Shares in respect of which such Redemption Amount has been paid shall be redeemed and the rights of the holders thereof shall thereafter be limited to receiving without interest their proportionate part of the Redemption Amount so deposited upon presenting and surrendering the certificates representing their respective shares.

- (iii) In the event that the Corporation fails (for any reason) to make unconditionally available the Redemption Amount in full (except for failure of a holder of the Class B Common Shares to surrender its certificate(s) therefor as required hereunder), the subject Class B Common Shares shall remain issued and outstanding and the holder thereof shall continue to be entitled to receive all dividends and distributions declared on the Class B Common Shares until such failure has been rectified in full, and the “Redemption Amount” shall be deemed to be amended to include such additional dividends and distributions.

(e) Redemption by the Class B Shareholder:

- (i) Subject to the provisions of the ABCA, upon written notice to the Corporation each Class B Shareholder shall have the right at any time on or after the occurrence of both of the following events:
  - (A) the fifth anniversary of the date of issuance of the Class B Common Shares; and
  - (B) the Fair Value of all outstanding Class A Common Shares and Class B Common Shares of the Corporation reaching the equivalent of \$70,000,000,

to require the Corporation to redeem all, but not less than all, of the Class B Common Shares held by such Class B Shareholder, upon paying, for each such Class B Common Share, an amount equal to the Class B Common Share Redemption Price set forth in Section 2(d).

- (ii) To require the Corporation to redeem Class B Common Shares under the provisions of the foregoing sub-paragraph, the Class B Shareholder shall deliver a notice of repurchase to the Corporation (the “**Repurchase Notice**”) confirming the Class B Shareholder’s intention to require the Corporation to redeem all of such Class B Shareholder’s Class B Common Shares. From and after the Repurchase Payment Date (as hereinafter defined), the Class B Common Shares to be redeemed shall cease to be entitled to dividends and distributions, and the holders thereof shall not be entitled to exercise any of their rights as shareholders in respect thereof, except to receive the Class B Common Share Redemption Price. On the date (the “**Repurchase Payment Date**”) that is not later than twenty-one (21) days following the later of the receipt of the Repurchase Notice or the determination of Fair Value in accordance with Section 3(b) hereof, the Corporation shall pay to or to the order of the registered holder of the Class B Common Shares to be redeemed, for each Class B Common Share to be redeemed, the Class B Common Share Redemption Price together with all dividends and distributions declared and remaining unpaid on such Class B Common Share up to and including the Repurchase Payment Date (collectively, the “**Repurchase Amount**”), provided that, if a certificate or certificates have been issued for such Class B Common Shares, then the holder shall present and surrender to the Corporation the certificate or certificates representing the Class B Common Shares issued in their name. In that event, if any holder has not surrendered the certificate for a Class B Common Share to be redeemed, then the Corporation may pay the Repurchase Amount to an account in any chartered bank in Canada (and the Corporation shall notify such holder accordingly) to be paid without interest to or to the order of the holder of such Class B Common Share called for redemption when the holder presents and surrenders the certificate representing the holder’s shares to such bank, and upon depositing such Repurchase Amount or upon the Repurchase Payment Date, whichever is later, the Class B Common Shares in respect of which such Repurchase Amount has been paid shall be deemed to have been redeemed and the rights of the holders thereof shall thereafter be limited to receiving without interest their proportionate part of the Repurchase Amount so deposited upon presenting and surrendering the certificates representing their respective shares.
- (iii) In the event that the Corporation fails (for any reason) to make unconditionally available the Repurchase Amount in full (except for failure of a holder of the Class B Common Shares to surrender its certificate(s) therefor as required hereunder), the subject Class B Common Shares shall remain issued and outstanding and the holder thereof shall continue to be entitled to receive all dividends and distributions declared on the Class B Common Shares until such failure has been rectified in full, and the “Repurchase Amount” shall be deemed to be amended to include such additional dividends and distributions.

(f) Contravention of ABCA:

In the event that any redemption of Class B Common Shares specified for redemption cannot be completed without the Corporation contravening some provision of the ABCA, then:

- (i) the Corporation shall nonetheless redeem, in the aggregate, such number of Class B Common Shares as can be redeemed without causing such contravention;

- (ii) such redemption shall comprise a like fraction of the total number of Class B Common Shares specified for redemption;
- (iii) such redemption shall not include a fraction of a Class B Common Share, any such fraction to be rounded down to the next whole number; and
- (iv) the balance of the Class B Common Shares which have been specified for redemption shall be redeemed by the Corporation so soon thereafter as the Corporation is capable of doing so without causing a contravention of such legislation.

(g) Approval by Special Majority:

In addition to any other consent required by law, consent of the holders of not less than two thirds of all of the then outstanding Class B Common Shares will be required for the Corporation to:

- (i) to make any material amendments to any provision of its articles or bylaws where such amendment materially and adversely affects the rights and privileges of the holders of Class B Common Shares;
- (ii) alter or change the rights, preferences or privileges of the Class B Common Shares; or
- (iii) issue any Class B Common Shares after the first issuance of Class B Common Shares.

(h) Additional Rights:

For so long as any Class B Common Shares remain outstanding, the Corporation shall provide to the holders thereof annual audited financial statements within ninety (90) days of the end of each fiscal year.

### 3. DETERMINATION OF FAIR VALUE

(a) Calculation of Fair Value

The fair value (the “**Fair Value**”) of Class A Common Shares and Class B Common Shares will be calculated as at the time immediately before the occurrence of the event that gave rise to the requirement to make the calculation, and will be:

- (i) calculated on an *en bloc* basis, attributing neither a premium to, nor a discount from, the value of the Class A Common Shares and Class B Common Shares;
- (ii) the highest price, expressed in money, available in an open and unrestricted market between informed and willing parties acting at arm’s length (as defined in the *Income Tax Act* (Canada)) and under no compulsion to act; and
- (iii) determined on a going concern basis, unless inappropriate in light of circumstances.

(b) Process

Where the Fair Value of Class A Common Shares and Class B Common Shares is to be determined the process will be as follows:

- (i) the valuator will be the auditors of the Corporation (the “**Auditors**”), with whom the Corporation and the holders of Class A Common Shares and Class B Common Shares will cooperate fully;
- (ii) the Auditors will be asked to determine and prepare a valuation report on the Fair Value of the Class A Common Shares and Class B Common Shares and provide a draft of that report to the board of directors of the Corporation and the holders of Class B Common Shares within thirty (30) days after their engagement. The draft may omit value conclusions but will set out major assumptions, judgments and the framework for valuation calculations;
- (iii) in making the determination of the Fair Value, the Auditors will apply the valuation principles set out in Section 3(a) hereof; and
- (iv) the Auditors will provide their final valuation report to the board of directors and to the holders of the Class B Common Shares within a further period of ten (10) days after providing their draft report. If the Fair Value is expressed by the Auditors as a range, the mid-point of the range will be used for the purposes of determining the Fair Value.

(c) Costs

The Corporation will pay the cost of the determination of Fair Value in accordance with this Section 3 once per calendar year after the fifth anniversary of the date of issuance of the Class B Common Shares. The holder of Class B Common Shares requesting any additional valuations will pay the cost of such additional determination of Fair Value.

(d) Additional Valuations

In the event a holder of Class B Common Shares requests an additional valuation in any calendar year, such latter valuation shall govern provided that the Corporation shall not be bound to abide by any more than one additional valuation in any calendar year requested by the holders of Class B Common Shares

(e) Expert Determination

The preparation of the final valuation report will be conducted as an expert determination, solely on the basis of the Auditors’ own experience, and will not be an arbitration. The amount of the Fair Value determined by the Auditors will be final and binding, and there will be no appeal or review of that determination on any grounds.

#### 4. DRAG-ALONG RIGHTS

(a) Drag-Along Offer:

If, at any time:

- (i) the holders of not less than sixty-six and two-thirds percent ( $66\frac{2}{3}\%$ ) of the outstanding Class A Common Shares have agreed to assign, sell or transfer all, but not less than all, of their Class A Common Shares to a third party (a “**Third Party**”) in one transaction or in a series of transactions; and
- (ii) the Third Party offers to the holders of Class B Common Shares to purchase all, but not less than all, of the Class B Common Shares on the same terms and conditions as those agreed to by the holder of Class A Common Shares (the “**Drag-Along Offer**”),

then provided the Corporation is not in default of any obligation to the holders of Class B Common Shares (which default has not been waived by the holders of the majority of the outstanding Class B Common Shares), the holders of the Class B Common Shares will be required to sell their Class B Common Shares to the Third Party, all in accordance with the terms and conditions of the Drag-Along Offer.

(b) Failure to Comply:

If a holder of Class B Common Shares fails to sell its Class B Common Shares to the Third Party in accordance with the terms and conditions of the Drag-Along Offer, the Third Party will have the right to deposit the applicable purchase price for those Class B Common Shares in an account in any chartered bank in Canada to be paid without interest to holder of such Class B Common Shares upon presentation and surrender to such bank of the certificates representing such Class B Common Shares duly endorsed for transfer to the Third Party. Upon that deposit of the applicable purchase price being made, the Class B Common Shares in respect of which the deposit was made will automatically (without any further action of any kind on the part of the holder of Class B Common Shares or the Third Party) be deemed to be transferred to and purchased by the Third Party and will be transferred on the books of the Corporation, and the rights of the holder of such Class B Common Shares in respect of those Class B Common Shares after that deposit will be limited to receiving, without interest, the amount so deposited against presentation and surrender of the certificates or documents representing its Class B Common Shares, duly endorsed for transfer to the Third Party purchaser.

(c) Failure to Complete:

In the event the sale to the Third Party is not completed in accordance with the terms and conditions provided for in this section within ninety (90) days of delivery of the Drag Along Offer to the holders of the Class B Common Shares, then the transfer of the Class A Common Shares from the Sellers to the Third Party shall not be completed and the holders of Class B Common Shares shall be relieved of all obligations to sell their Class B Common Shares hereunder.

## 5. TAG-ALONG RIGHTS

If the holders of not less than sixty-six and two-thirds percent (66 $\frac{2}{3}$ %) of the outstanding Class A Common Shares (the “**Selling Shareholders**”) wish to assign, sell or transfer (directly or indirectly) all of their Class A Common Shares to a third party who is at arm’s length (as that term is defined in the *Income Tax Act* (Canada), as amended or replaced from time to time) with each Selling Shareholder, then any of the holders of Class B Common Shares will have the right (the “**Co-Sale Right**”) to participate in that transfer on the following terms and conditions:

(a) Co-Sale Notice:

The Selling Shareholders will immediately notify the holders of Class B Common Shares in writing (the “**Co-Sale Notice**”) specifying:

- (i) the name and address of the Third Party;
- (ii) the terms and conditions of the proposed transfer including the purchase price that the Selling Shareholders are to obtain from the Third Party for the Class A Common Shares and, if applicable, Class B Common Shares to be purchased, and any other information that would reasonably be relevant to the holders of Class B Common Shares;
- (iii) any other terms and conditions of the intended sale; and
- (iv) that the holder of Class B Common Shares has the Co-Sale Right provided under this section in respect of the proposed transfer.

(b) Shares Which Can Be Sold:

A holder of Class B Common Shares will be entitled to sell to the Third Party, in conjunction with the closing of the Third Party’s purchase of Class A Common Shares from the Selling Shareholders, all or any part of its Class B Common Shares, as such holder may determine.

(c) Exercise Notice:

Each holder of Class B Common Shares will have fifteen (15) business days after the receipt of the Co-Sale Notice to exercise its Co-Sale Right by written notice to the Selling Shareholders specifying the number of Class B Common Shares that the holder of Class B Common Shares elects to sell to the Third Party.

(d) Co-Sale to Third Party:

If a holder of Class B Common Shares exercises its Co-Sale Right, the Selling Shareholders may not complete the transfer of its Class A Common Shares to the Third Party unless the Third Party also purchases from such holder of Class B Common Shares all of the Class B Common Shares (collectively, the “**Co-Sale Shares**”) in respect of which the Co-Sale Right was exercised at the same time and on the same terms and conditions.

(e) Pricing of Shares:

The price that the Third Party must pay to each holder of Class B Common Shares for its Co-Sale Shares will be the price payable per Class A Common Share as specified in the Co-Sale Notice.

(f) Failure to Complete:

If the Third Party does not purchase the Co-Sale Shares from each holder of Class B Common Shares on the terms and conditions provided for in this section, then the transfer of Class A Common Shares from the Selling Shareholder to the Third Party will not be completed. If either of the Selling Shareholders completes the transfer of all or part of its Class A Common Shares to the Third Party in violation of this section, then each holder of Class B Common Shares will have, in addition to any other rights or remedies it may have in law or at equity, the right, by notice in writing, to put its Co-Sale Shares to such Selling Shareholder at the prices determined under this section, and the Selling Shareholders shall be deemed to be holding the proceeds of the sale of their Class A Common Shares to the Third Party in trust for the holders of Class B Common Shares who put their Co Sale Shares to the Selling Shareholders hereunder.

## 6. RIGHT OF PARTICIPATION

(a) Right of Participation:

Each holder of Class A Common Shares and each holder of Class B Common Shares (each such holder being a “**Holder**” and all of such holders being collectively the “**Holders**”, and such shares held by a Holder being the “**Shares**”) shall be entitled to participate in any proposed issuance of securities by the Corporation from treasury, which participation right shall be offered pro-rata to each Holder (based upon the proportion of such Holder’s Shares to the Shares of all Holders) in accordance with the number of Class A Common Shares and/or Class B Common Shares held by such Holder, regardless of the classes of securities. The Corporation shall offer the securities (the “**Offered Securities**”) as provided for herein by notice in writing to each Holder, which notice shall include: the terms of the offer; the time, which shall not be less than fifteen (15) business days, for acceptance; and current financial information on the Corporation. The right of participation set forth in this Section 6 shall not apply to the granting of options and/or the issuance of securities pursuant to any permitted stock option or share purchase plan.

(b) Expiration of Time:

After expiration of the acceptance period detailed in Section 6(a) hereof, the Corporation may, for a period of ninety (90) days thereafter allot and issue such Offered Securities which are not purchased by a Holder pursuant to Section 6(a) hereof to the persons and in the manner determined to be most beneficial to the Corporation, but any such allotment and issuance shall not be at a price less than, or on terms more favourable than the offer to the Holders. In the event the Corporation has not sold the Offered Securities within such ninety (90) day period, the Corporation shall not thereafter issue or sell the Offered Securities without first again complying with the provisions of Section 6(a) hereof.

(c) Payment for Offered Shares:

The payment for Offered Securities by a Holder shall be by certified cheque, bank draft or wire transfer against delivery of the certificate representing the Offered Securities at the head office of the Corporation.

## **7. RESTRICTIONS ON TRANSFER**

No securities of the Corporation, other than non-convertible debt securities, shall be transferred to any person without the approval of the Board of Directors.