

AMALGAMATION AGREEMENT

among

POND TECHNOLOGIES INC.

and

IRONHORSE OIL & GAS INC.

and

2597905 ONTARIO INC.

Dated as of October 4, 2017

AMALGAMATION AGREEMENT

THIS AMALGAMATION AGREEMENT (this "**Agreement**") is made effective as of the 4th day of October, 2017.

AMONG:

POND TECHNOLOGIES INC., a company existing under the laws of the Province of Ontario

("Pond")

AND:

IRONHORSE OIL & GAS INC., a company incorporated under the laws of the Province of Alberta

("Ironhorse")

AND:

2597905 Ontario Inc., a company incorporated under the laws of the Province of Ontario

("Newco")

WHEREAS:

- A. Ironhorse is a public company, with its Ironhorse Shares listed on the TSX Venture Exchange under the symbol "IOG";
- B. Pond is a privately held company which has developed proprietary photobioreactors and control systems to use carbon dioxide in the production of bio-products;
- C. Newco is a wholly-owned subsidiary of Ironhorse;
- D. Ironhorse, Pond and Newco propose a business combination whereby Pond and Newco will amalgamate under Section 174 of the OBCA on the terms described in this Agreement, and will continue as Amalco, a wholly-owned subsidiary of Ironhorse;
- E. Ironhorse proposes to issue Ironhorse Shares to the Pond Shareholders as hereinafter provided in connection with the Amalgamation;
- F. Following completion of the Amalgamation, Ironhorse will carry on, through Amalco, the business presently carried on by Pond;
- G. Pond and Newco will each require the approval of their respective shareholders for the Amalgamation and this Agreement pursuant to the requirements of the OBCA;

H. The Transaction will constitute a Reverse Takeover and a Change of Business of Ironhorse, as such terms are defined in TSX Venture Exchange Policy 5.2, and will require the approval of the Ironhorse Shareholders pursuant to such policy;

I. As part of the Transaction, Ironhorse will: (i) change its name to "Pond Technologies Holdings Inc." or such other name as Pond may determine in its sole discretion; and (ii) consolidate the Ironhorse Shares on the basis of 6.9 pre-consolidation Ironhorse Shares for each one post-consolidation Ironhorse Share, each of which will require the approval of the Ironhorse Shareholders pursuant to the requirements of the ABCA;

J. Concurrently with the execution and delivery of this Agreement, Ironhorse has entered into the Pond Support Agreements, pursuant to which the Pond Support Shareholders have agreed to vote the Pond Shares beneficially owned or controlled by them in favour of the Pond Resolution and to otherwise support the Transaction, all on the terms and subject to the conditions of the Pond Support Agreements;

K. Concurrently with the execution and delivery of this Agreement, Pond has entered into the Ironhorse Support Agreements, pursuant to which the Ironhorse Support Shareholders have agreed to vote the Ironhorse Shares beneficially owned or controlled by them in favour of the Ironhorse Resolutions and to otherwise support the Transaction, all on the terms and subject to the conditions of the Ironhorse Support Agreements;

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

**ARTICLE 1
DEFINITIONS, INTERPRETATION AND SCHEDULES**

1.1 Definitions

In this Agreement including the preamble hereof, unless the context otherwise requires, the following words shall have the following meanings:

"**1933 Act**" means the United States *Securities Act of 1933*;

"**1940 Act**" means the United States *Investment Company Act of 1940*;

"**ABCA**" means the *Business Corporations Act (Alberta)*;

"**affiliate**" shall have the meaning ascribed to such term under the OBCA;

"**Agent Warrants**" means the unit purchase warrants of Pond held by the Agents, each Agent Warrant being exercisable for one unit consisting of one Pond Share and one Pond Warrant;

"**Agents**" means Hampton Securities Limited and Industrial Alliance Securities Inc.;

"**Agreement**" means this amalgamation agreement, together with the schedules attached hereto, as amended, restated or supplemented from time to time;

"**Alternative Proposal**" means any inquiry or the making of any proposal from any Person or group of Persons "acting jointly or in concert" (within the meaning of National Instrument 62-104 – *Take Over Bids and Issuer Bids*) which constitutes, or may reasonably be expected to lead to (in either case whether in one transaction or a series of transactions): (a) an acquisition or purchase of 20% or more of the voting securities of Ironhorse or Pond, as applicable; (b) any acquisition of a substantial amount of assets of Ironhorse or Pond, as applicable, taken as a whole; (c) an amalgamation, arrangement, merger, business combination, or consolidation involving Ironhorse or Pond, as applicable; (d) any take-over bid, issuer bid, exchange offer, recapitalization, liquidation, dissolution, reorganization or similar transaction involving Ironhorse or Pond, as applicable; or (e) any other transaction, the consummation of which would or could reasonably be expected to impede, interfere with, prevent or delay the transactions contemplated by this Agreement or the Transaction, provided, however, that the transactions set forth in Section 4.1(f), shall not constitute an "Acquisition Proposal";

"**Amalco**" means the company resulting from the amalgamation of Pond and Newco pursuant to the Amalgamation;

"**Amalco Shares**" means the common shares in the capital of Amalco;

"**Amalgamation**" means the amalgamation of Pond and Newco pursuant to Section 174 of the OBCA on the terms and conditions set forth in this Agreement, subject to any amendment thereto in accordance herewith;

"**Articles of Amalco**" means the articles of Amalco in the form to be mutually agreed to by the Parties, acting reasonably;

"Articles of Amendment" means the articles of amendment of Ironhorse to be filed with the Registrar after the Ironhorse Consolidation Resolution and the Ironhorse Change of Name Resolution have been passed, giving effect to the Ironhorse Consolidation and the Ironhorse Change of Name;

"Break Fee" means either the Ironhorse Break Fee or the Pond Break Fee, as applicable;

"Business Day" means a day, other than a Saturday or Sunday, on which the principal commercial banks located in the City of Calgary, Alberta and the City of Toronto, Ontario are open for business;

"Certificate of Amalgamation" means the certificate of amalgamation to be issued by the Director in respect of the Amalgamation in accordance with Section 178(4) of the OBCA;

"Change of Business" has the meaning ascribed to it in TSXV Policy 5.2;

"Claim" means any claim, demand, complaint, action, proceeding, investigation, suit, cause of action, assessment or reassessment, charge, judgment, order, writ, injunction, decree, debt, liability, expense, cost, damage or loss, contingent or otherwise, judicial, administrative or otherwise (including legal fees on a solicitor and his or her own client basis and other professional fees and all costs incurred in investigating or pursuing any of the foregoing or any proceeding);

"Completion Deadline" means the latest date by which the Transaction is to be completed, which date shall be January 31, 2018 or such later date as the Parties may mutually agree;

"Contract" means any note, mortgage, indenture, non-governmental permit or license, franchise, lease or other contract, agreement, commitment or arrangement binding upon Ironhorse or Pond, as the case may be;

"CW Loan" means the commitment letter dated February 19, 2016 between Ironhorse and Crystal Wealth Management Systems Ltd., as amended pursuant to the amending agreement dated August 11, 2017, as amended from time to time;

"Depository" means any trust company, bank or financial institution agreed to in writing between Ironhorse and Pond for the purpose of, among other things, exchanging certificates representing Pond Shares for certificates representing Ironhorse Shares relating to the Amalgamation;

"Directed Selling Efforts" has the meaning ascribed thereto in Regulation S;

"Director" means the director appointed under Section 278 of the OBCA;

"Dissent Rights" means the rights of dissent of Pond Shareholders in respect of the Pond Resolution under Section 185 of the OBCA;

"Dissenting Shareholder" means a Pond Shareholder who exercises Dissent Rights in connection with the Pond Resolution and complied with the dissent provisions in the OBCA;

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

"Effective Time" means the earliest moment on the Effective Date or such other time on the Effective Date as the Parties may agree in writing;

"Encumbrance" means any mortgage, pledge, assignment, charge, lien, claim, security interest, adverse interest, other third person interest or encumbrance of any kind, whether contingent or absolute, and any agreement, option, right or privilege (whether by law, contract or otherwise) capable of becoming any of the foregoing;

"Environmental Approvals" means all permits, certificates, licences, authorizations, consents, instructions, registrations, directions or approvals issued or required by any Governmental Entity pursuant to any Environmental Laws;

"Environmental Laws" means all applicable Laws, including applicable common law, relating to the protection of the environment and employee and public health and safety, and includes Environmental Approvals;

"Exchange Agreements" means the agreements to be entered into by Pond and each of the holders of Pond Options, Pond Warrants and Agent Warrants as well as holders of Subscription Receipts, in form satisfactory to Ironhorse, acting reasonably, pursuant to which holders of Pond Options, Pond Warrants, Agent Warrants and Subscription Receipts, as applicable, agree to: (a) be bound by the steps outlined in Section 2.2; and (b) surrender effectively immediately before the Effective Date all Pond Options, Pond Warrants and Agent Warrants for cancellation in exchange for equivalent securities of Ironhorse;

"Exchange Ratio" means one Ironhorse Share (on a post-Ironhorse Consolidation basis) for each Pond Share;

"Financing" means the private placement financing of Subscription Receipts at a minimum price of \$2.00 per Subscription Receipt for gross proceeds of a minimum of \$6,500,000 and a maximum of \$15,000,000 or such greater amount as Ironhorse and Pond may agree;

"Governmental Entity" means any applicable:

- (a) multinational, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau or agency, domestic or foreign;
- (b) subdivision, agent, commission, board or authority of any of the foregoing;
- (c) quasi-governmental or private body, including any tribunal, commission, regulatory agency or self-regulatory organization, exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing;
or
- (d) stock exchange, including the TSXV;

"GRL" means Grizzly Resources Limited;

"Growth Platform" means the mechanical, electrical and functional design of Pond's bioreactors, including but not limited to their illumination subsystem, gas injection subsystem,

nutrient dosing subsystem, and related control software, whether patentable or not in whole or in separate parts;

"Growth Protocols" mean the processes used to grow algae in bioreactors, including but not limited to illumination profiles (spectrum, modulation, intensity, time), nutrient profiles (nature, quantity, concentration etc), temperature, harvest rates, and gas injection profiles, regardless of the form of their expression, including their capture in software;

"Information Circular" means the joint information circular, and any amendments thereto, to be provided to the Ironhorse Shareholders in respect of the Ironhorse Resolutions and the Pond Shareholders in respect of the Pond Resolution, and such other matters to be considered at the Ironhorse Meeting and the Pond Meeting, respectively, prepared in accordance with Form 3D1 "Information Required in an Information Circular for a Reverse Takeover or Change of Business" and Form 51-102F5 *Information Circular*,

"IFRS" means International Financial Reporting Standards, as adopted by the International Accounting Standards Board, as amended from time to time;

"Intellectual Property" means any and all intellectual property (whether foreign or domestic, registered or unregistered) owned by Pond or used in the operation, conduct or maintenance of Pond's business, as it is currently and has historically been operated, conducted or maintained, including, without limitation, relating to the Growth Platform and Growth Protocols, including without limitation: (a) all inventions (whether patentable or unpatentable and whether or not reduced to practice), and all patents, patent applications and patent disclosures, together with all reissues, continuations, continuations-in-part, revisions, extensions and re-examinations thereof; (b) all trade-marks, trade-names, trade dress, logos, business names, corporate names, domain names, uniform resource locators (URL's) and the internet websites related thereto, and including all goodwill associated therewith and all applications, registrations and renewals in connection therewith; (c) all copyrightable works, all copyrights and all applications, registrations and renewals in connection therewith; (d) all industrial designs and all applications, registrations and renewals in connection therewith; (e) all proprietary, technical or confidential information, including all trade secrets, processes, procedures, know-how, show-how, formulae, methods, data, compilations, databases and the information contained therein, together with all business and financial information relating to Pond; and (f) all computer software (including all source code, object code and related documentation), together with: (i) all copies and tangible embodiments of the foregoing (in whatever form or medium); (ii) all improvements, modifications, translations, adaptations, refinements, derivations and combinations thereof; and (iii) all Intellectual Property Rights related thereto;

"Intellectual Property Rights" means any right or protection existing from time to time in a specific jurisdiction, whether registered or not, under any patent law or other invention or discovery law, copyright law, performance or moral rights law, trade-secret law, confidential information law, trade-mark law, trade-name law, unfair competition law or other similar laws and includes legislation by competent governmental authorities and judicial decisions under common law or equity;

"Ironhorse" has the meaning ascribed thereto on the first page of this Agreement;

"Ironhorse AGM Resolutions" means the ordinary resolutions of the Ironhorse Shareholders authorizing the election of directors, appointment of auditors and the other ancillary matters, substantially in the form set forth in Schedule A;

"Ironhorse Assets" means the petroleum and natural gas properties, interests and related assets of Ironhorse;

"Ironhorse Board" means the board of directors of Ironhorse;

"Ironhorse Break Fee" has the meaning ascribed to it in Section 4.4(g);

"Ironhorse Change of Name" means the change of name of Ironhorse to "Pond Technologies Holdings Inc.";

"Ironhorse Change of Name Resolution" means the special resolution of the Ironhorse Shareholders authorizing the Ironhorse Change of Name, substantially in the form set forth in Schedule A;

"Ironhorse Consolidation" means the consolidation of the outstanding Ironhorse Shares on the basis of 6.9 pre-Ironhorse Consolidation Ironhorse Shares for each 1 post-Ironhorse Consolidation Ironhorse Share;

"Ironhorse Consolidation Resolution" means the special resolution of the Ironhorse Shareholders authorizing the Ironhorse Consolidation;

"Ironhorse Financial Statements" has the meaning ascribed thereto in Section 3.1(k) of this Agreement;

"Ironhorse Meeting" means the annual and special meeting of the Ironhorse Shareholders, and any adjournments or postponements thereof, to be held to approve, among other things, the Ironhorse Resolutions;

"Ironhorse Proposed Agreement" has the meaning ascribed to it in Section 4.4(e);

"Ironhorse Public Documents" means the public documents filed by Ironhorse on SEDAR under Ironhorse's SEDAR profile;

"Ironhorse Resolutions" means together, the Ironhorse Consolidation Resolution, the Ironhorse Change of Name Resolution, the Ironhorse AGM Resolutions and the Ironhorse RTO Resolution, substantially in the forms attached hereto as Schedule A;

"Ironhorse RTO Resolution" means the ordinary resolution of the Ironhorse Shareholders approving the Amalgamation and this Agreement, substantially in the form set forth in Schedule A;

"Ironhorse Shareholder Approval" means the approval of the Ironhorse Shareholders in respect of the Ironhorse Resolutions;

"Ironhorse Shareholders" means, at any time, the holders of outstanding Ironhorse Shares;

"Ironhorse Shares" means the authorized common shares in the capital of Ironhorse;

"Ironhorse Support Agreements" means agreements between Pond and each of the Ironhorse Support Shareholders pursuant to which the Ironhorse Support Shareholders agree to vote the Ironhorse Shares beneficially owned or controlled by the Ironhorse Support Shareholders in favour of the Ironhorse Resolutions and to otherwise support the Ironhorse

Change of Name, the Ironhorse Consolidation, the Amalgamation, this Agreement and the Transaction, as provided therein;

"Ironhorse Support Shareholders" means those Ironhorse directors and officers that have entered into, concurrently with this Agreement, Ironhorse Support Agreements;

"Ironhorse Superior Proposal" has the meaning ascribed to it in Section 4.4(b);

"Laws" means all laws, statutes, codes, ordinances, decrees, rules, regulations, by-laws, statutory rules, principles of law, published policies and guidelines, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, including general principles of common and civil law, and terms and conditions of any grant of approval, permission, authority or license of any Governmental Entity, statutory body or self-regulatory authority, and the term "applicable" with respect to such Laws and in the context that refers to one or more Persons, means that such Laws apply to such Person or Persons or its or their business, undertaking, property or securities and emanate from a Governmental Entity (or any other Person) having jurisdiction over the aforesaid Person or Persons or its or their business, undertaking, property or securities;

"LOI" means the non-binding letter of intent dated August 14, 2017 between Pond and Ironhorse, as amended;

"Mailing Date" means the date that the Information Circular is mailed to the Ironhorse Shareholders and the Pond Shareholders;

"Material Adverse Change" means any one or more changes, effects, events, occurrences or states of facts that, either individually or in the aggregate, have, or would reasonably be expected to have, a Material Adverse Effect on Ironhorse or Pond, as applicable, on a consolidated basis;

"Material Adverse Effect" means any change, effect, event, occurrence or state of facts that, individually or in the aggregate, with other such changes, effects, events, occurrences or states of facts, is or would reasonably be expected to be material and adverse to the business, properties, operations, results of operations or financial condition of Ironhorse or Pond on a consolidated basis, except any change, effect, event, occurrence or state of facts resulting from or relating to:

- (a) the announcement of the execution of this Agreement or any transactions contemplated herein, or communication by the applicable Party of its plans or intentions with respect to the other Party and/or any of its subsidiaries;
- (b) changes in the United States and Canadian economies in general or the United States and Canadian capital or currency markets in general;
- (c) the threat, commencement, occurrence or continuation of any war, armed hostilities, acts of environmental groups, civil strife, or acts of terrorism;
- (d) any change in applicable Laws or in the interpretation thereof by any Governmental Entity;
- (e) any change in IFRS;

- (f) any natural disaster;
- (g) any change relating to foreign currency exchange rates; or
- (h) changes affecting the Party's industry generally,

provided that, in the case of any changes referred to in clauses (b) to (h) above, such changes do not have a materially disproportionate effect on the applicable Party relative to comparable companies;

"Material Contracts" means all Contracts or other obligations or rights (and all amendments, modifications, side letters and supplements thereto to which Ironhorse or Pond, as applicable, is a party, affecting the obligations of any party thereunder) to which Ironhorse or Pond, as applicable, is a party or by which any of their respective properties or assets are bound that are material to the business, properties or assets of Ironhorse or Pond taken, as applicable, as a whole, including to the extent any of the following are material to the business, properties or assets of Ironhorse or Pond, as applicable, taken as a whole, all:

- (a) employment, severance, personal services, consulting, non-competition or indemnification contracts (including any Contract involving employees);
- (b) Contracts granting a right of first refusal or first negotiation;
- (c) partnership or joint venture agreements;
- (d) Contracts for the acquisition, sale or lease of material properties or assets, by purchase or sale of assets or shares or otherwise;
- (e) Contracts with any Governmental Entity;
- (f) loan or credit agreements, mortgages, indentures or other Contracts or instruments evidencing indebtedness for borrowed money by Ironhorse or Pond, as the case may be, or any such agreement pursuant to which indebtedness for borrowed money may be incurred;
- (g) Contracts that purport to limit, curtail or restrict the ability of Ironhorse or Pond, as the case may be, to compete in any geographic area or line of business;
- (h) commitments and agreements to enter into any of the foregoing; and
- (i) all Contracts that provide for annual payments to or from Ironhorse or Pond, as the case may be, in excess of \$25,000 per annum;

"Newco" has the meaning ascribed thereto on the first page of this Agreement;

"Newco Shares" means the authorized common shares in the capital of Newco;

"OBCA" means the *Business Corporations Act* (Ontario);

"Party" means, as the context requires, either Pond, Ironhorse or Newco, and **"Parties"** means two or more of them, as applicable;

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

"Pond" has the meaning ascribed thereto on the first page of this Agreement;

"Pond Board" means the board of directors of Pond;

"Pond Break Fee" has the meaning ascribed to it in Section 4.4(h);

"Pond Disclosure Letter" means the disclosure letter of Pond to be signed and delivered by Pond to Ironhorse at the time of execution of this Agreement and on the Effective Date, with information updated as of the Effective Date;

"Pond Financial Statements" has the meaning ascribed thereto in Section 3.2(l);

"Pond Meeting" means the special meeting of the Pond Shareholders, and any adjournment or postponement thereof, to be held to approve, among other things, the Pond Resolution;

"Pond Options" means the outstanding options under Pond's stock option plan, each Pond Option being exercisable for one Pond Share;

"Pond Proposed Agreement" has the meaning ascribed to it in Section 4.4(f);

"Pond Resolution" means the special resolution of the Pond Shareholders approving the Amalgamation and this Agreement, substantially in the form attached hereto as Schedule B;

"Pond Shareholder Approval" means approval of 66⅔% of the Pond Shareholders in respect of the Pond Resolution;

"Pond Shareholders" means, at any time, the holders of Pond Shares;

"Pond Shares" means the authorized common shares in the capital of Pond;

"Pond Superior Proposal" has the meaning ascribed to it in Section 4.4(c);

"Pond Support Agreements" means agreements between Ironhorse and each of the Pond Support Shareholders pursuant to which the Pond Support Shareholders agree to vote the Pond Shares beneficially owned or controlled by the Pond Support Shareholders in favour of the Pond Resolution and to otherwise support the Transaction, as provided therein;

"Pond Support Shareholders" means those Pond directors and officers that have entered into, concurrently with this Agreement, Pond Support Agreements;

"Pond Warrants" means the outstanding Pond Share purchase warrants, each Pond Warrant being exercisable for one Pond Share;

"Registrar" means the Registrar of Corporations for the Province of Alberta duly appointed under the ABCA;

"Regulation D" means Regulation D adopted by the SEC under the 1933 Act;

“Regulation S” means Regulation S adopted by the SEC under the 1933 Act;

“Reverse Takeover” has the meaning ascribed to it in the TSXV Policy 5.2;

“SEC” means the United States Securities and Exchange Commission;

“Securities Authorities” means the securities commissions and/or other securities regulatory authorities in the provinces and territories of Canada, and any stock exchanges or other self-regulatory agencies having authority over Ironhorse and Pond, including the TSXV;

“SEDAR” means the Canadian System for Electronic Document Analysis and Retrieval;

“Sinopec Litigation” has the meaning set forth in Section 4.1(e);

“Sinopec Litigation Assignment and Assumption Agreement” has the meaning set forth in Section 4.1(e);

“Subscription Receipts” means the subscription receipts for Pond Shares, each such Subscription Receipt being exercisable to receive one Pond Share and such other securities, as may be agreed by Ironhorse, for no additional consideration and evidencing rights provided in the Subscription Receipt Agreement in respect of the Subscription Receipts;

“Subscription Receipt Agreement” means the agreement to be entered into between Pond, the Agents and the escrow agent governing the terms of the Subscription Receipts;

“Substantial U.S. Market Interest” means substantial U.S. market interest as that term is defined in Regulation S;

“Tax” and **“Taxes”** means all taxes, assessments, charges, dues, duties, rates, fees, imposts, levies and similar charges of any kind lawfully levied, assessed or imposed by any Governmental Entity, including all income taxes (including any tax on or based upon net income, gross income, income as specially defined, earnings, profits or selected items of income, earnings or profits) and all capital taxes, gross receipts taxes, environmental taxes, sales taxes, use taxes, ad valorem taxes, value added taxes, transfer taxes (including, without limitation, taxes relating to the transfer of interests in real property or entities holding interests therein), franchise taxes, license taxes, withholding taxes, payroll taxes, employment taxes, Canada Pension Plan contributions, excise, severance, social security, workers' compensation, employment insurance or compensation taxes or premium, stamp taxes, occupation taxes, premium taxes, property taxes, windfall profits taxes, alternative or add-on minimum taxes, goods and services tax, customs duties or other taxes, fees, imposts, assessments or charges of any kind whatsoever, together with any interest and any penalties or additional amounts imposed by any taxing authority (domestic or foreign) on such entity, and any interest, penalties, additional taxes and additions to tax imposed with respect to the foregoing;

“Tax Act” means the *Income Tax Act* (Canada);

“Tax Returns” means all returns, schedules, elections, declarations, reports, information returns, notices, forms, statements and other documents made, prepared or filed with any taxing authority or required to be made, prepared or filed with any taxing authority relating to Taxes;

"Transaction" means the Amalgamation and all related transactions incidental thereto as contemplated by this Agreement, which are collectively intended to constitute a Reverse Takeover and Change of Business of Ironhorse in accordance with TSXV policies;

"TSXV" means the TSX Venture Exchange; and

"United States" or **"U.S."** means the United States of America, its territories and possessions, any state of the United States and the District of Columbia.

In addition, words and phrases used herein and defined in the OBCA shall have the same meaning herein as in the OBCA unless the context otherwise requires.

1.2 Headings, etc.

- (a) The preamble forms an integral part hereof and is not mere recitals.
- (b) The division of this Agreement into articles, sections and subsections and the insertion of headings herein are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement. The terms "this Agreement", "hereof", "herein", "hereto", "hereunder" and similar expressions refer to this Agreement and the schedules attached hereto and not to any particular article, section or other portion hereof and include any agreement, schedule or instrument supplementary or ancillary hereto or thereto.

1.3 Number and Gender

In this Agreement, unless the context otherwise requires, words importing the singular only shall include the plural and vice versa and words importing the use of either gender shall include both genders and neuter.

1.4 Date for any Action

If the date on which any action is required to be taken hereunder by any Party is not a Business Day, such action shall be required to be taken on the next succeeding day that is a Business Day.

1.5 Statutory References

Any reference in this Agreement to a statute includes all regulations and rules made thereunder, all amendments to such statute or regulation in force from time to time and any statute or regulation that supplements or supersedes such statute or regulation.

1.6 Currency

Unless otherwise stated, all references in this Agreement to dollar amounts are expressed in Canadian currency.

1.7 Invalidity of Provisions

Each of the provisions contained in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof. To the

extent permitted by applicable Laws, the Parties waive any provision of Law that renders any provision of this Agreement or any part thereof invalid or unenforceable in any respect. The Parties will engage in good faith negotiations to replace any provision hereof or any part thereof that is declared invalid or unenforceable with a valid and enforceable provision or part thereof, the economic effect of which approximates as much as possible the invalid or unenforceable provision or part thereof that it replaces.

1.8 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 required to be made hereunder shall be made in a manner consistent with, IFRS.

1.9 Knowledge

Where the phrase "to the knowledge of" is used in respect of any Party, such phrase shall mean, in respect of each representation and warranty or other statement which is qualified by such phrase, that such representation and warranty or other statement is being made based upon the actual knowledge of management of such Party after appropriate inquiries and investigations.

1.10 Meaning of "Ordinary and Regular Course of Business"

In this Agreement the phrase "in the ordinary and regular course of business" shall mean and refer to those activities that are normally conducted by corporations engaged in the businesses of Pond or Ironhorse, as applicable.

1.11 Schedules

The following schedules are attached to, and are deemed to be incorporated into and form part of, this Agreement:

Schedule A – Forms of Ironhorse Resolutions
Schedule B – Form of Pond Resolution

ARTICLE 2 THE AMALGAMATION

2.1 Terms of Amalgamation

Ironhorse, Newco and Pond hereby covenant and agree to implement the Transaction in accordance with the terms and subject to the conditions of this Agreement, as follows:

- (a) as soon as reasonably practicable following the execution and delivery of this Agreement: (i) Ironhorse shall call and hold the Ironhorse Meeting for the purpose of approving the Ironhorse Resolutions; (ii) Pond shall call and hold the Pond Meeting for the purpose of approving the Pond Resolution; and (iii) Ironhorse and Pond shall jointly prepare and mail the Information Circular to the Ironhorse Shareholders and the Pond Shareholders;

- (b) following approval of the Pond Resolution by the Pond Shareholders and the approval of the Ironhorse Resolutions by the Ironhorse Shareholders, and prior to the filing of the Articles of Amalco in accordance with Section 2.1(c)), Ironhorse shall complete and file Articles of Amendment, in the prescribed form, giving effect to the Ironhorse Consolidation and the Ironhorse Change of Name upon and subject to the terms of this Agreement;
- (c) following approval of the Pond Resolution by the Pond Shareholders and the Ironhorse Resolutions by the Ironhorse Shareholders, in accordance with the requirements of the OBCA and ABCA, as applicable, Newco and Pond shall jointly complete and file the Articles of Amalgamation, in duplicate, substantially in the form agreed to by the Parties, acting reasonably, with the Director, together with such other documents as may be required under the OBCA, giving effect to the Amalgamation;
- (d) at the Effective Time, Newco and Pond shall amalgamate and continue as one company, being Amalco, pursuant to the provisions of Section 174 of the OBCA;
- (e) at the Effective Time:
 - (i) all of the Pond Shares outstanding immediately prior to the Effective Time (except for Pond Shares held by Dissenting Shareholders) shall be cancelled, and holders of Pond Shares outstanding immediately prior to the Effective Time, other than Ironhorse and Newco, shall receive, subject to subsection 2.1(h) hereof, in exchange for their Pond Shares so cancelled, that number of Ironhorse Shares equal to the product of:
 - (A) the number of Pond Shares so cancelled; and
 - (B) the Exchange Ratio,
 - (ii) neither Pond nor Newco shall receive any repayment of capital in respect of any Pond Shares held by them that are cancelled pursuant to this subsection 2.1(e);
 - (iii) all of the common shares of Newco outstanding immediately prior to the Effective Time shall be cancelled and replaced with an equal number of common shares of Amalco issued by Amalco; and
 - (iv) as consideration for the issuance of Ironhorse Shares pursuant to the Amalgamation, Amalco shall issue to Ironhorse one common share of Amalco for each Ironhorse Share issued;
- (f) Pond Shares which are held by a Dissenting Shareholder shall not be exchanged for Ironhorse Shares. However, if a Dissenting Shareholder fails to perfect or effectively withdraws its claim for Dissent Rights under the OBCA or forfeits its right to make a claim under the OBCA, or if its rights as a shareholder of Pond are otherwise reinstated, such Pond Shares shall be deemed to have been exchanged as of the Effective Date for Ironhorse Shares as prescribed in Section 2.1(e);
- (g) as a result of the foregoing:

- (i) in accordance with Section 179 of the OBCA, among other things, the property, rights, privileges and franchises of each of Pond and Newco will continue to be the property, rights, privileges and franchises of Amalco, and Amalco will continue to be liable for the obligations of each of Pond and Newco; and
- (ii) Amalco will be a wholly-owned subsidiary of Ironhorse;
- (h) no fractional Ironhorse Shares will be issued under the Amalgamation. Where the aggregate number of Ironhorse Shares to be issued to any former Pond Shareholders under the Amalgamation would result in a fraction of an Ironhorse Share being issuable, the number of Ironhorse Shares to be issued to such holder shall be rounded down to the next whole number, and no cash or other consideration shall be paid or payable in lieu of such fraction of an Ironhorse Share;
- (i) the by-laws of Amalco shall be the by-laws of Newco and may be viewed at the registered office set forth in Section 2.7 hereof;
- (j) the Ironhorse Shares to be delivered pursuant to the Amalgamation shall have been deposited with the Depositary together with an irrevocable direction authorizing and directing the Depositary to deliver Ironhorse Shares pursuant to the Amalgamation, to the Pond Shareholders who are entitled to receive such consideration in accordance with Section 2.1(e)(i) and upon completion of the Amalgamation.

2.2 Outstanding Pond Options, Pond Warrants and Agent Warrants

At the Effective Time:

- (a) each Pond Warrant which is outstanding prior to the Effective Time shall be cancelled and its holder shall receive in exchange therefor one Ironhorse Share purchase warrant, having the same terms and conditions, including the term to expiry, conditions to and manner of exercise, as the Pond Warrant for which it was exchanged;
- (b) each Agent Warrant which is outstanding prior to the Effective Time shall be cancelled and its holder shall receive in exchange therefor one unit purchase warrant of Ironhorse having the same terms and conditions, including the term to expiry, conditions to and manner of exercise, as the Agent Warrant for which it was exchanged; and
- (c) each Pond Option which is outstanding prior to the Effective Time shall be cancelled and in its place its holder shall receive in exchange therefor one Ironhorse Share purchase option, having the same terms and conditions as the cancelled Pond Options, including the term to expiry, vesting conditions and manner of exercising.

2.3 Effective Date

The Amalgamation shall be completed on the Effective Date and shall be effective at the Effective Time.

2.4 Closing

Unless this Agreement is terminated pursuant to the provisions hereof, Pond, Newco and Ironhorse shall meet at the offices of Osler, Hoskin & Harcourt LLP, Suite 2500 – 450- 1st Street

S.W. Calgary, Alberta at 10:00 a.m., Calgary time, on the Business Day prior to the Effective Date, or at such other time, date or place as they may mutually agree upon, and each of them shall deliver to the other Parties:

- (a) the documents required or contemplated to be delivered by it hereunder in order to complete, or necessary or reasonably requested to be delivered by it by the other Parties in order to effect, the Transaction, provided that each such document required to be dated the Effective Date shall be dated as of, or become effective on, the Effective Date and shall be held in escrow to be released upon the Amalgamation becoming effective; and
- (b) written confirmation as to the satisfaction or waiver of all of the conditions in its favour contained in Article 5 hereof, as applicable.

2.5 Effecting the Amalgamation

Subject to the rights of termination contained in Article 6, upon both the Ironhorse Shareholder Approval and the Pond Shareholder Approval being obtained, and the other conditions contained in Article 5 being complied with or waived, Pond and Newco shall file with the Director the Articles of Amalco, the statements of each of Pond and Newco prescribed under Section 178(2) of the OBCA and such other documents as may be required in order to effect the Amalgamation, within two Business Days, or such other date as the Parties may agree, of the later of the Ironhorse Shareholder Approval or the Pond Shareholder Approval, as applicable, being obtained.

2.6 Name of Amalco

The Parties agree that the name of Amalco shall be "Pond Technologies Inc."

2.7 Registered Office of Amalco

The Parties agree that the address of the registered and records office of Amalco shall be 250 Shields Court, Unit 8 Markham, Ontario L3R 9W7.

2.8 Authorized Capital of Amalco

The Parties agree that Amalco shall be authorized to issue an unlimited number of common shares (being the Amalco Shares) and an unlimited number of preferred shares. At the Effective Time, the capital account in the records of Amalco for the Amalco Shares shall be equal to the capital attributed to the Pond Shares (other than any Pond Shares held by Ironhorse or Newco) and the Newco Shares.

2.9 Initial Directors of Amalco

The Parties agree that the first directors of Amalco shall be Steven Martin, Geraldine Kenney-Wallace, Bill Asselstine, Rob McLeese and Gerry Quinn.

2.10 Articles of Amalco

The Parties agree that the Articles of Amalco shall be signed by one (1) director of Amalco referred to in Section 2.9 hereof.

2.11 Treatment of Restricted Securities under the U.S. Securities Act

The Parties agree that the Ironhorse Shares issued to the former Pond Shareholders resident in or subject to the laws of the United States in connection with the Transaction will be "restricted securities" within the meaning of Rule 144 of the 1933 Act. Each certificate representing the Ironhorse Shares issued to holders resident in or subject to the laws of the United States will bear a legend in substantially the form that follows:

"THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT") OR UNDER ANY STATE SECURITIES LAWS AND ARE "RESTRICTED SECURITIES" AS THAT TERM IS DEFINED IN RULE 144 UNDER THE 1933 ACT. THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF POND TECHNOLOGIES HOLDINGS INC. (THE "ISSUER") THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE ISSUER; (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE 1933 ACT AND IN COMPLIANCE WITH APPLICABLE UNITED STATES STATE LAWS AND REGULATIONS AND APPLICABLE LOCAL LAWS AND REGULATIONS; (C) IN ACCORDANCE WITH THE EXEMPTION FROM REGISTRATION UNDER THE 1933 ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS; (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE 1933 ACT OR ANY APPLICABLE STATE SECURITIES LAWS, OR (E) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE 1933 ACT AND, IN THE CASE OF PARAGRAPH (C) OR (D), THE SELLER FURNISHES TO THE ISSUER AN OPINION OF COUNSEL OF RECOGNIZED STANDING IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE ISSUER TO SUCH EFFECT."

Pond agrees that it will obtain from each Pond Shareholder resident in the United States a certificate that such shareholder is an "accredited investor" as such term is defined in Regulation D.

2.12 Consultation

Pond and Ironhorse will consult with each other in issuing any press release or otherwise making any public statement with respect to this Agreement or the Transaction and in making any filing with any Governmental Entity or Securities Authority with respect thereto. Each of Pond and Ironhorse shall use its commercially reasonable efforts to enable the other of them to review and comment on all such press releases and filings prior to the release or filing, respectively, thereof, provided, however, that the obligations herein will not prevent a Party from making, after consultation with the other Party, such disclosure as is required by applicable Laws or the rules and policies of any applicable stock exchange.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of Ironhorse

Ironhorse hereby represents and warrants to Pond and hereby acknowledges that Pond is relying upon such representations and warranties in connection with entering into this Agreement and agreeing to complete the Transaction, as follows:

- (a) Organization. Ironhorse has been incorporated and validly exists under the laws of the jurisdiction of its incorporation and is in good standing under applicable corporate laws and has full corporate and legal power and authority to own its property and assets and to conduct its business as currently owned and conducted. Ironhorse is registered, licensed or otherwise qualified as a foreign corporation in each jurisdiction where the nature of the business or the location or character of the property and assets owned or leased by it requires it to be so registered, licensed or otherwise qualified, other than those jurisdictions where the failure to be so registered, licensed or otherwise qualified would not have a Material Adverse Effect on Ironhorse.

Capitalization. Ironhorse is authorized to issue an unlimited number of Ironhorse Shares and an unlimited number of first preferred shares of which 27,885,824 Ironhorse Shares and nil first preferred shares are issued and outstanding, prior to giving effect to the Transaction and the Ironhorse Consolidation. There are no options, warrants, conversion privileges or other rights, agreements, arrangements or commitments (pre-emptive, contingent or otherwise) obligating Ironhorse to issue or sell any Ironhorse Shares or any securities or obligations of any kind convertible into or exercisable or exchangeable for any Ironhorse Shares other than as contemplated herein. All outstanding Ironhorse Shares have been authorized and are validly issued and outstanding as fully paid and non-assessable shares, free of pre-emptive rights. As of the date hereof, there are no outstanding bonds, debentures or other evidences of indebtedness of Ironhorse. There are no outstanding contractual obligations of Ironhorse to repurchase, redeem or otherwise acquire any outstanding Ironhorse Shares or with respect to the voting or disposition of any outstanding Ironhorse Shares.

- (b) Subsidiaries. Ironhorse, GRL and Copper Island Resources Ltd. are considered related by virtue of common management. Ironhorse and GRL are also joint venture partners in Ironhorse's Pembina and Kotcho properties. Ironhorse has entered into a management contract with GRL to provide technical and administrative services in connection such operating assets. Ironhorse has no subsidiaries (other than Newco) and does not hold any shares or securities of any other entity and is not affiliated with, nor is it a holding corporation of, any other body corporate nor is Ironhorse a partner in any partnership. Newco was formed solely for the purposes of effecting the Amalgamation and has never conducted any business activities.
- (c) Authority and Conflict. Ironhorse has all necessary corporate power, authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by Ironhorse as contemplated by this Agreement, and to perform its obligations hereunder and under such other agreements and instruments. The execution and delivery of this Agreement by Ironhorse and the completion by Ironhorse of the transactions contemplated hereby have been authorized by the Ironhorse Board and, subject to obtaining the Ironhorse Shareholder Approval in the manner contemplated

herein, no other corporate proceedings on the part of Ironhorse are necessary to authorize this Agreement or the completion by Ironhorse of the transactions contemplated hereby other than the filing of the Articles of Amendment and the filing of the Articles of Amalco with the Director. This Agreement has been executed and delivered by Ironhorse and constitutes a legal, valid and binding obligation of Ironhorse, enforceable against Ironhorse in accordance with its terms, subject to bankruptcy, insolvency, reorganization, fraudulent transfer, moratorium and other applicable Laws relating to or affecting creditors' rights generally, and to general principles of equity. The execution and delivery by Ironhorse of this Agreement and the performance by Ironhorse of its obligations hereunder and the completion of the transactions contemplated hereby, do not and will not:

- (i) result in a violation, contravention or breach or constitute a default under, or entitle any third party to terminate, accelerate, modify or call any obligations or rights under, require any consent to be obtained under or give rise to any termination rights under any provision of:
 - (A) the articles of incorporation and by-laws of Ironhorse;
 - (B) any applicable Law or rule or policy of the TSXV (except that the approval of the TSXV, which is required for the completion by Ironhorse of the transactions contemplated hereby, will be applied for by Ironhorse but has not been obtained as of the date hereof); or
 - (C) any Contract to which Ironhorse is bound or is subject to or of which Ironhorse is the beneficiary,

in each case, which would, individually or in the aggregate, have a Material Adverse Effect on Ironhorse;

- (ii) cause any indebtedness owing by Ironhorse to come due before its stated maturity or cause any available credit to cease to be available which would, individually or in the aggregate, have a Material Adverse Effect on Ironhorse;
- (iii) result in the imposition of any Encumbrance upon any of the property or assets of Ironhorse or give any Person the right to acquire any of Ironhorse's assets, or restrict, hinder, impair or limit the ability of Ironhorse to conduct the business of Ironhorse as and where it is now being conducted which would, individually or in the aggregate, have a Material Adverse Effect on Ironhorse;
- (iv) result in or accelerate the time for payment or vesting of, or increase the amount of any severance, unemployment compensation, "golden parachute", change of control provision, bonus, termination payments, retention bonus or otherwise, becoming due to any director or officer of Ironhorse or increase any benefits otherwise payable under any pension or benefits plan of Ironhorse or result in the acceleration of the time of payment or vesting of any such benefits; or
- (v) result in the revocation, suspension, cancellation, variation or non-renewal of any claims, concessions, licenses, leases or other instruments, conferring rights in respect of the Ironhorse Assets.

- (d) Consents and Approvals. No consent, approval, order or authorization of, or declaration or filing with, any Governmental Entity or other Person is required to be obtained by Ironhorse in connection with the execution and delivery of this Agreement or the consummation by Ironhorse of the transactions contemplated hereby other than:
 - (i) the Ironhorse Shareholder Approval;
 - (ii) filings required under the ABCA and the OBCA;
 - (iii) filings with and approvals required by the Securities Authorities; and
 - (iv) any other consents, approvals, orders, authorizations, declarations or filings which, if not obtained, would not, individually or in the aggregate, have a Material Adverse Effect on Ironhorse.
- (e) Directors' Approvals. The Ironhorse Board has unanimously:
 - (i) determined that the Transaction is in the best interests of Ironhorse;
 - (ii) determined to recommend that the Ironhorse Shareholders vote in favour of the Ironhorse Resolutions; and
 - (iii) authorized the entering into of this Agreement, and the performance of Ironhorse's obligations hereunder.
- (f) Contracts. Each of the Material Contracts to which Ironhorse is a party constitutes a valid and legally binding obligation of Ironhorse, as applicable, enforceable in accordance with its terms (except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and similar laws of general applicability relating to or affecting creditors' rights or by general equity principles).
- (g) Waivers and Consents. There are no waivers, consents, notices or approvals required to complete the transactions contemplated under this Agreement from other parties to the Material Contracts of Ironhorse.
- (h) No Defaults. Ironhorse is not in default under, and, there exists no event, condition or occurrence which, after notice or lapse of time or both, would constitute a default by Ironhorse under, any Contract or other instrument that is material to the conduct of the business of Ironhorse to which either of them is a party or by which either of them is bound or subject to that would, individually or in the aggregate, have a Material Adverse Effect on Ironhorse. No party to any Contract of Ironhorse has given written notice to Ironhorse of, or made a Claim against Ironhorse with respect to, any breach or default thereunder, in any such case in which such breach or default constitutes a Material Adverse Effect on Ironhorse.
- (i) Absence of Changes. Except as disclosed in the Ironhorse Public Documents, since June 30, 2017:
 - (i) Ironhorse has conducted its business only in the ordinary and regular course of business consistent with past practice;

- (ii) Ironhorse has not incurred or suffered a Material Adverse Change;
 - (iii) other than the proposed transactions contemplated in Section 4.1(f), there has not been any acquisition or sale by Ironhorse of any material property or assets thereof;
 - (iv) other than in the ordinary and regular course of business consistent with past practice, there has not been any incurrence, assumption or guarantee by Ironhorse of any debt for borrowed money, any creation or assumption by Ironhorse of any Encumbrance, any making by Ironhorse of any loan, advance or capital contribution to, or investment in, any other Person, or any entering into, amendment of, relinquishment, termination or non-renewal by Ironhorse of any Contract or other right or obligation that would, individually or in the aggregate, have a Material Adverse Effect on Ironhorse;
 - (v) Ironhorse has not declared or paid any dividends or made any other distribution in respect of any of the Ironhorse Shares;
 - (vi) other than the proposed Ironhorse Consolidation, Ironhorse has not effected or passed any resolution to approve a split, consolidation or reclassification of any of the outstanding Ironhorse Shares;
 - (vii) other than in the ordinary and regular course of business consistent with past practice, there has not been any material increase in or modification of the compensation payable by Ironhorse to any of its directors, officers, employees or consultants or any grant to any such director, officer, employee or consultant of any increase in severance or termination pay, or any increase or modification of any bonus, pension, insurance or benefit arrangement made to, for or with any of such directors, officers, employees or consultants;
 - (viii) Ironhorse has not effected any material change in its accounting methods, principles or practices, other than as disclosed in the Ironhorse Financial Statements; and
 - (ix) Ironhorse has not adopted or amended any collective bargaining agreement, bonus, pension, profit sharing, stock purchase, stock option or other benefit plan or shareholder rights plan.
- (j) Employment Agreements. Ironhorse:
- (i) is not a party to any written or oral policy, agreement, obligation or understanding providing for retention bonuses, severance or termination payments to, or any employment or consulting agreement with, any director or officer of Ironhorse that would be triggered by Ironhorse's entering into this Agreement or the completion of the Transaction;
 - (ii) has no employees or consultants whose employment or contract with Ironhorse cannot be terminated by Ironhorse in accordance with the provisions of such employment or consultant contract following the completion of the Amalgamation;
 - (iii) is not a party to any collective bargaining agreement;

- (iv) is not, to the knowledge of Ironhorse, subject to any application for certification or threatened or apparent union-organizing campaigns for employees not covered under a collective bargaining agreement; or
 - (v) is not subject to any current, or, to the knowledge of Ironhorse, pending or threatened strike or lockout.
- (k) Financial Matters. Each of the audited annual comparative financial statements of Ironhorse for the years ended December 31, 2016 and 2015, the unaudited financial statements of Ironhorse for the three and six month periods ended June 30, 2017 and the respective notes thereto (collectively, the "**Ironhorse Financial Statements**") were prepared in accordance with IFRS consistently applied, and fairly present in all material respects the financial condition of Ironhorse at the respective dates indicated and the results of operations of Ironhorse for the periods covered. Except as disclosed in the Ironhorse Financial Statements, as of the date hereof, Ironhorse does not have any liability or obligation (including, without limitation, liabilities or obligations to fund any operations or work or production program, to give any guarantees or for Taxes), whether accrued, absolute, contingent or otherwise, or any related party transactions or off-balance sheet transactions not reflected in the Ironhorse Financial Statements, except liabilities and obligations incurred in the ordinary and regular course of business (including the business of operating, developing, constructing and exploring Ironhorse's projects) since June 30, 2017, which liabilities or obligations would not reasonably be expected to have a Material Adverse Effect on Ironhorse.
- (l) Oil and Gas Reserves Data. All Ironhorse Public Documents, including without limitation any reserve reports filed on SEDAR, have been prepared in all material respects in accordance with National Instrument 51-101 - *Standards of Disclosure for Oil and Gas Activities*.
- (m) Books and Records. The corporate records and minute books of Ironhorse have been maintained in accordance with all applicable Laws and are complete and accurate in all material respects, except where such incompleteness or inaccuracy would not have a Material Adverse Effect on Ironhorse. Financial books and records and accounts of Ironhorse in all material respects:
 - (i) have been maintained in accordance with good business practices on a basis consistent with prior years and past practice;
 - (ii) are stated in reasonable detail and accurately and fairly reflect the transactions and acquisitions and dispositions of assets of Ironhorse; and
 - (iii) accurately and fairly reflect the basis for the Ironhorse Financial Statements.
- (n) Litigation. Except for the Sinopec Litigation, there is no Claim pending or in progress or, to the knowledge of Ironhorse, threatened against or relating to Ironhorse, or affecting any of its properties or assets, before any Governmental Entity which, individually or in the aggregate, has had, or could reasonably be expected to have, a Material Adverse Effect on Ironhorse, and Ironhorse is not aware of any existing ground on which any such Claim might be commenced with any reasonable likelihood of success. There is no bankruptcy, liquidation, winding-up or other similar proceeding pending or in progress, or, to the knowledge of Ironhorse, threatened against or relating to Ironhorse before any

Governmental Entity. Neither Ironhorse nor any of its properties or assets are subject to any outstanding judgment, order, writ, injunction or decree that involves or may involve, or restricts or may restrict the right or ability of Ironhorse to conduct its business in all material respects as it has been carried on prior to the date hereof, or that would materially impede the consummation of the transactions contemplated by this Agreement, except to the extent any such matter would not, individually or in the aggregate, have a Material Adverse Effect on Ironhorse.

- (o) Title to Properties and Operational Matters. Subject to the proposed transactions contemplated in Section 4.1(f), all agreements by which Ironhorse holds an interest in the Ironhorse Assets are in good standing according to their respective terms and the Ironhorse Assets are in good standing under applicable Laws and all filings and work commitments required by Ironhorse to maintain the Ironhorse Assets in good standing have been properly recorded and filed in a timely manner with the appropriate Governmental Entity or third party and there are no material Encumbrances or any other material interests in or on such Ironhorse Assets except as disclosed by Ironhorse in the Ironhorse Public Documents. To the knowledge of Ironhorse, there are no adverse Claims against or challenges to the title or ownership of any of the Ironhorse Assets nor, are there any defects, failures or impairments in the title of Ironhorse to its oil and gas properties or facilities, whether or not an action, suit, proceeding or inquiry is pending or threatened and whether or not discovered by any third party, which could have a Material Adverse Effect on Ironhorse or the Ironhorse Assets or the anticipated cash-flow of Ironhorse. Ironhorse has conducted and is conducting its business in accordance with good oilfield practices and in material compliance with all applicable Laws, including all applicable Laws and all Governmental Entity authorizations and instructions, whether in writing or oral, relating to the Ironhorse Assets and, to the knowledge of Ironhorse, any and all operations by third parties, on or in respect of the Ironhorse Assets have been conducted in compliance with good oilfield practices. Ironhorse has not received any notice of the revocation or cancellation of, or any intention to revoke or cancel, any of the permits, claims, concessions, licenses, leases or other instruments conferring petroleum and natural gas rights in respect of the Ironhorse Assets that would, individually or in the aggregate, result in a Material Adverse Effect on Ironhorse. Without limiting the generality of the foregoing, Ironhorse has obtained all material licences and permits necessary for the operation of the business of Ironhorse as presently conducted, and has not taken any action which would impair the ability of Ironhorse to obtain necessary licences or permits in the future for the continued operation of such business, in accordance with applicable Laws and requirements of all Governmental Entities. None of the material licenses and permits of Ironhorse contain any burdensome term, provision, condition or limitation which has or is likely to have any Material Adverse Effect on Ironhorse or the Ironhorse Assets. Ironhorse has duly and timely satisfied all of the obligations required to be satisfied, performed or observed by it under, and there exists no default or event of default or event, occurrence, condition or act which, with the giving of notice, the lapse of time or the happening of any other event or condition, would become a default or event of default by Ironhorse under any of the leases, documents, instruments or any other agreement pertaining to the Ironhorse Assets and to the knowledge of Ironhorse, none of the counterparties to such leases, documents, instruments or any other agreements pertaining to the Ironhorse Assets are in default thereunder except to the extent such that such defaults would not result in a Material Adverse Effect.

- (p) Expropriation. No property or asset of Ironhorse has been taken or expropriated by any Governmental Entity and no notice or proceeding in respect of any such expropriation has been given or commenced or, to the knowledge of Ironhorse, is there any intent or proposal to give any such notice or commence any such proceeding.
- (q) Royalty Payments and Other Interests. Except as disclosed in the Ironhorse Public Documents, there are no landowner's royalties, overriding royalties, net profits interests or similar interests or any other rights or interests whatsoever of third parties by which Ironhorse is bound on or in relation to the Ironhorse Assets. To the knowledge of Ironhorse, none of the Ironhorse Assets are subject to forfeiture or reduction by reference to payout of or production penalty on any well or otherwise or, to change to an interest of any other size or nature by virtue of or through any right or interest granted by, through or under Ironhorse, except to the extent that all such reductions or changes to an interest would not result in a Material Adverse Effect on Ironhorse.
- (r) Assets. Ironhorse has good and marketable title to its assets free and clear of any Encumbrances.
- (s) Insurance. Ironhorse maintains policies of insurance naming Ironhorse as insured in amounts and in respect of such risks as are normal and usual for companies of a similar size and business and such policies are in full force and effect as of the date hereof and shall not be cancelled or otherwise terminated as a result of the Transaction.
- (t) Environmental. To the knowledge of Ironhorse:
 - (i) Ironhorse is in compliance in all material respects with Environmental Laws;
 - (ii) Ironhorse has operated its business at all times and has received, handled, used, stored, treated, shipped and disposed of all contaminants without violation of Environmental Laws;
 - (iii) there have been no spills, releases, deposits or discharges of hazardous or toxic substances, contaminants or wastes which have not been rectified or are in the process of being rectified on any of the real property owned or leased by Ironhorse or under its control;
 - (iv) there have been no releases, deposits or discharges, in violation of Environmental Laws, of any hazardous or toxic substances, contaminants or wastes into the earth, air or into any body of water or any municipal or other sewer or drain water systems by Ironhorse;
 - (v) no orders, directions or notices have been issued and remain outstanding pursuant to any Environmental Laws relating to the business or assets of Ironhorse;
 - (vi) Ironhorse has not failed to report to the proper Governmental Entity the occurrence of any event which is required to be so reported by any Environmental Laws; and

- (vii) there is no Claim pending or in progress or, threatened against or relating to Ironhorse, which may affect Ironhorse or any of the properties or assets of Ironhorse relating to or alleging any violation of Environmental Laws;
- (viii) Ironhorse holds all licences, permits and approvals required under any Environmental Laws in connection with the operation of its business as presently conducted and the ownership and use of its assets, other than those which the failure to hold would not reasonably be expected to have a Material Adverse Effect on Ironhorse, all such licenses, permits and approvals of Ironhorse are in full force and effect, and except for (A) notifications and conditions of general application to assets of the type owned by Ironhorse, and (B) notification relating to reclamation obligations under Environmental Laws, Ironhorse has not, to the knowledge of Ironhorse, received any notification pursuant to any Environmental Laws that any work, repairs, construction or capital expenditures are required to be made by it as a condition of continued compliance with Environmental Laws, or that any licence, permit or approval referred to above is about to be reviewed, made subject to limitation or conditions, revoked, withdrawn or terminated, and neither Ironhorse nor any of its assets is the subject of any investigation, evaluation, audit or review not in the ordinary and regular course of business by any Governmental Entity to determine whether any violation of Environmental Laws has occurred or is occurring, and Ironhorse is not subject to any known environmental liabilities; and
- (ix) all wells located on any lands in which Ironhorse has an interest, or lands with which such lands have been pooled or unitized, which have been abandoned have been abandoned in accordance with all application Law regarding the abandonment of wells.
- (u) Tax Matters. Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Ironhorse:
 - (i) Ironhorse has duly and timely made or prepared all Tax Returns required to be made or prepared by it, has duly and timely filed all Tax Returns required to be filed by it with the appropriate Governmental Entity, and has, in all material respects, completely and correctly reported all income and all other amounts or information required to be reported thereon;
 - (ii) Ironhorse has:
 - (A) duly and timely paid all Taxes due and payable by it including all property, production, severance and similar taxes and assessments based on, or measured by, the ownership of the petroleum and natural gas interest of Ironhorse or the production of petroleum substances from the petroleum and natural gas interest of Ironhorse, or the receipt of proceeds from them;
 - (B) duly and timely withheld all Taxes and other amounts required by applicable Laws to be withheld by it, and has duly and timely remitted to the appropriate Governmental Entity such Taxes and other amounts required by applicable Laws to be remitted by it; and

- (C) duly and timely collected all amounts on account of 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 Entity any such amounts required by applicable Laws to be remitted by it;
- (iii) the charges, accruals and reserves for Taxes reflected on the Ironhorse Financial Statements (whether or not due and whether or not shown on any Tax Return but excluding any provision for deferred income taxes) are, in the opinion of Ironhorse, adequate under IFRS to cover Taxes with respect to Ironhorse accruing through the date hereof;
- (iv) there are no Claims now pending or, to the knowledge of Ironhorse, threatened against Ironhorse that propose to assess Taxes in addition to those reported in the Tax Returns; and
- (v) no waiver of any statutory limitation period with respect to Taxes has been given or requested with respect to Ironhorse.
- (v) Pension and Employee Benefits. Ironhorse has complied, in all material respects, with all of the terms of the pension and other employee compensation and benefit obligations of Ironhorse, including the provisions of any collective agreements, funding and investment contracts or obligations applicable thereto, arising under or relating to each of the pension or retirement income plans or other employee compensation or benefit plans, agreements, policies, programs, arrangements or practices, whether written or oral, which are maintained by or binding upon Ironhorse other than such non-compliance that would not reasonably be expected to have a Material Adverse Effect on Ironhorse.
- (w) Reporting Status. Ironhorse is a reporting issuer in good standing in the provinces of British Columbia and Alberta. The Ironhorse Shares are listed on the TSXV and Ironhorse is in material compliance with the rules and regulations of the TSXV.
- (x) Reports.
 - (i) To the knowledge of Ironhorse, Ironhorse has filed with the Securities Authorities a true and complete copy of all forms, reports, schedules, statements, certifications, material change reports and other documents required to be filed by it, including the Ironhorse Public Documents.
 - (ii) Ironhorse has not filed any confidential material change or other report or other document with any Securities Authorities which at the date hereof remains confidential.
 - (iii) Each of the Ironhorse Public Documents, at the time filed or, if amended, as of the date of such amendment:
 - (A) did not contain any misrepresentation (as defined in the *Securities Act* (Alberta)) and did not contain any untrue statement of any material fact or omit to state any material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and

- (B) complied in all material respects with the requirements of applicable securities Laws and the rules, policies and instruments of all Securities Authorities, except where such non-compliance has not had, or would not reasonably be expected to have, a Material Adverse Effect on Ironhorse.
- (y) No Cease Trade. Other than the trading halt imposed on the Ironhorse Shares in connection with the execution of the LOI as required under TSXV Policy 5.2, Ironhorse is not subject to any cease trade or other order of any applicable Securities Authority and, to the knowledge of Ironhorse, no investigation or other proceedings involving Ironhorse that may operate to prevent or restrict trading of any securities of Ironhorse are currently in progress or pending before any applicable Securities Authority.
- (z) Compliance with Laws. Ironhorse has complied with and is not in violation of any applicable Laws, other than such non-compliance or violations that would not, individually or in the aggregate, have a Material Adverse Effect on Ironhorse.
- (aa) No Option on Assets. No Person has any agreement or option, or any right or privilege capable of becoming an agreement or option, for the purchase from Ironhorse of any of the material assets of Ironhorse.
- (bb) Certain Contracts. Ironhorse is not a party to or bound by any non-competition Contract or any other Contract, obligation, judgment, injunction, order or decree that purports to:
 - (i) limit the manner or the localities in which all or any material portion of the business of Ironhorse are conducted;
 - (ii) limit any business practice of Ironhorse in any material respect; or
 - (iii) restrict any acquisition or disposition of any property or assets by Ironhorse in any material respect.
- (cc) No Broker's Commission. Ironhorse has not entered into any Contract that would entitle any Person to any valid claim against it for a broker's commission, finder's fee or any like payment in respect of the Transaction or any other matter contemplated by this Agreement.
- (dd) Vote Required. The only votes of the holders of any class or series of securities of Ironhorse necessary to approve this Agreement, the Transaction and the transactions contemplated hereby is the Ironhorse Shareholder Approval.
- (ee) U.S. Securities Law Matters.
 - (i) Ironhorse is a "foreign issuer" within the meaning of Regulation S and reasonably believes that there is no Substantial U.S. Market Interest in the Ironhorse Shares.
 - (ii) Ironhorse is not now, and is not registered, or required to be registered, as an "investment company" as defined in the 1940 Act.
 - (iii) Except with respect to offers and sales to Accredited Investors who are in the United States in reliance upon the exemption from the registration requirements of the 1933 Act provided by Rule 506 of Regulation D thereunder, neither

Ironhorse nor any of its affiliates, nor any person acting on its or their behalf, has made or will make:

- (A) any offer to sell, or any solicitation of an offer to buy, any Ironhorse Shares to any person in the United States; or
 - (B) any sale of Ironhorse Shares unless, at the time the buy order was or will have been originated, the purchaser is (I) outside the United States or (II) Ironhorse, its affiliates, and any person acting on their behalf reasonably believe that the purchaser is outside the United States.
- (iv) Neither Ironhorse nor any of its affiliates or any person acting on its or their behalf has made or will make any Directed Selling Efforts in the United States with respect to the Ironhorse Shares, or has engaged or will engage in any form of general solicitation or general advertising (as those terms are used in Regulation D), including advertisements, articles, notices or other communications published in any newspaper, magazine, or similar media or broadcast over radio or television, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising in connection with the offer or exchange of the Ironhorse Shares in the United States.
- (ff) No Shareholdings in Pond. Ironhorse does not, legally or beneficially, own, directly or indirectly, any securities of Pond and does not have any right, agreement or obligation to purchase any securities of Pond or any securities or obligations of any kind convertible into or exchangeable for any securities of Pond.
- (gg) Restrictions on Business Activities. There is no agreement, judgment, injunction, order or decree binding upon Ironhorse that has, or could be reasonably expected to have, the effect of prohibiting, restricting or materially impairing: (i) any business practice of Ironhorse; (ii) any acquisition of property by Ironhorse; or (iii) the conduct of business by Ironhorse as currently conducted.
- (hh) Solvency of Ironhorse. There are reasonable grounds for believing that Ironhorse is able to pay its liabilities as they become due and, at the Effective Time, will be able to pay its liabilities as they become due.
- (ii) Creditors of Ironhorse. Ironhorse has reasonable grounds for believing that no creditor of Ironhorse will be prejudiced by the Amalgamation.
- (jj) Right to Use Personal Information. All personal information in the possession of Ironhorse has been collected, used and disclosed in compliance with all applicable privacy Laws in those jurisdictions in which Ironhorse conducts, or Ironhorse is deemed by operation of law in those jurisdictions to conduct, its business. Ironhorse has disclosed to Pond all Contracts and facts concerning the collection, use, retention, destruction and disclosure of personal information, and there are no other Contracts or facts which, on completion of the Transaction, would restrict or interfere with the use of any personal information by Pond in the operation of its business as conducted by Ironhorse before the Effective Time. There are no Claims pending or, to the knowledge of Ironhorse, threatened, with respect to Ironhorse's collection, use or disclosure of personal information.

3.2 Representations and Warranties of Pond

Except as set forth in the Pond Disclosure Letter, Pond hereby represents and warrants to Ironhorse, and hereby acknowledges that Ironhorse is relying upon such representations and warranties in connection with entering into this Agreement and agreeing to complete the Transaction, as follows:

- (a) Organization. Pond has been continued and validly exists under the laws of the jurisdiction of its incorporation and is in good standing under applicable corporate laws and has full corporate and legal power and authority to own its property and assets and to conduct its business as currently owned and conducted. Pond is registered, licensed or otherwise qualified in each jurisdiction where the nature of the business or the location or character of the property and assets owned or leased by it requires it to be so registered, licensed or otherwise qualified, other than those jurisdictions where the failure to be so registered, licensed or otherwise qualified would not have a Material Adverse Effect on Pond.
- (b) Capitalization. As of the date hereof: (i) the authorized share capital of Pond consists of an unlimited number of Pond Shares and an unlimited number of preferred shares, issuable in series, of which 11,731,245 Pond Shares and nil preferred shares are issued and outstanding; (ii) 1,097,500 Pond Shares are issuable pursuant to the exercise of outstanding Pond Options; (iii) 1,437,340 Pond Shares are issuable pursuant to the exercise of outstanding Pond Warrants; and (iv) 164,000 Pond Shares are issuable pursuant to the exercise of outstanding Agent Warrants, including the exercise of the Pond Warrants issuable pursuant to the exercise of outstanding Agent Warrants.

Except as set forth above, and except as contemplated by this Agreement, as of the date hereof, there are no options, warrants, conversion privileges or other rights, agreements, arrangements or commitments (pre-emptive, contingent or otherwise) obligating Pond to issue or sell any Pond Shares or any securities or obligations of any kind convertible into or exercisable or exchangeable for any Pond Shares. All outstanding Pond Shares have been authorized and are validly issued and outstanding as fully paid and non-assessable shares, free of pre-emptive rights. As of the date hereof, there are no outstanding bonds, debentures or other evidences of indebtedness of Pond. There are no outstanding contractual obligations of Pond to repurchase, redeem or otherwise acquire any outstanding Pond Shares or with respect to the voting or disposition of any outstanding Pond Shares.

- (c) Subsidiaries. Pond has no subsidiaries and does not hold any shares or securities of any other entity and is not Affiliated with, nor is it a holding corporation of, any other body corporate.
- (d) Authority and Conflict. Pond has all necessary corporate power, authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by Pond as contemplated by this Agreement, and to perform its obligations hereunder and under such other agreements and instruments. The execution and delivery of this Agreement by Pond and the completion by Pond of the transactions contemplated by this Agreement have been authorized by the Pond Board, and subject to obtaining the Pond Shareholder Approval in the manner contemplated herein, no other corporate proceedings on the part of Pond are necessary to authorize this Agreement or the completion by Pond of the transactions contemplated hereby, other than approval by

Securities Authorities. This Agreement has been executed and delivered by Pond and constitutes a legal, valid and binding obligation of Pond, enforceable against Pond in accordance with its terms, subject to bankruptcy, insolvency, reorganization, fraudulent transfer, moratorium and other applicable Laws relating to or affecting creditors' rights generally, and to general principles of equity. The execution and delivery by Pond of this Agreement and the performance by it of its obligations hereunder and the completion of the transactions contemplated hereby, do not and will not:

- (i) result in a violation, contravention or breach, or constitute a default under, or entitle any third party to terminate, accelerate, modify or call any obligations or rights under, require any consent to be obtained under or give rise to any termination rights under any provision of:
 - (A) the articles of continuance, articles of amendment and by-laws of Pond,
 - (B) any applicable Law or rule or policy of the TSXV (except that the approval of the TSXV, which is required for the completion by Pond of the transactions contemplated hereby, will be applied for by Pond but has not been obtained as of the date hereof); or
 - (C) any Contract to which Pond is bound or is subject to or of which Pond is the beneficiary,

in each case, which would, individually or in the aggregate, have a Material Adverse Effect on Pond;

- (ii) cause any indebtedness owing by Pond or the to come due before its stated maturity or cause any available credit to cease to be available which would, individually or in the aggregate, have a Material Adverse Effect on Pond;
 - (iii) result in the imposition of any Encumbrance upon any of the property or assets of Pond, or give any Person the right to acquire any of Pond' assets, or restrict, hinder, impair or limit the ability of Pond to conduct the business of Pond as and where it is now being conducted, which would, individually or in the aggregate, have a Material Adverse Effect on Pond;
 - (iv) result in or accelerate the time for payment or vesting of, or increase the amount of any severance, unemployment compensation, "golden parachute", change of control provision, bonus, termination payments, retention bonus or otherwise, becoming due to any director or officer of Pond or increase any benefits otherwise payable under any pension or benefits plan of Pond or result in the acceleration of the time of payment or vesting of any such benefits; or
 - (v) result in the revocation, suspension, cancellation, variation or non-renewal of any claims, concessions, licenses, leases or other instruments, conferring rights in respect of the material properties in which Pond has an interest.
- (e) Consents and Approvals. No consent, approval, order or authorization of, or declaration or filing with, any Governmental Entity or other Person is required to be obtained by Pond in connection with the execution and delivery of this Agreement or the consummation by Pond of the transactions contemplated hereby other than:

- (i) the Pond Shareholder Approval;
 - (ii) filings required under the OBCA;
 - (iii) filings with and approvals required by the Securities Authorities; and
 - (iv) any other consents, approvals, orders, authorizations, declarations or filings which, if not obtained, would not, individually or in the aggregate, have a Material Adverse Effect on Pond.
- (f) Directors' Approvals. The Pond Board has unanimously:
- (i) determined that the Transaction is in the best interests of Pond;
 - (ii) determined to recommend that the Pond Shareholders vote in favour of the Pond Resolution; and
 - (iii) authorized the entering into of this Agreement, and the performance of Pond's obligations hereunder.
- (g) Contracts. Each of the Material Contracts to which Pond is a party constitutes a valid and legally binding obligation of Pond enforceable in accordance with its terms (except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and similar laws of general applicability relating to or affecting creditors' rights or by general equity principles).
- (h) Waivers and Consents. There are no waivers, consents, notices or approvals required to complete the transactions contemplated under this Agreement from other parties to the Material Contracts of Pond.
- (i) No Defaults. Pond is not in default under, and, there exists no event, condition or occurrence which, after notice or lapse of time or both, would constitute a default by Pond under any Contract or other instrument that is material to the conduct of the business of Pond to which it is a party or by which it is bound or subject to that would, individually or in the aggregate, have a Material Adverse Effect on Pond. No party to any Contract of Pond has given written notice to Pond of, or made a claim against Pond with respect to, any breach or default thereunder, in any such case in which such breach or default constitutes a Material Adverse Effect on Pond.
- (j) Absence of Changes. Since June 30, 2017:
- (i) Pond has conducted its business only in the ordinary and regular course of business consistent with past practice;
 - (ii) Pond has not incurred or suffered a Material Adverse Change;
 - (iii) there has not been any acquisition or sale by Pond of any material property or assets thereof;
 - (iv) other than in the ordinary and regular course of business consistent with past practice, there has not been any incurrence, assumption or guarantee by Pond of

any debt for borrowed money, any creation or assumption by Pond of any Encumbrance, any making by Pond of any loan, advance or capital contribution to or investment in any other Person, or any entering into, amendment of, relinquishment, termination or non-renewal by Pond, of any Contract or other right or obligation that would, individually or in the aggregate, have a Material Adverse Effect on Pond;

- (v) Pond has not declared or paid any dividends or made any other distribution in respect of any of the Pond Shares;
 - (vi) Pond has not effected or passed any resolution to approve a split, consolidation or reclassification of any of the outstanding Pond Shares;
 - (vii) other than in the ordinary and regular course of business consistent with past practice, there has not been any material increase in or modification of the compensation payable by Pond to any of its directors, officers, employees or consultants, or any grant to any such director, officer, employee or consultant of any increase in severance or termination pay, or any increase or modification of any bonus, pension, insurance or benefit arrangement (including, without limitation, the granting of Pond Options) made to, for or with any of such directors, officers, employees or consultants;
 - (viii) Pond has not effected any material change in its accounting methods, principles or practices, other than as disclosed in the Pond Financial Statements; and
 - (ix) Pond has not adopted or amended any collective bargaining agreement, bonus, pension, profit-sharing, stock purchase, stock option or other benefit plan or shareholder rights plan.
- (k) Employment Agreements. Pond:
- (i) is not a party to any written or oral policy, agreement, obligation or understanding providing for retention bonuses, severance or termination payments to, or any employment or consulting agreement with, any director or officer of Pond that would be triggered by Pond's entering into this Agreement or the completion of the Transaction;
 - (ii) has no employee or consultant whose employment or contract with Pond cannot be terminated by Pond in accordance with the provisions of such employment or consultant contract following the completion of the Amalgamation;
 - (iii) is not a party to any collective bargaining agreement;
 - (iv) is, to the knowledge of Pond, not subject to any application for certification or threatened or apparent union-organizing campaigns for employees not covered under a collective bargaining agreement; or
 - (v) is not subject to any current, or to the knowledge of Pond, pending or threatened strike or lockout.

- (l) Financial Matters. Each of the audited financial statements of Pond for the year ended December 31, 2016, the unaudited condensed financial statements of Ironhorse for the three and six month periods ended June 30, 2017, and the respective notes thereto (collectively, the "**Pond Financial Statements**") were prepared in accordance with IFRS consistently applied, and fairly present in all material respects the consolidated financial condition of Pond at the respective dates indicated and the results of operations of Pond for the periods covered on a consolidated basis. Except as disclosed in the Pond Financial Statements, as of the date hereof, Pond does not have any liability or obligation (including, without limitation, liabilities or obligations to fund any operations or work or exploration program, to give any guarantees or for Taxes), whether accrued, absolute, contingent or otherwise, or any related party transactions or off-balance sheet transactions not reflected in the Pond Financial Statements, except liabilities and obligations incurred in the ordinary and regular course of business since June 30, 2017, which liabilities or obligations would not reasonably be expected to have a Material Adverse Effect on Pond.
- (m) Books and Records. The corporate records and minute books of Pond have been maintained in accordance with all applicable Laws and are complete and accurate in all material respects, except where such incompleteness or inaccuracy would not have a Material Adverse Effect on Pond. Financial books and records and accounts of Pond, in all material respects:
- (i) have been maintained in accordance with good business practices on a basis consistent with prior years and past practice;
 - (ii) are stated in reasonable detail and accurately and fairly reflect the transactions and acquisitions and dispositions of assets of Pond; and
 - (iii) accurately and fairly reflect the basis for the Pond Financial Statements.
- (n) Litigation. There is no Claim pending or in progress or, to the knowledge of Pond, threatened against or relating to Pond or affecting any of their respective properties or assets before any Governmental Entity which, individually or in the aggregate, has, or could reasonably be expected to have, a Material Adverse Effect on Pond, and Pond is not aware of any existing ground on which any such Claim might be commenced with any reasonable likelihood of success. There is no bankruptcy, liquidation, winding-up or other similar proceeding pending or in progress, or, to the knowledge of Pond, threatened against or relating to Pond before any Governmental Entity. Neither Pond nor any of its properties or assets are subject to any outstanding judgment, order, writ, injunction or decree that involves or may involve, or restricts or may restrict, the right or ability of Pond to conduct their respective business in all material respects as it has been carried on prior to the date hereof, or that would materially impede the consummation of the transactions contemplated by this Agreement, except to the extent any such matter would not, individually or in the aggregate, have a Material Adverse Effect on Pond.
- (o) Assets, Property and Licences.
- (i) Pond has good and marketable title to its assets free and clear of any Encumbrances;

- (ii) all machinery and equipment owned or used by Pond have been properly maintained and are in good working order for the purposes of on-going operation, subject to ordinary wear and tear for machinery and equipment of comparable age;
 - (iii) all of the inventories of Pond are of merchantable quality and reasonably fit for their usual purpose. The inventory does not include any items which are below standard quality or of a quality or quantity which results in such items not being usable in the ordinary course of business. The inventory levels have been maintained at levels sufficient for the continuation of Pond's business in the ordinary course. All inventory has been determined, valued and recorded in accordance with IFRS;
 - (iv) with respect to the leased real property: (A) Pond has good and marketable leasehold title to all material leased real property; (B) each of the material leases is valid, legally binding, enforceable in accordance with its terms and in full force and effect unamended by oral or written agreement except as disclosed in writing; (C) Pond is not in material breach of or material default under any of the material leases; and (D) all rental and other payments and other material obligations required to be paid and performed by Pond pursuant to the leases have been duly paid and performed;
 - (v) Pond does not have any subsidiaries or any agreements, options or commitments to acquire any securities of any corporation or to acquire or lease any real property or assets other than, in the latter case, those assets that are to be used in the usual and ordinary course of business;
 - (vi) Pond is not a partner or participant in any partnership, joint venture, profit-sharing arrangement or other similar association of any kind and is not a party to any agreement under which it agrees to carry on any part of a business or any other activity in such manner or by which it agrees to share any revenue or profit with any other Person; and
 - (vii) all of the permits, certificates, certificates of authorization, approvals, orders, licenses or other authorizations of Pond are valid and subsisting. Pond is in compliance with all terms and conditions of all such authorizations. There are no proceedings in progress pending or threatened, that could result in the revocation, cancellation or suspension of any such authorizations.
- (p) Intellectual Property.
- (i) Pond directly owns and has the exclusive legal and beneficial right, title and interest in and to the Intellectual Property in its own name, free and clear of any Encumbrances, and, other than as disclosed in writing by Pond to Ironhorse, none of the Intellectual Property has been licensed from or to a third party;
 - (ii) Pond directly or indirectly owns or possesses the right to use all of the Intellectual Property necessary for the current operation, conduct and maintenance of Pond's business as such business is currently and has historically been operated, conducted or maintained and each item of the Intellectual Property will be owned or available for use by Pond on identical terms and conditions

immediately after, and after giving effect to, the Transaction without the need for any further right, license, permission or consent in respect thereof and the consummation of the Transaction contemplated herein will not impair, alter or limit in any way such ownership or rights;

- (iii) there are no royalty payments, license fees or other sums payable to or by Pond in respect of the Intellectual Property, or to maintain or renew any registrations or applications for registration in relation thereto;
 - (iv) Pond has the exclusive right to use and otherwise exploit the Intellectual Property in all jurisdictions in which it is currently or has historically been used or otherwise exploited and there are no prohibitions or restrictions on the use or other exploitation by Pond of the Intellectual Property;
 - (v) complete and correct copies of all material licenses, agreements or arrangements to which Pond is a party, whether as licensor, licensee or otherwise, and whether written or oral, with respect to the Intellectual Property have been provided or made available to Ironhorse prior to the date hereof;
 - (vi) Pond has not received any written notice from any Person, nor acted in any manner that would give rise to a Claim that: (A) the past or present conduct by Pond or the use of the Intellectual Property has resulted or shall result in the infringement or violation of any intellectual property owned by any person; or (B) challenging the validity or ownership of the Intellectual Property;
 - (vii) to the knowledge of Pond, the Intellectual Property is not being and has not been infringed, violated or misappropriated by any other Person; and
 - (viii) Pond reasonably believes that all commercially reasonable steps, given the nature and value of the applicable Intellectual Property, have been taken to protect and maintain the Intellectual Property (including any trade secrets or confidential information therein).
- (q) Insurance. Pond maintains policies of insurance in amounts and in respect of such risks as are normal and usual for companies of a similar size and business and such policies are in full force and effect as of the date hereof.
- (r) Environmental. To the knowledge of Pond:
- (i) Pond is in compliance in all material respects with Environmental Laws;
 - (ii) Pond has operated their respective businesses at all times and have received, handled, used, stored, treated, shipped and disposed of all contaminants without violation of Environmental Laws;
 - (iii) there is no material Claim which may affect either Pond or any of the properties or assets of Pond relating to or alleging any violation of Environmental Laws; and
 - (iv) Pond holds all permits, certificates, certificates of authorization, approvals, orders, licenses or other authorizations required under any Environmental Laws in connection with the operation of its businesses as presently conducted and the

ownership and use of its assets, other than those which the failure to hold would not reasonably be expected to have a Material Adverse Effect on Pond, and neither Pond nor any of its assets is the subject of any investigation, evaluation, audit or review not in the ordinary and regular course of business by any Governmental Entity to determine whether any violation of Environmental Laws has occurred or is occurring, and Pond is subject to any known environmental liabilities.

- (s) Tax Matters. Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on Pond:
- (i) Pond has duly and timely made or prepared all Tax Returns required to be made or prepared by it, has duly and timely filed all Tax Returns required to be filed by it with the appropriate Governmental Entity and has, in all material respects, completely and correctly reported all income and all other amounts or information required to be reported thereon;
 - (ii) Pond has:
 - (A) duly and timely paid all Taxes due and payable by it;
 - (B) duly and timely withheld all Taxes and other amounts required by applicable Laws to be withheld by it and has duly and timely remitted to the appropriate Governmental Entity such Taxes and other amounts required by applicable Laws to be remitted by it; and
 - (C) duly and timely collected all amounts on account of 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 Entity any such amounts required by applicable Laws to be remitted by it;
 - (iii) the charges, accruals and reserves for Taxes reflected on the Pond Financial Statements (whether or not due and whether or not shown on any Tax Return but excluding any provision for deferred income taxes) are, in the opinion of Pond, adequate under IFRS, as applicable, to cover Taxes with respect to Pond accruing through the date hereof;
 - (iv) there are no Claims now pending or, to the knowledge of Pond, threatened against Pond that propose to assess Taxes in addition to those reported in the Tax Returns; and
 - (v) no waiver of any statutory limitation period with respect to Taxes has been given or requested with respect to Pond.
- (t) Pension and Employee Benefits. Pond has complied, in all material respects, with all of the terms of the pension and other employee compensation and benefit obligations of Pond including the provisions of any collective agreements, funding and investment contracts or obligations applicable thereto, arising under or relating to each of the pension or retirement income plans or other employee compensation or benefit plans, agreements, policies, programs, arrangements or practices, whether written or oral,

which are maintained by or binding upon Pond, other than such non-compliance that would not reasonably be expected to have a Material Adverse Effect on Pond.

- (u) Compliance with Laws. Pond has complied with, and is not in violation of, any applicable Laws other than such non-compliance or violations that would not, individually or in the aggregate, have a Material Adverse Effect on Pond.
- (v) No Option on Assets. No Person has any agreement or option, or any right or privilege capable of becoming an agreement or option, for the purchase from Pond of any of the material assets of Pond.
- (w) Private Issuer. Pond is not a reporting issuer in any jurisdiction in Canada and there is no published market in respect of the Pond Shares.
- (x) Certain Contracts. Pond is not a party to or bound by any non-competition Contract or any other Contract, obligation, judgment, injunction, order or decree that purports to:
 - (i) limit the manner or the localities in which all or any material portion of the business of Pond is conducted;
 - (ii) limit any business practice of Pond in any material respect; or
 - (iii) restrict any acquisition or disposition of any property by Pond in any material respect.
- (y) No Broker's Commission. Pond has not entered into any Contract that would entitle any Person to any valid claim against Pond for a broker's commission, finder's fee or any like payment in respect of the Transaction or any other matter contemplated by this Agreement, except that Pond may prior to closing of the Transaction enter into an engagement letter providing for the broker's commission payable by Pond to the Agents in connection with the Financing in the aggregate amount agreed to between Ironhorse and Pond.
- (z) Vote Required. The only votes of the holders of any class or series of securities of Pond necessary to approve this Agreement, the Transaction and the transactions contemplated hereby is the Pond Shareholder Approval.
- (aa) U.S. Securities Law Matters.
 - (i) Pond is a "foreign issuer" within the meaning of Regulation S and reasonably believes that there is no Substantial U.S. Market Interest in the Pond Shares.
 - (ii) Pond is not now, and is not registered, or required to be registered, as an "investment company" as defined in the 1940 Act.
 - (iii) Except with respect to offers and sales to Accredited Investors who are in the United States in reliance upon the exemption from the registration requirements of the 1933 Act provided by Rule 506 of Regulation D thereunder, neither Pond nor any of its affiliates, nor any person acting on its or their behalf, has made or will make:

- (A) any offer to sell, or any solicitation of an offer to buy, any Pond Shares to any person in the United States; or
 - (B) any sale of Pond Shares unless, at the time the buy order was or will have been originated, the purchaser is (I) outside the United States or (II) Pond, its affiliates, and any person acting on their behalf reasonably believe that the purchaser is outside the United States.
- (iv) None of Pond, any of its affiliates nor any person acting on its or their behalf has made or will make any Directed Selling Efforts in the United States with respect to the Pond Shares, or has engaged or will engage in any form of general solicitation or general advertising (as those terms are used in Regulation D), including advertisements, articles, notices or other communications published in any newspaper, magazine, or similar media or broadcast over radio or television, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising in connection with the offer or exchange of the Pond Shares in the United States.
- (bb) No Shareholdings in Ironhorse. Pond does not, legally or beneficially, own, directly or indirectly, any securities of Ironhorse and does not have any right, agreement or obligation to purchase any securities of Ironhorse or any securities or obligations of any kind convertible into or exchangeable for any securities of Ironhorse, except as otherwise set out in this Agreement.
- (cc) Restrictions on Business Activities. There is no agreement, judgment, injunction, order or decree binding upon Pond or that has or could be reasonably expected to have the effect of prohibiting, restricting or materially impairing any business practice of Pond, any acquisition of property by Pond, or the conduct of business by Pond as currently conducted.
- (dd) Solvency of Pond. There are reasonable grounds for believing that Pond is able to pay its liabilities as they become due and, at the Effective Time, will be able to pay its liabilities as they become due.
- (ee) Creditors of Pond. Pond has reasonable grounds for believing that no creditor of Pond will be prejudiced by the Amalgamation.
- (ff) Right to Use Personal Information. All personal information in the possession of Pond has been collected, used and disclosed in compliance with all applicable privacy Laws in those jurisdictions in which Pond conducts, or Pond is deemed by operation of law in those jurisdictions to conduct, its business. Pond has disclosed to Ironhorse all Contracts and facts concerning the collection, use, retention, destruction and disclosure of personal information, and there are no other Contracts or facts which, on completion of the Transaction, would restrict or interfere with the use of any personal information by Pond in the operation of its business as conducted before the Effective Time. There are no Claims pending or, to the knowledge of Pond, threatened, with respect to Pond's collection, use or disclosure of personal information.

3.3 Survival of Representations and Warranties

The representations and warranties contained in this Agreement shall survive the execution and delivery of this Agreement and shall expire and be terminated and extinguished at the Effective Time.

ARTICLE 4 COVENANTS

4.1 Covenants of Ironhorse

Ironhorse hereby covenants and agrees with Pond as follows:

- (a) Ironhorse Meeting. As promptly as practicable after the date hereof, Ironhorse shall, in accordance with the applicable provisions of the ABCA and its charter documents, duly call, give notice of, convene and hold the Ironhorse Meeting.
- (b) Copy of Documents. Ironhorse shall furnish promptly to Pond a copy of any dealings or communications with any Governmental Entity or Securities Authority in connection with, or in any way affecting, the transactions contemplated by this Agreement.
- (c) Certain Actions Prohibited. Other than in contemplation of, or as required to give effect to, the transactions contemplated by this Agreement, or as otherwise permitted pursuant to this Agreement, Ironhorse shall not, without the prior written consent of Pond, which consent shall not be unreasonably withheld or delayed, directly or indirectly do or permit to occur any of the following prior to the Effective Date:
 - (i) issue, sell, grant, pledge, lease, dispose of, encumber or create any Encumbrance on, or agree to issue, sell, grant, pledge, lease, dispose of, or encumber or create any Encumbrance on, any shares of, or any options, warrants, calls, conversion privileges or rights of any kind to acquire any shares of, Ironhorse, other than the Ironhorse Shares issuable in connection with the Amalgamation;
 - (ii) incur or commit to incur any debt, except in the ordinary and regular course of business, to finance its working capital requirements or as otherwise contemplated in connection with the transactions contemplated in this Agreement;
 - (iii) declare or pay any dividends or distribute any of its properties or assets to the Ironhorse Shareholders;
 - (iv) enter into any Material Contracts without the consent of Pond, other than in connection with the Transaction or as otherwise contemplated herein;
 - (v) alter or amend its articles or by-laws, other than as may be required in connection with the transactions contemplated herein, including the Ironhorse Consolidation and the Ironhorse Change of Name;
 - (vi) engage in any business enterprise or other activity different from that carried on or contemplated by it as of the date hereof;

- (vii) other than in the ordinary and regular course of business or in connection with the transactions contemplated in Section (f), sell, pledge, lease, dispose of, grant any interest in, encumber, or agree to sell, pledge, lease, dispose of, grant any interest in or encumber, any of its assets, except where to do so would not have a Material Adverse Effect on Ironhorse;
 - (viii) redeem, purchase or offer to purchase any of the Ironhorse Shares or any of its other securities; or
 - (ix) acquire, directly or indirectly, any assets, including but not limited to securities of other companies, other than in the ordinary and regular course of business.
- (d) Certain Actions. Ironhorse shall:
- (i) not take any action, or refrain from taking any action or permit any action to be taken or not taken (subject to a commercially reasonable efforts qualification) inconsistent with the provisions of this Agreement, or that would reasonably be expected to materially impede the completion of the transactions contemplated hereby or would render, or that could reasonably be expected to render, any representation or warranty made by Ironhorse in this Agreement untrue or inaccurate in any material respect at any time on or before the Effective Date if then made, or that would or could have a Material Adverse Effect on Ironhorse; and
 - (ii) promptly notify Pond of:
 - (A) any Material Adverse Change or Material Adverse Effect, or any change, event, occurrence or state of facts that could reasonably be expected to become a Material Adverse Change or to have a Material Adverse Effect, in respect of the business or in the conduct of the business of Ironhorse;
 - (B) any material Governmental Entity or third person notices, complaints, investigations or hearings (or communications indicating that the same may be contemplated);
 - (C) any breach by Ironhorse of any covenant or agreement contained in this Agreement; and
 - (D) any event occurring subsequent to the date hereof that would render any representation or warranty of Ironhorse contained in this Agreement, if made on or as of the date of such event or the Effective Date, to be untrue or inaccurate in any material respect.
- (e) Sinopec Litigation. Concurrent with the closing of the Transaction: (i) Ironhorse shall assign all of its rights and interests in all Claims made by Ironhorse in the existing litigation with Sinopec Daylight Energy Ltd. (the "**Sinopec Litigation**") to GRL or a third party acceptable to Pond; and (ii) GRL or the third party, as applicable, shall assume and agree to indemnify Ironhorse from and against all of Ironhorse's liabilities in respect of the Claims made by Sinopec in the Sinopec Litigation and all future costs associated therewith by an assignment and assumption agreement, in a form acceptable to the

Parties, acting reasonably (the "**Sinopec Litigation Assignment and Assumption Agreement**").

- (f) Ironhorse Assets. Concurrent with the closing of the Transaction, and pursuant to one or more agreements acceptable to the Parties, acting reasonably: (i) Ironhorse shall transfer its interest in the Kotcho property, the Dawson property and the Balsam property to GRL for nominal consideration; and (ii) GRL shall assume abandonment and reclamation obligations for these properties in consideration for the payment by Ironhorse to GRL in the amount equal to the abandonment and reclamation costs actually incurred by GRL plus 15%, to a maximum aggregate amount of not more than \$457,183, which amount shall be funded in advance by Ironhorse to Grizzly;
- (g) Satisfaction of Conditions. Ironhorse shall use all commercially reasonable efforts to satisfy, or cause to be satisfied, all conditions precedent to its obligations to the extent that the same is within its control and to take, or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under all applicable Laws to complete the transactions contemplated by this Agreement, including using its commercially reasonable efforts to:
- (i) obtain the Ironhorse Shareholder Approval in accordance with the provisions of the TSXV and the ABCA and the requirements of any applicable regulatory authority;
 - (ii) obtain all other consents, approvals and authorizations as are required to be obtained by Ironhorse under any applicable Laws or from any Governmental Entity or Security Authority that would, if not obtained, materially impede the completion of the transactions contemplated by this Agreement or have a Material Adverse Effect on Ironhorse;
 - (iii) effect all necessary registrations, filings and submissions of information requested by Governmental Entities or Securities Authorities required to be effected by it in connection with the transactions contemplated by this Agreement and participate and appear in any proceedings of any Party hereto before any Governmental Entity;
 - (iv) oppose, lift or rescind any injunction or restraining order or other order or action challenging or affecting this Agreement or the transactions contemplated hereby or seeking to enjoin or delay, or otherwise adversely affecting the ability of the Parties to consummate, the transactions contemplated hereby, subject to the Ironhorse Board determining in good faith after receiving advice from outside legal counsel (which may include written opinions or advice) that taking such action would be inconsistent with the fiduciary duties of such directors under applicable Laws, and provided that, immediately upon receipt of such advice, Ironhorse advises Pond in writing that it has received such advice and provides written details thereof to Pond;
 - (v) fulfill all conditions and satisfy all provisions of this Agreement required to be fulfilled or satisfied by Ironhorse; and
 - (vi) co-operate with Pond in connection with the performance by it of its obligations hereunder, provided however that the foregoing shall not be construed to

obligate Ironhorse to pay or cause to be paid any monies to cause such performance to occur, other than as contemplated in this Agreement.

- (h) Keep Fully Informed. Subject to applicable Laws, Ironhorse shall use commercially reasonable efforts to conduct itself so as to keep Pond fully informed as to the material decisions or actions required to be made with respect to the operation of its business.
- (i) Co-operation. Ironhorse shall make, or cooperate as necessary in the making of, all necessary filings and applications under all applicable Laws required in connection with the transactions contemplated hereby and take all reasonable action necessary to be in compliance with such Laws.
- (j) Representations. Ironhorse shall use its commercially reasonable efforts to conduct its affairs so that all of the representations and warranties of Ironhorse contained herein shall be true and correct on and as of the Effective Date as if made on and as of such date.
- (k) Closing Documents. Ironhorse shall execute and deliver, or cause to be executed and delivered, at the closing of the transactions contemplated hereby such customary agreements, certificates, resolutions, opinions and other closing documents as may be required by Pond, all in form satisfactory to Pond, acting reasonably.
- (l) Newco. In its capacity as the sole shareholder of Newco, Ironhorse shall:
 - (i) take all such action as is necessary or desirable to cause Newco to satisfy its obligations hereunder, including without limitation, passing a resolution approving the Transaction, on or prior to the Effective Date, or such other date as may be agreed to by Ironhorse and Pond, acting reasonably; and
 - (ii) prior to the Effective Date, not cause or permit Newco to issue any securities or enter into any agreements to issue or grant options, warrants or rights to purchase any of its securities except for the issuance of a nominal number of Newco Shares to Ironhorse, or carry on any business, enter into any transaction or effect any corporate act whatsoever, other than as contemplated herein or as reasonably necessary to carry out the Amalgamation, unless previously consented to in writing by Pond; and
 - (iii) after the Effective Date, cause Amalco to satisfy any obligations which Amalco may have to a Pond Shareholder who exercises Dissent Rights.
- (m) Shares. Ironhorse will issue, at the Effective Time, post-Ironhorse Consolidation Ironhorse Shares, in accordance with the terms hereof, to those Pond Shareholders who are entitled to receive Ironhorse Shares pursuant to the Transaction.
- (n) Listing of Shares. Until the earlier of: (i) the Effective Time; and (ii) the termination of this Agreement in accordance with Section 6.2, Ironhorse shall use its commercially reasonable efforts to:
 - (i) ensure that the Ironhorse Shares are continuously listed and posted for trading on the TSXV; and

- (ii) obtain conditional approval of the TSXV for listing the Ironhorse Shares to be issued: (A) to Pond Shareholders pursuant to and in accordance with the terms of this Agreement; and (B) upon the conversion of the Subscription Receipts pursuant to and in accordance with the terms of the Subscription Receipt Agreement.
- (o) Ironhorse Directors and Officers. Prior to the completion of the Amalgamation, the Ironhorse Board shall procure duly executed resignations and mutual releases, in form and substance satisfactory to Pond, acting reasonably, from each director and officer of Ironhorse who will no longer be serving in such capacity or capacities following completion of the Transaction such that, upon the Effective Date, the directors and officers of Ironhorse will be as follows:

Name	Position
Steven Martin	Director, Chief Executive Officer and Chief Technology Officer
Geraldine Kenney-Wallace	Director
Bill Asselstine	Director
Rob McLeese	Director
Gerry Quinn	Director
Thomas Masney	Chief Financial Officer and Corporate Secretary
Peter Howard	Vice President, Corporate Sustainability
Emidio Di Pietro	Vice President, Engineering

- (p) Name. Ironhorse shall change its name to "Pond Technologies Holdings Inc." as of the Effective Date.

4.2 Covenants of Pond

Pond hereby covenants and agrees with Ironhorse as follows:

- (a) Pond Meeting. As promptly as practicable after the date hereof, Pond shall, in accordance with the applicable provisions of the OBCA and its charter documents, duly call, give notice of, convene and hold the Pond Meeting.
- (b) Pond Options, Pond Warrants and Agent Warrants. Pond shall use its reasonable commercial efforts to ensure that the holders of all of the Pond Options, Pond Warrants and Agent Warrants surrender the certificates representing such securities, which will be exchanged for equivalent securities of Ironhorse pursuant to the Transaction along with duly completed Exchange Agreements. Pond shall use its reasonable commercial efforts to ensure that holders of all Subscription Receipts also enter into Exchange Agreements.

- (c) Copy of Documents. Pond shall furnish promptly to Ironhorse a copy of any filing under any applicable Laws and any dealings or communications with any Governmental Entity or Securities Authority in connection with, or in any way affecting, the transactions contemplated by this Agreement.
- (d) Financing. Pond shall use its reasonable commercial efforts to close the funding of the Financing by November 30, 2017, on such terms and conditions acceptable to Ironhorse and to close the Financing concurrent with the closing of the Transaction.
- (e) Certain Actions Prohibited. Other than in contemplation of, or as required to give effect to, the transactions contemplated by this Agreement, or as otherwise permitted pursuant to this Agreement, Pond shall not, without the prior written consent of Ironhorse, which consent shall not be unreasonably withheld or delayed, directly or indirectly do or permit to occur any of the following prior to the Effective Date:
 - (i) issue, sell, grant, pledge, lease, dispose of, encumber or create any Encumbrance on, or agree to issue, sell, grant, pledge, lease, dispose of, or encumber or create any Encumbrance on, any shares of, or any options, warrants, calls, conversion privileges or rights of any kind to acquire any shares of, Pond, other than in connection with the Financing;
 - (ii) incur or commit to incur any debt, except in the ordinary and regular course of business, or to finance its working capital requirements, or as otherwise contemplated herein in connection with the transactions contemplated by this Agreement;
 - (iii) declare or pay any dividends or distribute any of its properties or assets to the Pond Shareholders;
 - (iv) enter into Material Contracts without the consent of Ironhorse, other than in connection with the Transaction or as otherwise contemplated herein;
 - (v) alter or amend its articles or by-laws, other than as may be required in connection with the transactions contemplated herein, including the Amalgamation;
 - (vi) engage in any business enterprise or other activity different from that carried on or contemplated by it as of the date hereof;
 - (vii) other than in the ordinary and regular course of business, sell, pledge, lease, dispose of, grant any interest in, encumber, or agree to sell, pledge, lease, dispose of, grant any interest in or encumber, any of its assets except where to do so would not have a Material Adverse Effect on Pond;
 - (viii) redeem, purchase or offer to purchase any of the Pond Shares, Pond Options, Pond Warrants, Agent Warrants or any of its other securities; or
 - (ix) acquire, directly or indirectly, any assets, including but not limited to securities of other companies, other than in the ordinary and regular course of business.
- (f) Certain Actions. Pond shall:

- (i) not take any action, or refrain from taking any action or permit any action to be taken or not taken (subject to a commercially reasonable efforts qualification), inconsistent with the provisions of this Agreement or that would reasonably be expected to materially impede the completion of the transactions contemplated hereby or would render, or that could reasonably be expected to render, any representation or warranty made by Pond in this Agreement untrue or inaccurate in any material respect at any time on or before the Effective Date if then made or that would or could have a Material Adverse Effect on Pond; and
- (ii) promptly notify Ironhorse of:
 - (A) any Material Adverse Change or Material Adverse Effect, or any change, event, occurrence or state of facts that could reasonably be expected to become a Material Adverse Change or to have a Material Adverse Effect, in respect of the business or in the conduct of the business of Pond;
 - (B) any material Governmental Entity or third person notices, complaints, investigations or hearings (or communications indicating that the same may be contemplated);
 - (C) any breach by Pond of any covenant or agreement contained in this Agreement; and
 - (D) any event occurring subsequent to the date hereof that would render any representation or warranty of Pond contained in this Agreement, if made on or as of the date of such event or the Effective Date, to be untrue or inaccurate in any material respect.
- (g) Satisfaction of Conditions. Pond shall use all commercially reasonable efforts to satisfy, or cause to be satisfied, all of the conditions precedent to its obligations to the extent the same is within its control and to take, or cause to be taken, all other actions and to do, or cause to be done, all other things necessary, proper or advisable under all applicable Laws to complete the transactions contemplated by this Agreement, including using its commercially reasonable efforts to:
 - (i) obtain the Pond Shareholder Approval in accordance with the OBCA and the requirements of any applicable regulatory authority;
 - (ii) obtain all other consents, approvals and authorizations as are required to be obtained by Pond under any applicable Laws or from any Governmental Entity or Security Authority that would, if not obtained, materially impede the completion of the transactions contemplated by this Agreement or have a Material Adverse Effect on Pond;
 - (iii) effect all necessary registrations, filings and submissions of information requested by Governmental Entities or Securities Authorities required to be effected by it in connection with the transactions contemplated by this Agreement and participate, and appear in any proceedings of, any Party hereto before any Governmental Entity;

- (iv) oppose, lift or rescind any injunction or restraining order or other order or action challenging or affecting this Agreement or the transactions contemplated hereby, or seeking to enjoin or delay, or otherwise adversely affecting the ability of the Parties to consummate, the transactions contemplated hereby, subject to the Pond Board determining in good faith after receiving advice from outside legal counsel (which may include written opinions or advice) that taking such action would be inconsistent with the fiduciary duties of such directors under applicable Laws, and provided that, immediately upon receipt of such advice, Pond advises Ironhorse in writing that it has received such advice and provides written details thereof to Ironhorse;
 - (v) fulfill all conditions and satisfy all provisions of this Agreement required to be fulfilled or satisfied by Pond; and
 - (vi) co-operate with Ironhorse in connection with the performance by Ironhorse of its obligations hereunder, provided however that the foregoing shall not be construed to obligate Pond to pay or cause to be paid any monies to cause such performance to occur, other than as contemplated in this Agreement.
- (h) Keep Fully Informed. Subject to applicable Laws, Pond shall use commercially reasonable efforts to conduct itself so as to keep Ironhorse fully informed as to the material decisions or actions required to be made with respect to the operation of its business.
- (i) Co-operation. Pond shall make, or cooperate as necessary in the making of, all necessary filings and applications under all applicable Laws required in connection with the transactions contemplated hereby and take all reasonable action necessary to be in compliance with such Laws.
- (j) Representations. Pond shall use its commercially reasonable efforts to conduct its affairs so that all of the representations and warranties of Pond contained herein shall be true and correct on and as of the Effective Date as if made on and as of such date.
- (k) Closing Documents. Pond shall execute and deliver, or cause to be executed and delivered, at the closing of the transactions contemplated hereby such customary agreements, certificates, opinions, resolutions and other closing documents as may be required by Ironhorse, all in form satisfactory to Ironhorse, acting reasonably.

4.3 Mutual Covenants of Pond and Ironhorse

- (a) Information Circular.
- (i) Each of Pond and Ironhorse shall use all commercially reasonable efforts to prepare, as promptly as practicable after the date of this Agreement, the Information Circular, together with any other documents required under securities Laws in connection with the Pond Meeting and the Ironhorse Meeting.
 - (ii) The Information Circular shall include, inter alia, the unanimous recommendation of the Pond Board that the Pond Shareholders vote in favour of approval of the Pond Resolution, subject to any required abstentions, and the unanimous

recommendation of the Ironhorse Board that the Ironhorse Shareholders vote in favour of approval of the Ironhorse Resolutions.

- (iii) Ironhorse covenants that the Information Circular will comply as to form in all material respects with securities Laws and that none of the information to be supplied by Ironhorse for inclusion or incorporation by reference in the Information Circular will at the time of the mailing of the Information Circular contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading. If at any time prior to the Effective Time any event with respect to Ironhorse, its officers and directors or Newco shall occur that is required to be described in the Information Circular, Ironhorse shall give prompt notice to Pond of such event.
- (iv) Pond covenants that the Information Circular will comply as to form in all material respects with securities Laws and that none of the information to be supplied by Pond for inclusion or incorporation by reference in the Information Circular will at the time of the mailing of the Information Circular contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading. If at any time prior to the Effective Time any event with respect to Pond or its officers and directors shall occur that is required to be described in the Information Circular, Pond shall give prompt notice to Ironhorse of such event.
- (v) The Information Circular shall contain language notifying each Pond Shareholder resident in or otherwise subject to the laws of the United States of the following:
 - (A) the Ironhorse Shares issued in connection with the Amalgamation are or will be "restricted securities" as defined in Rule 144 under the 1933 Act, and the holders may dispose of the Ironhorse Shares only pursuant to an effective registration statement under the 1933 Act or an exemption from the registration requirements of the 1933 Act. Ironhorse is not obligated to file and has no present intention of filing with the SEC or with any state securities administrator any registration statement in respect of resales of the Ironhorse Shares in the United States. Accordingly, holders of the Ironhorse Shares may be required to hold the Ironhorse Shares indefinitely; and
 - (B) Ironhorse:
 - I. is not obligated to remain a "foreign issuer" within the meaning of Regulation S under the 1933 Act,
 - II. may not, at the time the Ironhorse Shares are resold or otherwise transferred by it or at any other time, be a foreign issuer, and
 - III. may engage in one or more transactions that could cause Ironhorse not to be a foreign issuer, and if Ironhorse is not a foreign issuer at the time of any sale or other transfer of the Ironhorse Shares pursuant to Rule 904 of Regulation S under the

1933 Act, a holder of the Pond Shares may be required to hold the Ironhorse Shares indefinitely.

- (vi) In a timely and expeditious manner, each of Ironhorse and Pond shall provide the other with information as requested, acting reasonably, in order to prepare any amendments or supplements to the Information Circular (which amendments or supplements shall be in a form satisfactory to each of the Parties, acting reasonably).
- (b) Completion of Transaction.
- (i) Each of the Parties agrees that, it shall complete the Transaction as soon as practicable following receipt of the later of the Ironhorse Shareholder Approval or the Pond Shareholder Approval.
 - (ii) Each of the Parties shall comply with the policies of the TSXV and, if required by the TSXV in connection with the approval of the Transaction, the Parties will obtain sponsorship of the Transaction under TSXV Policy 5.2 and Policy 2.2. In such event, the sponsor shall be a member firm of the TSXV acceptable to each of Ironhorse and Pond, each acting reasonably.
 - (iii) The Ironhorse Board shall approve resolutions, to be effective as of the Effective Time, to:
 - (A) accept the resignations of the directors and officers of Ironhorse that will no longer be serving in such capacity following the completion of the Transaction;
 - (B) change the composition of the Ironhorse Board such that it will be comprised of the individuals listed in Section 4.1(o); and
 - (C) appoint the officers listed in Section 4.1(o).
- (c) Confidential Information. Each of Pond and Ironhorse agrees that any information as to the other Party's financial condition, business, properties, title, assets and affairs (including any material contracts) received from the other Party as part of its due diligence investigations in connection with the transactions contemplated in this Agreement, including information which, at the time of receipt had not become generally available to the public, was not available to a Party or its representatives on a non-confidential basis before the date of the LOI or does not become available to a Party or its representatives on a non-confidential basis from a person who is not, to the knowledge of the Party or its representatives, otherwise bound by confidentiality obligations to the provider of such information or otherwise prohibited from transmitting the information to the Party or its representatives ("**confidential information**"), will be kept confidential by such Party for a period of two (2) years from the date hereof. Prior to releasing any confidential information, Pond or Ironhorse, as applicable, may require the recipient of the confidential information to enter into a mutually acceptable confidentiality agreement. No confidential information may be released to third parties without the consent of the provider thereof, except that the Parties agree that they will not unreasonably withhold such consent to the extent that such confidential information is compelled to be released by legal process or must be released to regulatory bodies

and/or included in public documents. The provisions of this Section 4.3(c) shall survive the termination of this Agreement.

4.4 No Alternative Transactions

- (a) Commencing immediately, and except as contemplated herein, the Parties hereto and their respective agents will not, and will not permit any of their respective directors, officers, employees or agents, to directly or indirectly, solicit, discuss, encourage or accept an Alternative Proposal, subject to their fiduciary duties at law. The Parties hereto will with reasonable diligence do all such things and provide all such reasonable assurances as may be required to obtain the approval of applicable regulatory authorities, including the TSXV, to the transactions contemplated in this Agreement, and each Party will provide such further documents or instruments as may be necessary to effect the purposes of this Agreement. Each Party shall use all commercially reasonable effort to cause each of the condition precedents to be satisfied as soon as reasonably possible.
- (b) Notwithstanding the preceding Section 4.4(a) and any other provisions of this Agreement, the Ironhorse Board may, prior to the approval of the Ironhorse Resolutions by the Ironhorse Shareholders, consider, participate in any discussions or negotiations with, or provide information to, any person who has delivered or issued a bona fide Alternative Proposal which was not solicited or encouraged after the date of this Agreement and did not otherwise result from a breach of this Section 4.4(a) and that the Ironhorse Board determines in good faith, after consultation with its outside legal counsel, would, if consummated in accordance with its terms, result in a transaction more favourable to the Ironhorse Shareholders from a financial point of view, than the terms of the Transaction (any such Alternative Proposal, an "**Ironhorse Superior Proposal**"), provided that any such determination shall only be made if the Ironhorse Board has received advice of outside legal counsel to the effect that the board of directors is required to do so in order to properly discharge its fiduciary duties, and provided further that, immediately upon receipt of such advice, Ironhorse advises Pond in writing that it has received such advice and provides written details thereof.
- (c) Notwithstanding the preceding Section 4.4(a) and any other provisions of this Agreement, the Pond Board may, prior to the approval of the Pond Resolution by the Pond Shareholders, consider, participate in any discussions or negotiations with, or provide information to, any person who has delivered or issued a bona fide Alternative Proposal which was not solicited or encouraged after the date of this Agreement and did not otherwise result from a breach of this Section 4.4(a) and that the Pond Board determines in good faith, after consultation with its outside legal counsel, would, if consummated in accordance with its terms, result in a transaction more favourable to the Pond Shareholders from a financial point of view, than the terms of the Transaction (any such Alternative Proposal, a "**Pond Superior Proposal**"), provided that any such determination shall only be made if the Pond Board has received advice of outside legal counsel to the effect that the board of directors is required to do so in order to properly discharge its fiduciary duties, and provided further that, immediately upon receipt of such advice, Pond advises Ironhorse in writing that it has received such advice and provides written details thereof.
- (d) Notwithstanding the preceding Sections 4.4(a), 4.4(b) and 4.4(c), Ironhorse and Pond may respond to an Alternative Proposal that is not an Ironhorse Superior Proposal or a

Pond Superior Proposal, as applicable, provided that such proposal has not been solicited or initiated by Ironhorse or Pond, respectively.

- (e) Notwithstanding any other provision of this Agreement, Ironhorse agrees that it will not enter into any agreement (other than a confidentiality agreement) regarding an Ironhorse Superior Proposal (an "**Ironhorse Proposed Agreement**") or release the person making the Ironhorse Superior Proposal from any standstill agreements without providing Pond with an opportunity of not less than three (3) Business Days to amend this Agreement to provide at least as favourable terms as those to be included in the Ironhorse Proposed Agreement. In particular, Ironhorse covenants to provide Pond with all material terms and conditions of any Ironhorse Proposed Agreement at least three (3) Business Days prior to the proposed date of execution of such Ironhorse Proposed Agreement by Ironhorse. The Ironhorse Board will review any offer by Pond to amend the terms of this Agreement in good faith in order to determine, acting reasonably and exercising its fiduciary duties, whether Pond's offer, upon acceptance by Ironhorse, would result in the Ironhorse Proposed Agreement not being an Ironhorse Superior Proposal. If the Ironhorse Board so determines, it will enter into an amended Agreement with Pond reflecting Pond's amended proposal. In the event Ironhorse agrees to amend this Agreement as provided above within such three (3) Business Day period, Ironhorse covenants to not enter into the Ironhorse Proposed Agreement or release the party making the Ironhorse Superior Proposal from any standstill agreements. If upon expiry of the three (3) Business Day period, Pond has either not provided an offer to amend this Agreement or such offer would not render the Ironhorse Proposed Agreement not an Ironhorse Superior Proposal, Ironhorse may proceed with the Ironhorse Proposed Agreement and terminate this Agreement subject to the provisions of Section 4.4(g).
- (f) Notwithstanding any other provision of this Agreement, Pond agrees that it will not enter into any agreement (other than a confidentiality agreement) regarding a Pond Superior Proposal (a "**Pond Proposed Agreement**") or release the person making the Pond Superior Proposal from any standstill agreements without providing Ironhorse with an opportunity of not less than three (3) Business Days to amend this Agreement to provide at least as favourable terms as those to be included in the Pond Proposed Agreement. In particular, Pond covenants to provide Ironhorse with all material terms and conditions of any Pond Proposed Agreement at least three (3) Business Days prior to the proposed date of execution of such Pond Proposed Agreement by Pond. The Pond Board will review any offer by Ironhorse to amend the terms of this Agreement in good faith in order to determine, acting reasonably and exercising its fiduciary duties, whether Ironhorse's offer, upon acceptance by Pond, would result in the Pond Proposed Agreement not being a Pond Superior Proposal. If the Pond Board so determines, it will enter into an amended Agreement with Ironhorse reflecting Ironhorse's amended proposal. In the event Pond agrees to amend this Agreement as provided above within such three (3) Business Day period, Pond covenants to not enter into the Pond Proposed Agreement or release the party making the Pond Superior Proposal from any standstill agreements. If upon expiry of the three (3) Business Day period, Ironhorse has either not provided an offer to amend this Agreement or such offer would not render the Pond Proposed Agreement not a Pond Superior Proposal, Pond may proceed with the Pond Proposed Agreement and terminate this Agreement subject to the provisions of Section 4.4(h).
- (g) If this Agreement is terminated by Ironhorse after receipt of an Ironhorse Superior Proposal, whether accepted by Ironhorse or not, as a condition to the right of Ironhorse

to terminate this Agreement, Ironhorse shall pay to Pond a cash payment equal to \$250,000 (the "**Ironhorse Break Fee**"), all in immediately available Canadian funds within two (2) Business Days of such termination. The obligation of Ironhorse to pay the Ironhorse Break Fee pursuant to this Section 4.4(g) shall survive the termination of this Agreement.

- (h) If this Agreement is terminated by Pond after receipt of a Pond Superior Proposal, whether accepted by Pond or not, as a condition to the right of Pond to terminate this Agreement, Pond shall pay to Ironhorse a cash payment equal to \$250,000 (the "**Pond Break Fee**"), all in immediately available Canadian funds within two (2) Business Days of such termination. The obligation of Pond to pay the Pond Break Fee pursuant to this Section 4.4(h) shall survive the termination of this Agreement.

ARTICLE 5 CONDITIONS

5.1 Mutual Conditions in Favour of Pond and Ironhorse

The respective obligations of Ironhorse and Pond to complete the transactions contemplated herein are subject to the fulfillment of the following conditions at or before the Effective Time or such other time as is specified below:

- (a) the Ironhorse Shareholder Approval shall have been obtained in accordance with the provisions of the ABCA and the requirements of any applicable regulatory authority, including the requirements of the TSXV;
- (b) the Pond Shareholder Approval shall have been obtained in accordance with the provisions of the OBCA and the requirements of any applicable regulatory authority, including the requirements of the TSXV;
- (c) each of the Ironhorse Board and the Pond Board shall have adopted all necessary resolutions, and all other necessary corporate action shall have been taken by Ironhorse, Newco and Pond, to permit the consummation of the Transaction and all other matters contemplated in this Agreement;
- (d) the TSXV shall have accepted notice for filing of and approved the Transaction, subject only to compliance with the usual requirements of the TSXV, as applicable;
- (e) the TSXV shall have conditionally approved the listing on the TSXV of the Ironhorse Shares to be issued pursuant to the Transaction and the Financing, on terms and conditions acceptable to each of the Parties, acting reasonably;
- (f) Newco shall not have engaged in any business enterprise or other activity or had any assets or liabilities;
- (g) the Financing shall have been funded on before November 30, 2017 for minimum aggregate gross proceeds of \$6,500,000 and maximum gross proceeds of \$15,000,000 on terms and conditions acceptable to each of the Parties, acting reasonably and shall have been completed;

- (h) the Exchange Agreements shall have been completed by the holders of Pond Options, Pond Warrants, Agent Warrants and Subscription Receipts, as applicable, on terms and conditions acceptable to the Parties, acting reasonably;
- (i) Ironhorse shall have entered into an amended management agreement with GRL, providing for a \$7,500 per month management fee in relation to management of the Pembina property, in a form acceptable to the Parties, acting reasonably;
- (j) Ironhorse shall have entered into the agreements contemplated by Section 4.1(f) with GRL, in a form acceptable to the Parties, acting reasonably;
- (k) the Ironhorse Shares to be issued to persons in the United States pursuant to the Transaction shall be exempt from registration requirements under the 1933 Act pursuant to Rule 506 of Regulation D under the 1933 Act; and
- (l) the distribution of the Ironhorse Shares pursuant to the Transaction shall be exempt from prospectus and registration requirements under applicable securities Laws of Canada and, except with respect to persons deemed to be "control persons" of Ironhorse under such securities Laws, such Ironhorse Shares shall not be subject to any resale restrictions in Canada under such securities Laws.

The foregoing conditions are for the mutual benefit of the Parties and may be waived by mutual consent of Pond and Ironhorse in writing at any time. No such waiver shall be of any effect unless it is in writing signed by both Parties. If any of such conditions shall not be complied with or waived as aforesaid on or before the Completion Deadline or, if earlier, the date required for the performance thereof, then, subject to Section 5.4, any Party may terminate this Agreement by written notice to the others in circumstances where the failure to satisfy any such condition is not the result, directly or indirectly, of a breach of this Agreement by such terminating Party.

5.2 Ironhorse Conditions

The obligation of Ironhorse to complete the transactions contemplated herein is subject to the fulfillment of the following additional conditions at or before the Effective Time or such other time as is specified below:

- (a) the representations and warranties made by Pond in this Agreement that are qualified by the expression "material", "Material Adverse Change" or "Material Adverse Effect" shall be true and correct as of the date of this Agreement and as of the Effective Date as if made on and as of the Effective Date (except to the extent that such representations and warranties speak as of an earlier date, in which event such representations and warranties shall be true and correct as of such earlier date), and all other representations and warranties made by Pond in this Agreement which are not so qualified shall be true and correct in all material respects as of the date of this Agreement and as of the Effective Date as if made on and as of the Effective Date (except to the extent that such representations and warranties speak as of an earlier date, in which event such representations and warranties shall be true and correct as of such earlier date), and Pond shall have provided to Ironhorse a certificate of two officers thereof certifying the same as of the Effective Date. No representation or warranty made by Pond hereunder shall be deemed not to be true and correct if the facts or circumstances which make such representation or warranty untrue or incorrect are

disclosed or referred to, or provided for, or stated to be exceptions under this Agreement;

- (b) the Pond Shares held by Dissenting Shareholders is less than 5% of the issued and outstanding Pond Shares;
- (c) from the date of this Agreement to the Effective Date, there shall not have occurred a Material Adverse Change in respect of Pond;
- (d) Pond shall have complied in all material respects with its covenants herein and Pond shall have provided to Ironhorse a certificate of two officers thereof, certifying that, as of the Effective Date, it has so complied with their covenants herein;
- (e) Pond shall not be in default of the performance of any term or obligation to be performed by it under the CW Loan; and
- (f) the Pond Board shall have adopted all necessary resolutions and all other necessary corporate action shall have been taken by Pond and Ironhorse to permit the consummation of the Transaction and the transactions to be completed by Pond pursuant to the terms of this Agreement.

The foregoing conditions are for the benefit of Ironhorse and may be waived, in whole or in part, by Ironhorse in writing at any time. No such waiver shall be of any effect unless it is in writing signed by Ironhorse. If any of such conditions shall not be complied with or waived by Ironhorse on or before the Completion Deadline or, if earlier, the date required for the performance thereof, then, subject to Section 5.4, Ironhorse may terminate this Agreement by written notice to Pond in circumstances where the failure to satisfy any such condition is not the result, directly or indirectly, of a breach of this Agreement by Ironhorse.

5.3 Pond Conditions

The obligation of Pond to complete the transactions contemplated herein is subject to the fulfillment of the following additional conditions at or before the Effective Time or such other time as is specified below:

- (a) the Ironhorse Board shall have procured duly executed resignations and mutual releases, effective at the Effective Time, from each director and executive officer of Ironhorse who will no longer be serving in such capacity or capacities following completion of the Transaction;
- (b) Ironhorse shall have issued equivalent securities of Ironhorse, in forms acceptable to Pond, acting reasonably, in respect of the Pond Options, Pons Warrants and Agent Warrants that are the subject of the Exchange Agreements;
- (c) the representations and warranties made by Ironhorse in this Agreement that are qualified by the expression "material", "Material Adverse Change" or "Material Adverse Effect" shall be true and correct as of the date of this Agreement and as of the Effective Date as if made on and as of the Effective Date (except to the extent that such representations and warranties speak as of an earlier date, in which event such representations and warranties shall be true and correct as of such earlier date), and all other representations and warranties made by Ironhorse in this Agreement which are not

so qualified shall be true and correct in all material respects as of the date of this Agreement and as of the Effective Date as if made on and as of the Effective Date (except to the extent that such representations and warranties speak as of an earlier date, in which event such representations and warranties shall be true and correct as of such earlier date), and Ironhorse shall have provided to Pond a certificate of two officers thereof certifying the same as of the Effective Date. No representation or warranty made by Ironhorse hereunder shall be deemed not to be true and correct if the facts or circumstances that make such representation or warranty untrue or incorrect are disclosed or referred to, or provided for, or stated to be exceptions under this Agreement;

- (d) from the date of this Agreement to the Effective Date, there shall not have occurred a Material Adverse Change in respect of Ironhorse;
- (e) Ironhorse shall have complied in all material respects with its covenants herein and Ironhorse shall have provided to Pond a certificate of two officers thereof certifying that, as of the Effective Date, Ironhorse has so complied with its covenants herein; and
- (f) the Ironhorse Board shall have adopted all necessary resolutions and all other necessary corporate action shall have been taken by Ironhorse to permit the consummation of the Transaction and the transactions to be completed by Ironhorse pursuant to the terms of this Agreement.

The foregoing conditions are for the benefit of Pond and may be waived, in whole or in part, by Pond in writing at any time. No such waiver shall be of any effect unless it is in writing signed by Pond. If any of such conditions shall not be complied with or waived by Pond on or before the Completion Deadline or, if earlier, the date required for the performance thereof, then, subject to Section 5.4, Pond may terminate this Agreement by written notice to Ironhorse in circumstances where the failure to satisfy any such condition is not the result, directly or indirectly, of a breach of this Agreement by Pond.

5.4 Notice and Cure Provisions

Each of Pond and Ironhorse shall give prompt notice to the other Party of the occurrence, or failure to occur, at any time from the date hereof until the Effective Date, of any event or state of facts which occurrence or failure would, would be likely to or could:

- (a) cause any of the representations or warranties of such Party contained herein to be untrue or inaccurate in any respect on the date hereof or on the Effective Date;
- (b) result in the failure to comply with or satisfy any covenant or agreement to be complied with or satisfied by such Party on or before the Effective Date; or
- (c) result in the failure to satisfy any of the conditions precedent in favour of the other Party contained in Section 5.1, 5.2 or 5.3, as the case may be.

Except as otherwise herein provided, each of Pond and Ironhorse may:

- (d) elect not to complete the transactions contemplated hereby by virtue of any of the conditions for its benefit contained in Section 5.1, 5.2 or 5.3 not being satisfied or waived; or

- (e) exercise any termination right arising therefrom; provided, however, that:
- (i) promptly and in any event prior to the Effective Date, the Party hereto intending to rely thereon has delivered a written notice to the other Party specifying in reasonable detail the breaches of covenants or untruthfulness or inaccuracy of representations and warranties or other matters that the Party delivering such notice is asserting as the basis for the exercise of the termination right, as the case may be; and
 - (ii) if any such notice is delivered, and a Party proceeds diligently, at its own expense, to cure such matter, if such matter is susceptible to being cured prior to the Completion Deadline to the satisfaction of the Party delivering such notice, acting reasonably, no party may terminate this Agreement until the earlier of: (A) ten (10) Business Days from the date of delivery of such notice; and (B) the Completion Deadline, if such matter has not been cured by such date (except that, in each case and for greater certainty) no cure period shall be provided for a breach which by its nature cannot be cured.

5.5 Merger of Conditions

If no notice has been sent by either Party pursuant to Section 5.4 prior to the Effective Date, the conditions set out in Section 5.1, 5.2 or 5.3 shall be conclusively deemed to have been satisfied, fulfilled or waived as of the Effective Time.

ARTICLE 6 AMENDMENT AND TERMINATION

6.1 Amendment

This Agreement may, at any time and from time to time, before or after the receipt of the Ironhorse Shareholder Approval or the Pond Shareholder Approval, be amended by mutual written agreement of the Parties without, subject to applicable Laws, further notice to or authorization on the part of the Ironhorse Shareholders or the Pond Shareholders, and any such amendment may, without limitation:

- (a) change the time for the performance of any of the obligations or acts of any of the Parties;
- (b) waive any inaccuracies in, 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 the performance of any of the obligations of any of the parties hereto; and
- (d) waive compliance with, or modify, any condition herein contained,

provided, however, that, notwithstanding the foregoing, following the receipt of the Ironhorse Shareholder Approval, the Exchange Ratio shall not be amended without the approval of the Ironhorse Shareholders given in the same manner as required for the approval of the Amalgamation.

6.2 Termination

This Agreement may be terminated at any time prior to the Effective Time:

- (a) by mutual written agreement by Ironhorse, Pond and Newco;
- (b) subject to Section 5.4:
 - (i) by Ironhorse, if any condition in Section 5.2 is not satisfied or waived in accordance with such section,
 - (ii) by Pond, if any condition in Section 5.3 is not satisfied or waived in accordance with such section, or
 - (iii) by Ironhorse or by Pond, if any of the conditions in Section 5.1 for the benefit of the terminating party is not satisfied or waived in accordance with such Section 5.1;
- (c) by Pond if there is an intentional breach of the covenants of Ironhorse contained herein by Ironhorse or any of its directors, officers, employees, agents, consultants or other representatives, in each case on or before the Effective Date;
- (d) by Ironhorse or by Pond in accordance with Section 4.4;
- (e) by Ironhorse if there is an intentional breach of the covenants of Pond contained herein by Pond or any of its directors, officers, employees, agents, consultants or other representatives, in each case on or before the Effective Date; or
- (f) by Pond or by Ironhorse if the Transaction shall not have been completed by the Completion Deadline,

provided that any termination by a Party in accordance with the paragraphs above shall be made by such Party delivering written notice thereof to the other Parties prior to the earlier of the Effective Date and the Completion Deadline and specifying therein in reasonable detail the matter or matters giving rise to such termination right.

ARTICLE 7 GENERAL

7.1 Notices

Any notice, consent, waiver, direction or other communication required or permitted to be given under this Agreement by a Party shall be in writing and shall be delivered by hand to the Party or Parties to which the notice is to be given at the following address or sent by electronic means to the following numbers or to such other address or email address as shall be specified by such other Party or Parties by like notice. Any notice, consent, waiver, direction or other communication aforesaid shall, if delivered, be deemed to have been given and received on the date on which it was delivered to the address provided herein (if a Business Day or, if not, then the next succeeding Business Day) and if sent by electronic means be deemed to have been given and received at the time of receipt (if a Business Day or, if not, then the next succeeding

Business Day) unless actually received after 5:00 p.m. (local time) at the point of delivery in which case it shall be deemed to have been given and received on the next Business Day.

The address for service of each of the Parties shall be as follows:

(a) if to Ironhorse or Newco:

Ironhorse Oil & Gas Inc.
1000, 324 - 8th Avenue S.W.
Calgary, Alberta T2P 2Z2

Attention: Larry Parks
Email: lparks@grizzlyresources.com

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

Osler, Hoskin & Harcourt LLP
440 – 1st Street S.W.
Calgary, Alberta T2P 5H1

Attention: Andrea Whyte
Email: awhyte@osler.com

(b) if to Pond:

Pond Technologies Inc.
250 Shields Court, Unit 8
Markham, Ontario L3R 9W7

Attention: Steven Martin
Email: steve.m@pondtechnologiesinc.com

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

Cassels Brock & Blackwell LLP
Suite 1250, Millennium Tower
440 – 2nd Avenue S.W.
Calgary, Alberta T2P 5E9

Attention: Evan Low
Email: elow@casselsbrock.com

7.2 Remedies

Upon termination of this Agreement under circumstances where a Party is entitled to a Break Fee and such fee has been paid in full, the Party receiving such fee shall be precluded from any other remedy against the other Party, at law or in equity or otherwise and such Party shall not seek to obtain any recovery, judgment or damages of any kind, including consequential, indirect or punitive damages, against the other Party or any of its directors, officers, employees, partners, managers, shareholders or affiliates in connection with this Agreement or the transactions contemplated hereby; provided that, the foregoing is subject to the following:

- (a) nothing in Section 4.4 shall relieve or have the effect of relieving any Party in any way from liability for damages incurred or suffered by a Party as a result of fraud or an intentional or wilful breach of this Agreement; and
- (b) the Parties acknowledge and agree that an award of money damages may be inadequate for any breach of this Agreement by any Party or its representatives and advisors and that such breach may cause the non-breaching Parties irreparable harm. Accordingly, the Parties agree that, in the event of any such breach or threatened breach of this Agreement, Ironhorse (if Pond is the breaching Party) or Pond (if Ironhorse or Newco is the breaching Party) will be entitled, without the requirement of posting a bond or other security, to seek equitable relief, including injunctive relief and specific performance. Other than as set forth above, such remedies will not be the exclusive remedies for any breach of this Agreement but will be in addition to all other remedies available hereunder or at law or in equity to each of the Parties.

7.3 Expenses

The Parties agree that each Party shall pay for its costs incurred in connection with this Agreement and the transactions contemplated hereby and the preparation and mailing of the Information Circular, including legal and accounting fees, printing costs, financial advisor fees and all disbursements by advisors, and that nothing in this Agreement shall be construed so as to prevent the payment of such expenses, whether or not the Transaction is completed. The provisions of this Section 7.3 shall survive the termination of this Agreement.

7.4 Time of the Essence

Time shall be of the essence in this Agreement.

7.5 Entire Agreement

This Agreement together with the agreements and other documents herein or therein referred to, 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, including the LOI. There are no representations, warranties, covenants or conditions with respect to the subject matter hereof except as contained herein.

7.6 Further Assurances

Each Party shall, from time to time, and at all times hereafter, at the request of the other of them, but without further consideration, do, or cause to be done, all such other acts and execute and deliver, or cause to be executed and delivered, all such further agreements, transfers, assurances, instruments or documents as shall be reasonably required in order to fully perform and carry out the terms and intent hereof including, without limitation, the Amalgamation.

7.7 Governing Law

This Agreement shall be governed by, and be construed in accordance with, the laws of the Province of Alberta and the laws of Canada applicable therein but the reference to such laws shall not, by conflict of laws rules or otherwise, require the application of the law of any

jurisdiction other than the Province of Alberta. The Parties irrevocably attorn to the exclusive jurisdiction of the courts of the Province of Alberta.

7.8 Execution in Counterparts

This Agreement may be executed in one or more counterparts, each of which shall conclusively be deemed to be an original and all such counterparts collectively shall be conclusively deemed to be one and the same. Delivery of an executed counterpart of the signature page to this Agreement by facsimile, email or other functionally equivalent electronic means of transmission shall be effective as delivery of a manually executed counterpart of this Agreement, and any Party delivering an executed counterpart of the signature page to this Agreement by facsimile, email or other functionally equivalent electronic means of transmission to any other Party shall thereafter also promptly deliver a manually executed original counterpart of this Agreement to such other Party, but the failure to deliver such manually executed original counterpart shall not affect the validity, enforceability or binding effect of this Agreement.

7.9 Waiver

No waiver or release by any Party shall be effective unless in writing and executed by the Party granting such waiver or release and any waiver or release shall affect only the matter, and the occurrence thereof, specifically identified and shall not extend to any other matter or occurrence. Waivers may only be granted upon compliance with the provisions governing amendments set forth in Section 6.1.

7.10 No Personal Liability

No director, officer or employee of Ironhorse shall have any personal liability to Pond under this Agreement. No director, officer or employee of Pond shall have any personal liability to Ironhorse under this Agreement.

7.11 Enurement and Assignment

This Agreement shall enure to the benefit of the Parties and their respective successors and permitted assigns and shall be binding upon the Parties and their respective successors. This Agreement may not be assigned by any Party without the prior written consent of the other Parties.

[EXECUTION PAGE FOLLOWS]

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

POND TECHNOLOGIES INC.

Per: (signed) "Steven Martin"
Steven Martin
President and CEO

IRONHORSE OIL & GAS INC.

Per: (signed) "Larry J. Parks"
Larry J. Parks
President and CEO

2597905 ONTARIO INC.

Per: (signed) "Larry J. Parks"
Larry J. Parks
President

SCHEDULE A

FORMS OF IRONHORSE RESOLUTIONS

IRONHORSE RTO RESOLUTION

BE IT RESOLVED as an ordinary resolution that:

1. the amalgamation (the "**Amalgamation**") under Section 174 of the *Business Corporations Act* (Ontario) (the "**OBCA**") of Pond Technologies Inc. ("**Pond**") and 2597905 Ontario Ltd., a wholly-owned subsidiary of Ironhorse Oil & Gas Inc. (the "**Company**"), to effect, among other things, the business combination of the Company and Pond, pursuant to the terms and conditions contained in the amalgamation agreement (the "**Amalgamation Agreement**") dated October 4th, 2017 (as the same may be or has been modified or amended), in substantially the form attached as Schedule D in the Company's information circular is hereby authorized and approved;
2. the execution and delivery by the Company of the Amalgamation Agreement, substantially in the form attached as Schedule D in the Company's information circular, is hereby authorized and approved, and the Amalgamation is hereby adopted;
3. notwithstanding that this resolution has been passed (and the Amalgamation Agreement adopted) by the shareholders of the Company, the directors of the Company are hereby authorized and empowered without further approval of the shareholders of the Company at any time prior to the issuance by the director under the OBCA of a certificate of amalgamation in respect of the Amalgamation (i) to amend the Amalgamation Agreement to the extent permitted by the Amalgamation Agreement, and (ii) not to proceed with the Amalgamation to the extent permitted by the Amalgamation Agreement or otherwise give effect to these resolutions; and
4. any officer or director of the Company is hereby authorized and directed for and on behalf of and in the name of the Company to execute, under the seal of the Company or otherwise, and to deliver, all documents, agreements and instruments and to do all such other acts and things, including delivering such documents as are necessary or desirable to the director appointed under the OBCA for filing in accordance with the Amalgamation Agreement, as such officer or director, may deem necessary or desirable to implement the foregoing resolutions and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such documents, agreements or instruments or doing of any such act or thing.

IRONHORSE CONSOLIDATION RESOLUTION

BE IT RESOLVED as a special resolution that:

1. the issued and outstanding common shares in the capital of Ironhorse Oil & Gas Inc. (the "**Company**") be consolidated on the basis of 1 post-consolidation common share for every 6.9 common shares currently issued and outstanding (the "**Consolidation**");
2. no fractional shares shall be issued upon the Consolidation, and each fractional common share that is less than one (1) post-Consolidation common share will be rounded down to the next whole number and no cash or other consideration shall be paid or payable in lieu of such fraction;
3. notwithstanding that this resolution has been passed by the shareholders of the Company, the directors of the Company are hereby authorized and empowered without further approval of the shareholders of the Company, at any time prior to the Consolidation, to not proceed with the Consolidation or otherwise give effect to these resolutions;
4. the effective date of such Consolidation shall be the date shown in the certificate of amendment; and
5. any officer or director of the Company is hereby authorized and directed for and on behalf of and in the name of the Company, under the seal of the Company or otherwise, to execute and deliver articles of amendment to effect the foregoing resolutions with the Registrar of Corporations for the Province of Alberta and all other documents and instruments and to take all such other actions as such officer or director may deem necessary or desirable to implement the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such documents and other instruments or the taking of any such action.

IRONHORSE CHANGE OF NAME RESOLUTION

BE IT RESOLVED as a special resolution that:

1. the board of directors be and is hereby authorized to change the name of Ironhorse Oil & Gas Inc. (the "**Company**") to "Pond Technologies Holdings Inc. " or whatever name that it in its sole discretion determines is appropriate and which any regulatory body having jurisdiction may accept;
2. notwithstanding that this resolution has been passed by the shareholders of the Company, the directors of the Company are hereby authorized and empowered without further approval of the shareholders of the Company, at any time prior to the Consolidation, to not give effect to these resolutions; and
3. any officer or director of the Company is hereby authorized and directed for and on behalf of and in the name of the Company, under the seal of the Company or otherwise, to execute and deliver articles of amendment to effect the foregoing resolutions with the Registrar of Corporations for the Province of Alberta and all other documents and instruments and to take all such other actions as such officer or director may deem necessary or desirable to implement the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such documents and other instruments or the taking of any such action.

IRONHORSE AGM RESOLUTION

BE IT RESOLVED as an ordinary resolution that:

1. the number of directors to be elected be fixed at five (5) members;
2. Larry J. Parks, Robert Desbarats, Michael A. Royan, Gerry C. Quinn and Wayne W. Chow are elected as directors of Ironhorse, to hold office until the next annual general meeting of Ironhorse or until their successors are elected or appointed;
3. Kenway Mack Slusarchuk Stewart LLP be appointed as auditors of the Corporation and the directors of the Corporation are authorized to fix their remuneration.
4. the employee stock option plan set forth in Schedule ● to the Company's information circular is approved;
5. any officer or director of the Company is hereby authorized and directed for and on behalf of and in the name of the Company to execute, under the seal of the Company or otherwise, and to deliver, all documents, agreements and instruments and to do all such other acts and things, as such officer or director may deem necessary or desirable to implement the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of any such documents, agreements or instruments or doing of any such act or thing.

SCHEDULE B

FORM OF POND RESOLUTION

BE IT RESOLVED as a special resolution that:

1. the amalgamation (the "**Amalgamation**") under Section 174 of the *Business Corporations Act* (Ontario) (the "**OBCA**") involving Ironhorse Oil & Gas Inc. ("**Ironhorse**"), Pond Technologies Inc. (the "**Company**") and 2597905 Ontario Ltd., a wholly-owned subsidiary of Ironhorse, pursuant to the terms and conditions contained in the amalgamation agreement (the "**Amalgamation Agreement**") dated October 4th, 2017 (as the same may be or has been modified or amended), in substantially the form attached as Schedule D to the Company's information circular is hereby authorized and approved;
2. the execution and delivery by the Company of the Amalgamation Agreement, substantially in the form attached as Schedule D to the Company's information circular is hereby authorized and approved, and the Amalgamation is hereby adopted;
3. any officer or director of the Company is hereby authorized and directed, on behalf of the Company, to execute and deliver the articles of the amalgamated entity to the director appointed under the OBCA with respect to the Amalgamation;
4. notwithstanding that this special resolution has been passed (and the Amalgamation Agreement adopted) by the shareholders of the Company, the directors of the Company are hereby authorized and empowered without further approval of the shareholders of the Company at any time prior to the issuance by the director under the OBCA of a certificate of amalgamation in respect of the Amalgamation (i) to amend the Amalgamation Agreement to the extent permitted by the Amalgamation Agreement, and (ii) not to proceed with the Amalgamation to the extent permitted by the Amalgamation Agreement or otherwise give effect to these resolutions; and
5. any officer or director of the Company is hereby authorized and directed for and on behalf of and in the name of the Company to execute, under the seal of the Company or otherwise, and to deliver, all documents, agreements and instruments and to do all such other acts and things, including delivering such documents as are necessary or desirable to the director appointed under the OBCA for filing in accordance with the Amalgamation Agreement, as such officer or director, may deem necessary or desirable to implement the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of any such documents, agreements or instruments or doing of any such act or thing.