

CORPORATE ACCESS NUMBER: 2024185734

**Government
of Alberta ■**

BUSINESS CORPORATIONS ACT

**CERTIFICATE
OF
AMENDMENT AND REGISTRATION
OF RESTATED ARTICLES**

COELACANTH ENERGY INC.
AMENDED ITS ARTICLES ON 2022/05/31.





10000607139398204

2024185734

Articles Of Arrangement

Business Corporations Act
Section 193

1. Name of Corporation	2. Corporate Access Number
COELACANTH ENERGY INC.	2024185734

3. In accordance with the order approving the arrangement, the articles of the corporation are amended as follows:

- (a) In accordance with the Order of the Court of Queen's Bench of Alberta dated May 20, 2022 (the "**Final Order**") approving the arrangement (the "**Arrangement**") pursuant to Sections 193(1)(a) and (f) of the *Business Corporations Act* (Alberta) involving Vermilion Energy Inc., Coelacanth Energy Inc., Leucrotta Exploration Inc., and the securityholders of Leucrotta Exploration Inc., a copy of which is attached hereto as Schedule "A", and the Plan of Arrangement (the "**Plan**"), a copy of which is attached hereto as Schedule "B", the Arrangement is hereby effected. The Final Order is incorporated into and forms part of these Articles of Arrangement; and
- (b) In accordance with the Plan, the articles of the Corporation are amended by creating a new class of preferred shares, designated as "Class C Preferred Shares", in an unlimited number. See additional information set out in the Articles of Amendment attached hereto as Schedule "C".

Robert Zakresky

Name of Person Authorizing (please print)

"Robert Zakresky"

Signature

President

Title (please print)

May 31, 2022

Date

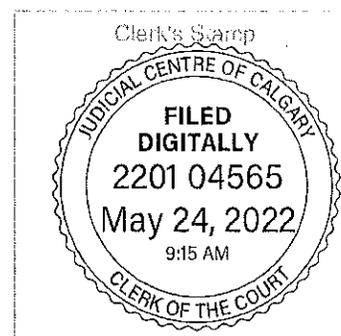
This information is being collected for the purposes of corporate registry records in accordance with the Business Corporations Act. Questions about the collection of this information can be directed to the Freedom of Information and Protection of Privacy Coordinator for Alberta Registries, Box 3140, Edmonton, Alberta T5J 4L4, (780) 427-7013.

SD 8204

SCHEDULE "A"
FINAL ORDER

CERTIFIED *E. Wheaton*
 by the Court Clerk as a true copy of the
 document digitally filed on May 24,
 2022

COURT FILE NO.: 2201-04565
 COURT COURT OF QUEEN'S BENCH OF ALBERTA
 JUDICIAL CENTRE CALGARY



MATTER **IN THE MATTER OF SECTION 193 OF THE BUSINESS CORPORATIONS ACT, RSA 2000, c B-9**

AND IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING VERMILION ENERGY INC., COELACANTH ENERGY INC., LEUCROTTA EXPLORATION INC., AND THE SECURITYHOLDERS OF LEUCROTTA EXPLORATION INC.

APPLICANT LEUCROTTA EXPLORATION INC.

RESPONDENT(S) NOT APPLICABLE

DOCUMENT **FINAL ORDER**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
 Gowling WLG (Canada) LLP
 1600, 421 – 7th Avenue S.W.
 Calgary, AB T2P 4K9

Telephone (403) 298-1851
 Facsimile (403) 263-9193

File No. A1168508

Attention: Emily McCartney

DATE ON WHICH ORDER WAS PRONOUNCED: FRIDAY, MAY 20, 2022

LOCATION AT WHICH ORDER WAS MADE: CALGARY

NAME OF JUDGE WHO MADE THIS ORDER: JUSTICE G.A. CAMPBELL

UPON THE APPLICATION of counsel for the Applicant, Leucrotta Exploration Inc. (**Leucrotta**) pursuant to Section 193 of the *Business Corporations Act*, RSA 2000, c B-9 (the **ABCA**);

AND UPON READING the Originating Application, and the Affidavit of Nolan Chicoine, Vice President, Finance and Chief Financial Officer of Leucrotta, affirmed on May 20, 2022 (the **Affidavit**) and the documents referred to therein;

AND UPON HEARING counsel for the Applicant, Leucrotta;

AND UPON BEING SATISFIED that the special meeting (the **Meeting**) of the holders of Leucrotta Shares, Leucrotta Warrants, and Flow-Through Warrants (the **Leucrotta Securityholders**) was called and conducted on May 20, 2022 in accordance with the terms of the Interim Order;

AND UPON BEING SATISFIED that the required quorum of Leucrotta Securityholders was present at the Meeting and that the Leucrotta Securityholders approved the Arrangement in the manner and by the requisite majorities provided for in the Interim Order;

AND UPON BEING ADVISED that no Notices of Intention to Appear have been filed with respect to this Application;

AND UPON BEING ADVISED that Leucrotta is not insolvent;

AND UPON IT APPEARING that it is impracticable to effect the transactions contemplated by the Arrangement under any provisions of the ABCA other than Section 193 of the ABCA;

AND UPON BEING ADVISED that the approval of the Arrangement by this Honourable Court will serve as the basis for an exemption from the registration requirements of the United States Securities Act of 1933, as amended, pursuant to Section 3(a)(10) thereof, with respect to the issuance and distribution of, and the option to purchase, Coelacanth Shares and Coelacanth Arrangement Warrants pursuant to the Arrangement among Vermilion Energy Inc. (**Vermilion**), Leucrotta, and Coelacanth Energy Inc. (**Coelacanth**).

AND UPON BEING SATISFIED, based on the evidence presented, that the statutory requirements to approve the Arrangement have been fulfilled, the terms and conditions of the Arrangement and the procedures relating thereto are fair, both procedurally and substantively, and reasonable to the Leucrotta Securityholders and that the Arrangement ought to be approved.

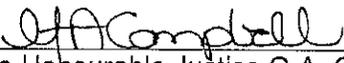
FOR THE PURPOSES OF THIS ORDER:

- a) The capitalized terms not defined in this Order shall have the meanings attributed to them in the management information circular and proxy statement of Leucrotta (the **Information Circular**), a copy of which is attached as **Exhibit A** to the Affidavit of Nolan Chicoine, affirmed on May 20, 2022.
- b) All references to the "Arrangement" used herein means the arrangement proposed by Leucrotta, as set forth in the Plan of Arrangement attached as Schedule A to the Arrangement Agreement among Leucrotta, Vermilion, and Coelacanth dated March 28, 2022 (the **Arrangement Agreement**), a copy of which is attached as Appendix C to the Information Circular.

IT IS HEREBY ORDERED THAT:

1. The Arrangement is hereby approved by this Honourable Court pursuant Section 193 of the ABCA and will upon the filing of the Articles of Arrangement and the issuance of the Certificate, become effective in accordance with its terms and be binding on and after the Effective Time upon Leucrotta, Vermilion, Coelacanth, the Leucrotta Securityholders, and all other persons.
2. The terms and conditions of the Arrangement, and the procedures relating thereto, are fair, substantively and procedurally, to the Leucrotta Securityholders and the other persons affected.
3. The Articles of Arrangement with respect to the Arrangement may be filed by Leucrotta or Vermilion pursuant to Section 193 of the ABCA on such date as Leucrotta or Vermilion may determine in accordance with the Arrangement Agreement.
4. The service of notice of this Application and the notice in respect of the Meeting are hereby deemed good and sufficient. Service of this Order shall be made on all such persons who appeared on this Application, either by counsel or in person, but is otherwise dispensed with.

5. Leucrotta, Vermilion, and Coelacanth, or any of them, shall be entitled at any time to seek leave to vary this Order, or to seek the advice and direction of this Honourable Court as to the implementation of this Order, on notice to the other parties.



The Honourable Justice G.A. Campbell

SCHEDULE "B"
PLAN OF ARRANGEMENT

**PLAN OF ARRANGEMENT
UNDER SECTION 193 OF THE
BUSINESS CORPORATIONS ACT (ALBERTA)**

**ARTICLE 1
DEFINITIONS AND INTERPRETATION**

Section 1.1 Definitions

In this Plan of Arrangement, unless there is something in the subject matter or context inconsistent therewith, terms used herein that are not defined have the meanings ascribed thereto in the Arrangement Agreement, and the following terms shall have the respective meanings set out below and grammatical variations of those terms shall have corresponding meanings:

“**ABCA**” means the *Business Corporations Act* (Alberta);

“**Arrangement**” means an arrangement under Section 193(1)(a) and (f) of the ABCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations to the Plan of Arrangement made in accordance with the terms of the Arrangement Agreement or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Parent, each acting reasonably;

“**Arrangement Agreement**” means the arrangement agreement made as of March 28, 2022, among the Parent, the Company and ExploreCo as the same may be amended, amended and restated, modified or supplemented at any time or from time to time;

“**Arrangement Resolution**” means the special resolution approving the Plan of Arrangement to be considered at the Company Meeting by Company Securityholders;

“**Articles of Arrangement**” means the articles of arrangement of the Company in respect of the Arrangement, required by Subsection 193(10) of the ABCA to be sent to the Registrar after the Final Order is made, which shall include the Plan of Arrangement and otherwise be in a form and content satisfactory to the Company and the Parent, each acting reasonably;

“**Board**” means the board of directors of the Company, as constituted from time to time;

“**Business Day**” means any day of the year, other than a Saturday, Sunday or any statutory holiday in Calgary, Alberta;

“**Cash Consideration**” means \$1.73 in cash per Common Share;

“**Certificate of Arrangement**” means the certificate of arrangement to be issued by the Registrar pursuant to Subsection 193(11) of the ABCA in respect of the Articles of Arrangement giving effect to the Arrangement;

“**Common Shares**” means the common shares in the capital of the Company;

“Company” means Leucrotta Exploration Inc., a corporation incorporated under the ABCA;

“Company Circular” means the notice of the Company Meeting and accompanying management information circular, including all schedules, appendices and exhibits to, and information incorporated by reference in, such management information circular, to be sent to Company Securityholders in connection with the Company Meeting, as amended, supplemented or otherwise modified from time to time in accordance with the terms of the Arrangement Agreement;

“Company Class A Common Shares” means the class A common shares in the capital of the Company having the terms and conditions specified in Schedule 1;

“Company Class C Preferred Shares” means the class C preferred shares in the capital of the Company having the terms and conditions specified in Schedule 1;

“Company Disclosure Letter” means the disclosure letter dated the date of the Arrangement Agreement and delivered by the Company to the Parent with the Arrangement Agreement;

“Company Flow-Through Warrantholder” means a holder of Company Flow-Through Warrants;

“Company Flow-Through Warrants” means the purchase warrants of the Company each entitling the holder thereof to acquire one Common Share that upon issuance would constitute a “flow-through share”, as defined in the Tax Act, at an exercise price of \$1.00 until June 22, 2024;

“Company Meeting” means the special meeting of the Company Securityholders, including any adjournment or postponement of such special meeting in accordance with the terms of this Agreement, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution, and related matters;

“Company Optionholder” means a holder of Company Options;

“Company Options” means options to purchase Common Shares issued pursuant to the Stock Option Plan;

“Company RSUs” means the restricted share units issued pursuant to the PRSU Plan;

“Company Securityholders” means, collectively, the Shareholders, the Company Flow-Through Warrantholders and Company Warrantholders;

“Company Shareholder” means a holder of Common Shares, Company Class A Common Shares or Company Class C Preferred Shares, as the case may be;

“Company Warrantholder” means a holder of Company Warrants;

“Company Warrants” means the common share purchase warrants of the Company each entitling the holder thereof to acquire one Common Share at an exercise price of \$1.00 until March 31, 2023;

“Court” means the Court of Queen’s Bench of Alberta;

“Depository” means such Person as the Parent may appoint to act as depository for the Common Shares in relation to the Arrangement, with approval of the Company, acting reasonably;

“Dissent Rights” means the rights of dissent in respect of the Arrangement described in Section 5.1 of this Plan of Arrangement;

“Dissenting Shareholder” means a Shareholder who has duly and validly exercised its Dissent Rights pursuant to Article 5 and the Interim Order and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights;

“Dissenting Shares” means the Common Shares held by Dissenting Shareholders;

“Effective Date” means the date shown on the Certificate of Arrangement giving effect to the Arrangement;

“Effective Time” means 12:01 a.m. (Calgary time) on the Effective Date or such other time on the Effective Date as may be agreed to in writing by Company and the Parent;

“ExploreCo” means Coelacanth Energy Inc. (formerly 2418573 Alberta Ltd.), a corporation incorporated under the ABCA;

“ExploreCo Arrangement Warrants” means the common share purchase warrants of ExploreCo issued pursuant to the Arrangement and which will entitle the holder thereof to acquire one ExploreCo Common Share at an exercise price of \$0.27 until 5:00 p.m. on the date that is 30 calendar days following the Effective Date in accordance with the terms and conditions of a warrant indenture governing the terms of such warrants, in such form as is acceptable to the Company and the Parent, acting reasonably;

“ExploreCo Assets” means, collectively, the assets to be transferred from the Company to ExploreCo pursuant to the ExploreCo Conveyance Agreement;

“ExploreCo Assumed Liabilities” means, collectively, the liabilities and obligations to be assumed by ExploreCo pursuant to the ExploreCo Conveyance Agreement;

“ExploreCo Common Shares” means the common shares in the capital of ExploreCo;

“ExploreCo Conveyance Agreement” means the agreement in substantially the form set out in the Company Disclosure Letter, to be entered into between the Company and ExploreCo dated as of the Effective Date;

“ExploreCo Preferred Share” means a class C preferred share in the capital of ExploreCo having the terms and conditions specified in Schedule 2;

“ExploreCo Promissory Note” means the demand non-interest bearing promissory note of ExploreCo issued pursuant to Section 3.1(h) hereto in a principal amount equal to the ExploreCo Redemption Amount;

“ExploreCo Redemption Amount” means with respect to the ExploreCo Preferred Share, the amount determined by the directors of ExploreCo at the time of issuance of such ExploreCo Preferred Share, being an amount equal to the amount by which the fair market value of the ExploreCo Assets exceeds the fair market value of the ExploreCo Common Shares issued pursuant to Section 3.1(g)(ii) and the ExploreCo Assumed Liabilities, at the time that the Company Class C Preferred Shares are issued under Section 3.1(f);

“Final Order” means the final order of the Court pursuant to Section 193(9)(a) of the ABCA in a form acceptable to the Company and the Parent, each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of both the Company and the Parent, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn, abandoned or denied, as affirmed or as amended (provided that any such amendment is acceptable to both the Company and the Parent, each acting reasonably) on appeal;

“FT Warrant Cash Consideration” means \$0.76 per Company Flow-Through Warrant to be received by a Company Flow-Through Warrantholder pursuant to Section 3.1(c)(ii);

“FT Warrant Note” means the non-interest bearing note that is payable on demand by the Company to the Purchaser issued pursuant to 3.1(c)(i);

“Governmental Entity” means:

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

“Interim Order” means the interim order of the Court under subsection 193(4) of the ABCA in a form acceptable to the Company and the Parent, each acting reasonably, as contemplated by Section 2.2 of the Arrangement Agreement providing for, among other things, the calling and holding of the Company Meeting, as such order may be amended by the Court with the consent of the Company and the Parent, each acting reasonably;

“Law” means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order,

injunction, judgment, decree, ruling or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity, as amended unless expressly specified otherwise;

“Letters of Transmittal” means the letter of transmittal forms to be delivered by the Company to Shareholders in respect of the Common Shares;

“Lien” means any mortgage, charge, pledge, hypothec, security interest, prior claim, encroachments, option, right of first refusal or first offer, occupancy right, covenant, assignment, lien (statutory or otherwise), defect of title, or restriction or adverse right or claim, or other third party interest or encumbrance of any kind, in each case, whether contingent or absolute;

“Non-Resident” means: (a) a Person who is not a resident of Canada for the purposes of the Tax Act; or (b) a partnership that is not a “Canadian partnership” for the purposes of the Tax Act;

“Parent” means Vermilion Energy Inc., a corporation incorporated under the laws of Province of Alberta;

“Person” includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status;

“Plan of Arrangement”, “hereof”, “herein”, “hereunder” and similar expressions means this plan of arrangement, including any appendices hereto, and any amendments, variations or supplements hereto made from time to time in accordance with the terms hereof, the Arrangement Agreement or made at the direction of the Court with the consent of the Company and the Parent, each acting reasonably;

“PRSU Plan” means the performance and restricted share unit plan of the Company;

“Purchaser” means 2425566 Alberta Ltd., a corporation to be incorporated under the laws of the Province of Alberta, a wholly-owned subsidiary of Parent, and includes its successors thereto, as the context requires;

“Redemption Amount” means with respect to the Company Class C Preferred Shares, the amount determined by the Board at the time of issuance of such Company Class C Preferred Shares, being an amount per share equal to (A) the amount by which the fair market value of the ExploreCo Assets exceeds the fair market value of the ExploreCo Common Shares issued pursuant to Section 3.1(g)(ii) and the ExploreCo Assumed Liabilities at the time such Company Class C Preferred Shares are issued, divided by (B) the number of such Company Class C Preferred Shares so issued;

“Registrar” means the Registrar of Corporations for the Province of Alberta duly appointed under Section 263 of the ABCA;

“**Shareholders**” means the registered or beneficial holders of the Common Shares, as the context requires;

“**Stock Option Plan**” means the stock option plan of the Company;

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

“**Taxes**” means:

- (a) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Entity, whether computed on a separate, consolidated, unitary, combined or other basis, including those levied on, or measured by, or described with respect to, income, gross receipts, profits, gains, windfalls, capital, capital stock, production, recapture, transfer, land transfer, license, gift, occupation, wealth, environment, net worth, indebtedness, surplus, sales, goods and services, harmonized sales, use, value-added, excise, special assessment, stamp, withholding, business, franchising, real or personal property, health, employee health, payroll, workers’ compensation, employment or unemployment, severance, social services, social security, education, utility, surtaxes, customs, unclaimed property, import or export, and including all license and registration fees and all employment insurance, health insurance and government pension plan premiums or contributions;
- (b) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Entity on or in respect of amounts of the type described in paragraph (a) above or this paragraph (b);
- (c) any liability for the payment of any amounts of the type described in paragraphs (a) or (b) as a result of being a member of an affiliated, consolidated, combined or unitary group for any period; and
- (d) any liability for the payment of any amounts of the type described in paragraphs (a) or (b) as a result of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any party.

Section 1.2 Interpretation Not Affected by Headings, etc.

The division of this Plan of Arrangement into Articles, Sections, paragraphs and other portions and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation hereof. Unless otherwise indicated, all references to an “Article”, “Section” or “paragraph” followed by a number and/or a letter refer to the specified Article, Section or paragraph of this Plan of Arrangement.

Section 1.3 Number and Gender

In this Plan of Arrangement, unless the context otherwise requires, words used herein importing the singular include the plural and vice versa. Words importing gender include all genders. The words "include", "includes" and "including" shall be deemed to be followed by the words "without limitation".

Section 1.4 Date of Any Action

In the event that any date on which any action is required to be taken hereunder by any of the parties hereto is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

Section 1.5 Time

Time shall be of the essence in every matter or action contemplated hereunder. All times expressed herein or in the Letter of Transmittal are local time in Calgary, Alberta unless otherwise stipulated herein or therein.

Section 1.6 Currency

Unless otherwise stated, all references in this Plan of Arrangement to sums of money are expressed in lawful money of Canada.

Section 1.7 Schedules

The following schedules are attached to this Plan of Arrangement and are incorporated in and form part hereof:

Schedule 1 - Conditions of Class A Common Shares and Class C Preferred Shares

Schedule 2 - Conditions of ExploreCo Preferred Shares

**ARTICLE 2
EFFECT OF THE ARRANGEMENT****Section 2.1 Arrangement Agreement**

This Plan of Arrangement is made pursuant to, is subject to the provisions of and forms part of, the Arrangement Agreement.

Section 2.2 Binding Effect

This Plan of Arrangement, upon the filing of the Articles of Arrangement and the issuance of the Certificate of Arrangement, will become effective at, and be binding upon, the Company, the registered and beneficial Company Shareholders, the Company Warranholders, the Company Flow-Through Warranholders, ExploreCo, the Parent, and the Purchaser as and from the Effective Time, without any further act or formality required on the part of any Person except as expressly provided herein.

Section 2.3 Certificate of Arrangement

The Articles of Arrangement and the Certificate of Arrangement shall be filed and issued, respectively, with respect to the Arrangement in its entirety. The Certificate of Arrangement shall be conclusive evidence that the Arrangement has become effective and that each of the provisions of Article 3 has become effective in the sequence and at the times set out therein.

Section 2.4 Effective Time

Other than as expressly provided for herein, no portion of this Plan of Arrangement shall take effect with respect to any party or Person until the Effective Time. Further, each of the events listed in Article 3 shall be, without affecting the timing set out in Article 3, mutually conditional, such that no event described in Article 3 may occur without all steps occurring, and those events shall effect the integrated transaction which constitutes the Arrangement.

**ARTICLE 3
ARRANGEMENT****Section 3.1 The Arrangement**

At the Effective Time, without any further act or formality, each of the events set out below shall occur and be deemed to occur in the following sequence, unless specifically noted:

- (a) the Stock Option Plan shall be cancelled and be of no further force and effect and none of the Company, the Parent, the Purchaser, ExploreCo or any of their respective affiliates or successors shall have any liability in respect thereof;
- (b) the PRSU Plan shall be cancelled and be of no further force and effect and none of the Company, the Parent, the Purchaser, ExploreCo or any of their respective affiliates or successors shall have any liability in respect thereof;
- (c) with respect to the Company Flow-Through Warrants and Company Warrants:
 - (i) the Purchaser shall loan to the Company, an amount equal to the aggregate FT Warrant Cash Consideration required to purchase all of the outstanding Company Flow-Through Warrants from the Company Flow-Through Warrantholders and the Company shall issue the FT Warrant Note to the Purchaser as evidence of such loan;
 - (ii) each outstanding Company Flow-Through Warrant held by a Company Flow-Through Warrantholder shall be transferred to the Company for cancellation in exchange for:
 - (A) the FT Warrant Cash Consideration; and
 - (B) the right to receive from the Company one ExploreCo Common Share per Company Flow-Through Warrant transferred by the Company Flow-Through Warrantholder to

the Company, in accordance with Section 3.1(l), the certificates representing the Company Flow-Through Warrants shall thereafter be terminated and none of the Company, the Purchaser, ExploreCo or any of their respective affiliates or successors shall have any liability in respect thereof; and

- (iii) the Purchaser shall loan, on a non-interest bearing basis, to each Company Warrantholder, the aggregate exercise price for the Company Warrants owned by such Company Warrantholder (each such loan, a “**Warrant Loan**”); and
 - (iv) each Company Warrantholder shall, without any further action required by such Company Warrantholder, exercise all outstanding Company Warrants held by such Company Warrantholder and the Company shall issue to the Company Warrantholder the applicable number of Common Shares in connection with such Company Warrantholder’s Company Warrants. Upon issuance of Common Shares to the Company Warrantholder pursuant to the preceding sentence, the warrant indenture governing the Company Warrants shall be terminated and none of the Company, the Purchaser, ExploreCo or any of their respective affiliates or successors shall have any liability in respect thereof. Each Company Warrantholder irrevocably directs the Purchaser to pay to the Company the amount in respect of such Company Warrantholder’s Warrant Loan in satisfaction of such Company Warrantholder’s obligation to pay the aggregate exercise price on the exercise of the Company Warrants held by such Company Warrantholder;
- (d) subject to Section 5.1, the Common Shares held by Dissenting Shareholders in respect of which Dissent Rights have been validly exercised shall be deemed to have been transferred to the Parent (free and clear of any Liens) without any further act or formality in exchange for a debt claim against the Parent to be paid fair value in respect of such Common Shares as set out in Section 5.1, and:
- (i) such Dissenting Shareholders shall cease to be the holders of such Common Shares and to have any rights as holders of such Common Shares other than the right to be paid fair value for such Common Shares as set out in Section 5.1; and
 - (ii) such Dissenting Shareholders’ names shall be removed as the holders of such Common Shares from the registers of Common Shares maintained by or on behalf of Company and the Parent shall be entered in the central securities register of the Company as the holder thereof;

- (e) each issued and outstanding Common Share held by a Non-Resident shall be transferred to the Purchaser (free and clear of all Liens) in exchange for:
 - (i) the Cash Consideration; and
 - (ii) the right to receive from the Purchaser one ExploreCo Common Share per Common Share transferred by the Non-Resident to the Purchaser, in accordance with Section 3.1(k);
- (f) the capital of the Company shall be reorganized by amending the articles of the Company as follows:
 - (i) creating a new class of shares designated as "Class A Common Shares", in an unlimited number, having the rights, privileges, restrictions and conditions set out in Schedule 1 attached hereto; and
 - (ii) creating a new class of shares designated as "Class C Preferred Shares", in an unlimited number, having the rights, privileges, restrictions and conditions set out in Schedule 1 attached hereto;

and concurrently therewith each then issued and outstanding Common Share (including those Common Shares acquired by the Parent pursuant to Section 3.1(d) and the Purchaser pursuant to Section 3.1(e)) will be deemed to be exchanged (without any action on the part of the Shareholder) for one Company Class A Common Share and one Company Class C Preferred Share and the Common Shares so exchanged shall thereupon be cancelled. No other consideration will be received by any holder of the Common Shares. The Company will not file a joint election under subsection 85(1) or subsection 85(2) of the Tax Act, or any relevant provincial legislation, with any Shareholder in respect of this share exchange;

upon the exchange contemplated by this Section 3.1(f), the stated capital account maintained in respect of the Company Class C Preferred Shares shall be an amount equal to the lesser of:

- (iii) the aggregate paid-up capital (within the meaning of the Tax Act) of the Common Shares immediately before such exchange; and
- (iv) the aggregate Redemption Amount in respect of the Class C Preferred Shares,

and the stated capital account maintained in respect of the Company Class A Common Shares shall be an amount equal to the amount, if any, by which the aggregate paid-up capital (within the meaning of the Tax Act) of the Common Shares immediately before such exchange exceeds the amount allocated to the stated capital of the Company Class C Preferred Shares as determined in accordance with the foregoing;

upon the exchange contemplated by this Section 3.1(f), each holder of Common Shares so exchanged shall be deemed to cease to be the holder of the Common Shares so exchanged, shall cease to have any rights with respect to such Common Shares and shall be deemed to be the holder of the number of Company Class A Common Shares and Company Class C Preferred Shares issued to such holder. The name of each such registered holder shall be removed from the central securities register of the Company in respect of the Common Shares so exchanged and shall be added to the central securities register of the Company as the holder of the number of Company Class A Common Shares and Company Class C Preferred Shares so issued to such holder, and each such holder shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to exchange such shares as described in this Section 3.1(f). Upon completion of such exchange and cancellation of the Common Shares, the Company's articles shall be amended to delete the Common Shares as an authorized class of shares and the appropriate entries shall be made in the central securities register of the Company;

- (g) the articles of ExploreCo will be amended to create an unlimited number of ExploreCo Preferred Shares, and the ExploreCo Conveyance Agreement shall become effective and the Company will transfer the ExploreCo Assets to ExploreCo pursuant to the terms of the ExploreCo Conveyance Agreement in consideration for:
- (i) the issuance by ExploreCo to the Company of one ExploreCo Preferred Share having a redemption amount equal to the ExploreCo Redemption Amount;
 - (ii) the issuance by ExploreCo to the Company of that number of ExploreCo Common Shares equal to:
 - (A) the total number of Common Shares held by Parent immediately prior to the Effective Time together with any Common Shares acquired by Parent pursuant to Section 3.1(d), plus
 - (B) the total number of Company Flow-Through Warrants held by the Company Flow-Through Warranholders immediately prior to the Effective Time; minus
 - (C) the number of ExploreCo Common Shares outstanding immediately prior the Effective Time; and
 - (iii) the assumption by ExploreCo of the ExploreCo Assumed Liabilities;

in each case, all as is more specifically described in the ExploreCo Conveyance Agreement. In connection with such transfers, a joint election will be filed under subsection 85(1) of the Tax Act and under any relevant

provincial legislation in accordance with the ExploreCo Conveyance Agreement;

- (h) the ExploreCo Preferred Share shall be redeemed by ExploreCo in consideration of the payment of the ExploreCo Redemption Amount, which shall be satisfied by the issuance by ExploreCo to the Company of the ExploreCo Promissory Note;
- (i) each Company Class C Preferred Share (other than any Company Class C Preferred Shares held by the Parent at such time but including any Company Class C Preferred Shares acquired by the Purchaser pursuant to Section 3.1(f)) will be transferred to ExploreCo (free and clear of any Liens) in consideration for the issuance by ExploreCo of one ExploreCo Common Share for each Company Class C Preferred Share transferred to it. ExploreCo will not file a joint election under subsection 85(1) or subsection 85(2) of the Tax Act, or any relevant provincial legislation, with any holder of Company Class C Preferred Shares (other than the Purchaser) in respect of this share transfer. An amount equal to the aggregate stated capital of the Company Class C Preferred Shares transferred to ExploreCo pursuant to this Section 3.1(i) shall be added to the stated capital account of the ExploreCo Common Shares. In connection with such transfer, each holder of Company Class C Preferred Shares so transferred shall be deemed to cease to be the holder of the Company Class C Preferred Shares so transferred and shall be deemed to be the holder of the number of ExploreCo Common Shares issued to such holder in consideration for such transfer. The name of each such registered holder shall be removed from the central securities register of the Company in respect of the Company Class C Preferred Shares so transferred and shall be added to the central securities register of ExploreCo as the registered holder of the number of the ExploreCo Common Shares so issued to such holder, and ExploreCo shall be and shall be deemed to be the transferee of the Company Class C Preferred Shares so transferred and the name of ExploreCo shall be entered in the central securities register of the Company in respect of the Company Class C Preferred Shares so transferred to ExploreCo;
- (j) immediately after completion of the exchange contemplated by Section 3.1(i), the Company Class C Preferred Shares held by ExploreCo will be redeemed in consideration for the cancellation of the ExploreCo Promissory Note. The redeemed Company Class C Preferred Shares shall be cancelled and the appropriate entry made on the central securities register of the Company. All notices, consents, releases, assignments, waivers (including a waiver of notice of redemption), statutory or otherwise, required to redeem the Company Class C Preferred Shares as described above shall be deemed given by each of the Company and ExploreCo, as applicable;
- (k) the Purchaser shall transfer to each Non-Resident whose Common Shares were transferred to the Purchaser pursuant to Section 3.1(e) such number of

ExploreCo Common Shares as are transferrable to such Non-Resident pursuant to Section 3.1(e);

- (l) the Company shall transfer to each Company Flow-Through Warrantholder whose Company Flow-Through Warrants were transferred to the Company pursuant to Section 3.1(c)(ii) such number of ExploreCo Common Shares as are transferrable to such Company Flow-Through Warrantholder pursuant to Section 3.1(c)(ii)(B);
- (m) each issued and outstanding Company Class A Common Share (other than those held by either the Parent or the Purchaser) shall be transferred to the Purchaser (free and clear of any Liens) in exchange for the Cash Consideration;
 - (i) the holders of such Company Class A Common Shares immediately prior to such transfer shall cease to be the holders thereof and to have any rights as holders of such Company Class A Common Shares other than the right to be paid the Cash Consideration per Company Class A Common Share in accordance with this Plan of Arrangement;
 - (ii) the name of each such registered holders shall be removed from the central securities register of the Company with respect to such Company Class A Common Shares;
 - (iii) the Purchaser shall, and shall be deemed to be, the transferee of such shares (free and clear of any Liens) and shall be entered in the central securities register of the Company as the holder thereof; and
 - (iv) in the case of a Company Warrantholder, Purchaser shall be entitled to set-off from the Cash Consideration payable to such holder the amount of any Warrant Loans owned by such holder to Purchaser;
- (n) ExploreCo shall issue 0.1917 ExploreCo Arrangement Warrant to each holder of ExploreCo Common Shares per ExploreCo Common Share held by such holder; and
- (o) the Purchaser shall subscribe for 53,303,668 ExploreCo Common Shares (representing 12.5% of the outstanding ExploreCo Common Shares on a fully-diluted basis) in consideration for \$14,391,990 of cash.

Section 3.2 Letters of Transmittal

The Letters of Transmittal shall be prepared by the Purchaser and shall be in a form approved and sent by Company to each Shareholder of record together with the Company Circular.

Section 3.3 Deemed Fully Paid and Non-Assessable Shares

All Company Class A Common Shares, Company Class C Preferred Shares, ExploreCo Common Shares and ExploreCo Preferred Shares issued pursuant hereto shall be deemed to be validly issued and outstanding as fully paid and non-assessable shares for all purposes of the ABCA.

Section 3.4 Supplementary Actions

Notwithstanding that the transaction and events set out in Section 3.1 shall occur and shall be deemed to occur in the order therein set out without any act or formality, the Company, ExploreCo, the Parent, and the Purchaser shall be required to make, do and execute or cause and procure to be made, done and executed all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may be required to further document or evidence any of the transactions or events set out in Section 3.1, including without limitation, any resolutions of directors authorizing the issue, exchange, transfer, redemption or purchase for cancellation of shares, any share transfer powers evidencing the transfer of shares and any receipt therefor, any promissory notes and receipts therefor, and any necessary addition to or deletions from share registers or other registries.

Section 3.5 U.S. Securities Act Exemption

Notwithstanding any provision herein to the contrary, the Company, the Parent, the Purchaser and ExploreCo agree that this Plan of Arrangement will be carried out with the intention that all the Persons to whom the ExploreCo Common Shares and the ExploreCo Arrangement Warrants are issued on completion of this Plan of Arrangement will be issued by in reliance on the exemption from the registration requirements of the United States Securities Act of 1933, as provided by Section 3(a)(10) thereof and pursuant to exemptions from registration under any applicable state securities laws.

**ARTICLE 4
CERTIFICATES AND DOCUMENTATION****Section 4.1 Company Class A Common Share Certificates**

No new share certificates shall be issued with respect to the Company Class A Common Shares issued in connection with the Arrangement.

Section 4.2 Company Class C Preferred Share Certificates

Recognizing that all of the Company Class C Preferred Shares issued to the Company Shareholders will subsequently be transferred to ExploreCo in exchange for ExploreCo Common Shares and will thereafter be redeemed (other than in each case those issued to the Parent), no share certificates shall be issued with respect to the Company Class C Preferred Shares issued and outstanding in connection with the Arrangement to any Person other than the Parent.

Section 4.3 ExploreCo Common Share Certificates

As soon as practicable after the Effective Time, ExploreCo shall cause to be issued to the registered holders of ExploreCo Common Shares on the Effective Date following the completion of the steps contemplated by Section 3.1 hereof, share certificates representing the number of the ExploreCo Common Shares to which such holders are entitled following the Effective Date and shall cause such certificates to be delivered or mailed to such holder in accordance with the terms hereof.

Section 4.4 ExploreCo Arrangement Warrant Certificates

As soon as practicable after the Effective Time, ExploreCo shall cause to be issued to the registered holders of ExploreCo Arrangement Warrants on the Effective Date following the completion of the steps contemplated by Section 3.1 hereof, warrant certificates representing the number of the ExploreCo Arrangement Warrants to which such holders are entitled following the Effective Date and shall cause such certificates to be delivered or mailed to such holder in accordance with the terms hereof.

**ARTICLE 5
DISSENT RIGHTS****Section 5.1 Dissent Rights**

Registered holders of Common Shares may exercise Dissent Rights with respect to Common Shares in connection with the Arrangement pursuant to the procedure set forth in Section 191 of the ABCA as modified by the Interim Order or the Final Order.

Dissenting Shareholders who duly exercise their Dissent Rights shall be deemed to have transferred the Common Shares held by them and in respect of which Dissent Rights have been validly exercised to the Parent free and clear of all Liens, as provided in Section 3.1(d) of the Plan of Arrangement, and if they:

- (a) are ultimately entitled to be paid fair value for their Common Shares, shall be paid an amount equal to such fair value by the Parent determined as of the close of business on the day before the Arrangement Resolution was adopted and will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such Shareholders not exercised their Dissent Rights in respect of such Common Shares; or
- (b) are ultimately not entitled, for any reason, to be paid fair value for their Common Shares, shall be deemed to have participated in the Arrangement, as of the Effective Time, on the same basis as a non-dissenting holder of Common Shares and shall be entitled to receive only the consideration contemplated in Section 3.1 hereof that such Shareholder would have received pursuant to the Arrangement if such Shareholder had not exercised Dissent Rights,

but further provided that in no case shall the Company or the Parent (or any of their respective successors) or any other Person be required to recognize Shareholders who exercise Dissent

Rights as holders of Common Shares after the Effective Time, and the names of such Shareholders who exercise Dissent Rights shall be deleted from the central securities register as holders of Common Shares at the Effective Time.

In no circumstances shall the Company or the Parent (or any of their respective successors) or any other Person be required to recognize a Person exercising Dissent Rights unless such Person is the registered holder of those Common Shares in respect of which such Dissent Rights are sought to be exercise

In addition to any other restrictions under Section 191 of the ABCA, none of the following shall be entitled to exercise Dissent Rights: (i) Company Optionholders, (ii) Company Warrant holders, (iii) Company Flow-Through Warrant holders, (iv) holders of Company RSUs, and (v) holders of Common Shares who vote or have instructed a proxyholder to vote such Common Shares in favour of the Arrangement Resolution (but only in respect of such Common Shares).

ARTICLE 6 COMPANY CERTIFICATES

Section 6.1 Effect of Arrangement

After the Effective Time, certificates formerly representing Common Shares shall represent only the right to receive the ultimate consideration which the former holder of such Common Shares is entitled to receive pursuant to Article 3 of this Plan of Arrangement, subject to compliance with the requirements set forth in this Article 6.

Section 6.2 Right of Holder to Receive Cash

1. At or prior to the Effective Time, the Purchaser shall deposit with the Depositary, for the benefit of Company Shareholders, cash in an amount sufficient for the purchase of all Company Class A Common Shares (other than Company Class A Common Shares owned by the Purchaser or the Parent) and Common Shares acquired from Non-Resident holders pursuant to Section 3.1(e), in accordance with Article 3 (other than Dissenting Shares, if any).
2. Subject to Section 6.4, the Purchaser shall cause the Depositary, as soon as practicable following the later of the Effective Date and the date of deposit with the Depositary of a duly completed Letter of Transmittal and the certificates formerly representing the Common Shares or other documentation as provided in the Letter of Transmittal, to deliver to the Shareholder making such deposit the cash which such Shareholder has the right to receive under the Arrangement in respect of such deposited Common Shares less any amounts withheld under Section 6.2(5) hereof.
3. No Shareholder shall be entitled to receive any consideration with respect to the Company Class A Common Shares other than the Cash Consideration, which they are entitled to receive in accordance with Article 3 of this Plan of Arrangement and, for greater certainty, no Shareholder will be entitled to receive any interest, dividends, premium or other payment in connection therewith.

4. The cash payment to which such Shareholder is entitled shall, subject to Section 6.4, in each case be delivered or paid to the Depositary to be held in trust as of the Effective Time for such Shareholder for delivery to the Shareholder, without interest and net of all applicable withholding and other taxes, if any, upon delivery of the Letter of Transmittal and the certificates formerly representing the Common Shares.
5. The Purchaser, the Company, the Parent and the Depositary, as applicable, shall be entitled to deduct and withhold from any amounts otherwise payable or otherwise deliverable to any Company Securityholders under this Plan of Arrangement such amounts as the Purchaser, the Company, the Parent or the Depositary, as applicable, are required or reasonably believe to be required to deduct and withhold from such amounts under any provision of any Laws in respect of Taxes. Any such amounts will be deducted, withheld and remitted from the amounts payable pursuant to the Plan of Arrangement to the appropriate Governmental Entity and shall be treated for all purposes under this Agreement as having been paid to the Company Securityholders in respect of which such deduction, withholding and remittance was made. Moreover, the Purchaser, the Company and the Depositary, as applicable, are hereby authorized to sell or otherwise dispose of such other portion of the ExploreCo Common Shares and ExploreCo Arrangement Warrants as is necessary to provide sufficient funds to Purchaser, the Company or the Depositary, as the case may be, to enable it to comply with all deduction or withholding requirements applicable to it.

Section 6.3 Lost Certificates

In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Common Shares that were transferred or cancelled pursuant to Section 3.1 shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the Depositary will issue in exchange for such lost, stolen or destroyed certificate, the consideration deliverable in accordance with such Shareholder's Letter of Transmittal and this Plan of Arrangement. When authorizing such payment in exchange for any lost, stolen or destroyed certificate, the Person to whom such consideration is to be delivered shall as a condition precedent to the delivery of such consideration, give a bond satisfactory to the Purchaser and the Depositary (acting reasonably) in such sum as the Purchaser may direct, or otherwise indemnify the Purchaser and Company in a manner satisfactory to the Purchaser and Company, acting reasonably, against any claim that may be made against the Purchaser and Company with respect to the certificate alleged to have been lost, stolen or destroyed.

Section 6.4 Surrender of Rights

Any certificate formerly representing Common Shares not duly surrendered on or prior to the sixth anniversary of the Effective Date shall cease to represent a claim or interest of any kind or nature against, the Purchaser or the Company by a former Shareholder. On such date, subject to Law, all consideration to which the former Shareholder of such certificates was entitled shall be deemed to have been surrendered and be paid, along with any interest accrued on such consideration, by the Depositary to the Purchaser (or any successor). Any payment made by way of cheque by the Depositary or by the Company pursuant to this Plan of Arrangement that

has not been deposited or has been returned to the Depository or the Company or that otherwise remains unclaimed, in each case, on or before the sixth anniversary of the Effective Date and any right or claim to payment under this Plan of Arrangement that remains outstanding on the sixth anniversary of the Effective Date shall cease to represent a right or claim of any kind or nature and the right of any affected security holder to receive the consideration for any affected securities pursuant to this Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to the Purchaser (or the Company, as applicable) for no consideration.

ARTICLE 7 AMENDMENT

Section 7.1 Amendment of Plan of Arrangement

1. The Company, the Parent, and the Purchaser reserve the right to amend, modify and/or supplement this Plan of Arrangement at any time and from time to time, provided that, if required by Law, any amendment, modification or supplement must be contained in a written document which is filed with the Court and, if made following the Company Meeting, approved by the Court and communicated to Shareholders in the manner required by the Court (if so required).
2. Any amendment, modification or supplement to this Plan of Arrangement may be proposed by the Company and the Purchaser at any time prior to or at the Company Meeting with or without any other prior notice or communication and, if so proposed and accepted by the Persons voting at the Company Meeting, shall become part of this Plan of Arrangement for all purposes.
3. Any amendment, modification or supplement to this Plan of Arrangement which is approved or directed by the Court following the Company Meeting shall be effective only if it is consented to by the Company and the Purchaser (acting reasonably), and if required by the Court, it is consented to by Shareholders of some or all of the Common Shares.
4. Any amendment, modification or supplement to this Plan of Arrangement may be made following the granting of the Final Order without filing such amendment, modification or supplement with the Court or seeking Court approval; provided that: (i) it concerns a matter which, in the reasonable opinion of the Purchaser and the Company, is of an administrative nature required to give effect to the implementation of this Plan of Arrangement and is not adverse to the interest of any Company Shareholder or any Company Warrantholder or (ii) is an amendment contemplated in Section 7.1(5).
5. Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Date unilaterally by the Purchaser provided that, it concerns a matter which, in the reasonable opinion of the Purchaser, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement.

6. This Plan of Arrangement may be withdrawn prior to the Effective Time in accordance with the terms of the Arrangement Agreement.
7. Notwithstanding the foregoing provisions of this Section 7.1, no amendment, modification or supplement to this Plan of Arrangement may be made prior to the Effective Time except in accordance with the terms of the Arrangement Agreement.

SCHEDULE 1
TO PLAN OF ARRANGEMENT
CONDITIONS OF CLASS A COMMON SHARES AND CLASS C PREFERRED
SHARES IN THE CAPITAL OF LEUCROTTA EXPLORATION INC.

PART 1:

1.1 Voting.

The holders of the Class A Common Shares shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation and shall have one vote for each Class A Share held at all meetings of the shareholders of the Corporation, except meetings at which only holders of another specified class or series of shares of the Corporation are entitled to vote separately as a class or series.

1.2 Dividends.

Subject to the prior rights of the holders of the Class C Preferred Shares and any other shares ranking in priority to the holders of the Class A Common Shares with respect to priority in the payment of dividends, the holders of the Class A Common Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the directors of the Corporation out of the monies of the Corporation properly available for the payment of dividends, dividends in such amount and in such form as the directors of the Corporation may from time to time determine and all dividends which the directors of the Corporation may declare on the Class A Common Shares shall be declared and paid in equal amounts per share on all Class A Common Shares at the time outstanding. No dividends shall be declared or paid on the Class A Common Shares if such payment will impair the ability of the Corporation to redeem any of the Class C Preferred Shares then outstanding.

1.3 Dissolution, Liquidation or Winding-up.

In the event of the dissolution, liquidation or winding-up of the Corporation or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs or upon a reduction in capital, the holders of the Class A Common Shares shall, subject to the prior rights of the holders of the Class C Preferred Shares and any other shares ranking in priority to the Class A Common Shares in respect of priority in the distribution of assets upon the dissolution, liquidation or winding-up of the Corporation or any other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs or upon a reduction in capital, be entitled to receive, rateably with holders of shares of any other class of shares of the Corporation ranking equally with the Class A Common Shares, the remaining assets and property of the Corporation.

PART 2:**SPECIAL RIGHTS AND RESTRICTIONS ATTACHED TO THE CLASS C
PREFERRED SHARES****1.1 Redemption Amount.**

“Redemption Amount” means with respect to the Class C Preferred Shares, the amount determined by the directors at the time of issuance of such Class C Preferred Shares.

1.2 Voting.

Except as otherwise required by law, the holders of the Class C Preferred Shares shall not be entitled to receive notice of, to attend at, or to vote at meetings of shareholders of the Corporation.

1.3 Dividends.

The holders of the Class C Preferred Shares shall be entitled to receive in preference and priority to the holders of the Class A Common Shares, and the Corporation shall pay thereon, as and when declared by the directors of the Corporation out of the monies of the Corporation properly available for the payment of dividends, dividends in such amount and in such form as the directors of the Corporation may from time to time determine and all dividends which the directors of the Corporation may declare on the Class C Preferred Shares shall be declared and paid in equal amounts per share on all Class C Preferred Shares at the time outstanding. No dividends shall be declared or paid on the Class C Preferred Shares if such payment will impair the ability of the Corporation to redeem any of the Class C Preferred Shares then outstanding.

1.4 Dissolution, Liquidation or Winding-up.

In the event of the dissolution, liquidation or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs or upon a reduction of capital, the holders of the Class C Preferred Shares shall be entitled to receive the Redemption Amount, plus any declared and unpaid dividends, per Class C Preferred Share before any assets of the Corporation shall be distributed to the holders of the Class A Common Shares, Common Shares, Non-Voting Common Shares, Class A Preferred Shares and Class B Preferred Shares. After payment of the amount so payable to them, the holders of the Class C Preferred Shares shall not be entitled to share in any further distribution of the assets of the Corporation.

1.5 Redeemable by the Corporation.

- (a) The Corporation may redeem at any time the whole or from time to time part of any Class C Preferred Shares then outstanding on payment of the Redemption Amount, plus any declared and unpaid dividends, for each such share to be redeemed.

- (b) If only part of the Class C Preferred Shares is at any time to be redeemed, the shares to be redeemed shall be selected by the directors in their absolute discretion and need not be redeemed pro rata.
- (c) If a part only of the shares represented by any certificate are redeemed, a new certificate for the balance shall be issued at the expense of the Corporation.
- (d) Payment of the Redemption Amount, plus any declared and unpaid dividends, (less any amount required to be withheld by the Corporation) for the Class C Preferred Shares to be redeemed shall be made by such method as determined by the directors of the Corporation, including by set-off with any amounts owing by the holder to the Corporation or by cheque payable to the holder thereof at par at any branch of the Corporation's bankers in Canada. Such set-off or cheque shall discharge all liability of the Corporation for the Redemption Amount, plus any declared and unpaid dividends, to the extent of the amount represented thereby, unless such cheque is not paid on due presentation.
- (e) The Corporation shall have the right, at any time on or after the call for redemption of the Class C Preferred Shares to be redeemed, to deposit the Redemption Amount, plus any declared and unpaid dividends, of such Class C Preferred Shares called for redemption, or of such of the Class C Preferred Shares which are represented by certificate(s) which have not at the date of such deposit been surrendered by the holders in connection with such redemption to a special account maintained by the Corporation with any chartered bank or any trust company in Calgary, Alberta designated by the Corporation (the "Redemption Trustee") to be paid without interest to or to the order of the respective holders of such Class C Preferred Shares called for redemption upon presentation and surrender to the Redemption Trustee of the certificate(s) representing such shares. Upon such deposit being made the Class C Preferred Shares in respect of which such deposit shall have been made shall be deemed to be redeemed and shall be cancelled. The rights of the holders thereof after such deposit shall be limited to receiving without interest their proportionate part of the total amount so deposited against presentation and surrender to the Redemption Trustee of the certificate(s) representing the Class C Preferred Shares to be redeemed. Any interest allowed on any such deposit shall belong to the Corporation.
- (f) Notwithstanding anything contained in this Part, the Corporation shall be under no obligation to redeem any Class C Preferred Shares to the extent that such redemption would, in the reasonable opinion of the directors, be in violation of the laws of the Province of Alberta or any other applicable law.
- (g) Any redemption monies that are represented by a cheque which has not been presented to the Corporation's bankers for payment or that otherwise remains unclaimed (including monies held on deposit to a special account) for a period of one year from the date of redemption shall be forfeited to the Corporation.

1.6 Retractable by the Holder.

- (a) Any holder of Class C Preferred Shares may, at the holder's option, at any time, upon giving notice as provided in 1.7(b), require the Corporation to redeem at any time the whole or from time to time any part of the Class C Preferred Shares held by the holder by payment of the Redemption Amount, plus any declared and unpaid dividends, for each share to be redeemed.
- (b) If a holder of Class C Preferred Shares desires the Corporation to redeem any of the holder's Class C Preferred Shares, the holder shall, at least one day before the date specified for redemption (the "Retraction Date"), give to the Corporation, at its Registered Office written notice thereof (the "Retraction Notice").
- (c) The Retraction Notice shall set out the Retraction Date and if only part of a class of Class C Preferred Shares held by such shareholder is to be redeemed, the number thereof so to be redeemed.
- (d) On the Retraction Date, the Corporation shall pay or cause to be paid, to the order of the registered holder of the Class C Preferred Shares to be redeemed, the Redemption Amount, plus any declared and unpaid dividends, for each such share, on presentation and surrender at the Registered Office of the Corporation of the certificate(s) for such shareholder's Class C Preferred Shares to be redeemed.
- (e) Payment of the Redemption Amount, plus any declared and unpaid dividends, (less any amount required to be withheld by the Corporation) for the Class C Preferred Shares to be redeemed shall be made by cheque payable to the holder thereof at par at any branch of the Corporation's bankers in Canada. Such cheque shall discharge all liability of the Corporation for the Redemption Amount, plus any declared and unpaid dividends, to the extent of the amount represented thereby, unless such cheque is not paid on due presentation. Such Class C Preferred Shares shall thereupon be deemed to be redeemed and shall be cancelled.
- (f) If a part only of the shares represented by any certificate are redeemed, a new certificate for the balance shall be issued at the expense of the Corporation.
- (g) If a holder of Class C Preferred Shares gives a Retraction Notice but fails to present the certificate(s) for such holder's Class C Preferred Shares to be redeemed on the Retraction Date, the Retraction Notice given by such holder shall be null and void and the Corporation shall have no obligation to make the redemption called for in the Retraction Notice. Notwithstanding the foregoing, the Corporation shall have the right to proceed with such redemption notwithstanding such failure. If the Corporation elects to proceed, the Corporation shall deposit the Redemption Amount, plus any declared and unpaid dividends, for the Class C Preferred Shares to be redeemed in a special account maintained by the Corporation with any chartered bank or trust company in Calgary, Alberta (the "Retraction Trustee"), to be paid without interest to or to the order of the holder of such Class C Preferred Shares upon presentation and surrender to the Retraction Trustee of the

certificate(s) representing such shares. Upon such deposit being made, the Class C Preferred Shares in respect of which such deposit shall have been made shall thereupon be deemed to be redeemed and shall be cancelled. The rights of the holder thereof after such deposit shall be limited to receiving without interest the amount so deposited upon presentation and surrender to the Retraction Trustee of the certificate(s) representing the Class C Preferred Shares to be redeemed. Any interest allowed on any such deposit shall belong to the Corporation.

- (h) Notwithstanding anything contained in this Part, the Corporation shall be under no obligation to redeem any Class C Preferred Shares to the extent that such redemption would, in the reasonable opinion of the directors, be in violation of the laws of the Province of Alberta or any other applicable law.
- (i) Any redemption monies that are represented by a cheque which has not been presented to the Corporation's bankers for payment or that otherwise remains unclaimed (including monies held on deposit to a special account) for a period of one year from the Retraction Date shall be forfeited to the Corporation.

1.7 Specified Amount

- (a) The "specified amount" for purposes of subsection 191(4) of the *Income Tax Act* (Canada) in respect of each Class C Preferred Share shall be the amount specified by a director or an officer of the Corporation in a certificate that is made effective concurrently with the issuance of the Class C Preferred Shares (expressed as a dollar amount).

**SCHEDULE 2
TO PLAN OF ARRANGEMENT
CONDITIONS OF PREFERRED SHARES IN THE CAPITAL OF 2418573 ALBERTA
LTD.**

The rights, privileges, restrictions and conditions attaching to the Class C Preferred Shares are as follows:

1.1 Redemption Amount.

Redemption Amount means with respect to a Class C Preferred Shares, the amount determined by the directors at the time of issuance of such Class C Preferred Shares.

1.2 Voting.

Except as otherwise required by law, the holders of the Class C Preferred Shares shall not be entitled to receive notice of, to attend at, or to vote at meetings of shareholders of the Corporation.

1.3 Dividends.

The holders of the Class C Preferred Shares shall be entitled to receive and the Corporation shall pay thereon, as and when declared by the directors of the Corporation out of the monies of the Corporation properly available for the payment of dividends, dividends in such amount and in such form as the directors of the Corporation may from time to time determine and all dividends which the directors of the Corporation may declare on the Class C Preferred Shares shall be declared and paid in equal amounts per share on all Class C Preferred Shares at the time outstanding. No dividends shall be declared or paid on the Class C Preferred Shares if such payment will impair the ability of the Corporation to redeem any of the Class C Preferred Shares then outstanding.

1.4 Dissolution, Liquidation or Winding-up.

In the event of the dissolution, liquidation or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding-up its affairs or upon a reduction of capital, the holders of the Class C Preferred Shares shall be entitled to receive the Redemption Amount, plus any declared and unpaid dividends, per Class C Preferred Shares before any assets of the Corporation shall be distributed to the holders of the Common Shares, Non-Voting Common Shares, Class A Preferred Shares and Class B Preferred Shares. After payment of the amount so payable to them, the holders of the Class C Preferred Shares shall not be entitled to share in any further distribution of the assets of the Corporation.

1.5 Redeemable by the Corporation.

- (a) The Corporation may redeem at any time the whole or from time to time part of any Class C Preferred Shares then outstanding on payment of the Redemption Amount, plus any declared and unpaid dividends, for each such share to be redeemed.

- (b) If only part of the Class C Preferred Shares is at any time to be redeemed, the shares to be redeemed shall be selected by the directors in their absolute discretion and need not be redeemed pro rata.
- (c) If a part only of the shares represented by any certificate are redeemed, a new certificate for the balance shall be issued at the expense of the Corporation.
- (d) Payment of the Redemption Amount, plus any declared and unpaid dividends, (less any amount required to be withheld by the Corporation) for the Class C Preferred Shares to be redeemed shall be made by such method as determined by the directors of the Corporation, including by issuance of a promissory note by the Corporation or by cheque payable to the holder thereof at par at any branch of the Corporation's bankers in Canada. Such promissory note or cheque shall discharge all liability of the Corporation for the Redemption Amount, plus any declared and unpaid dividends, to the extent of the amount represented thereby, unless such cheque is not paid on due presentation.
- (e) The Corporation shall have the right, at any time on or after the call for redemption of the Class C Preferred Shares to be redeemed,, to deposit the Redemption Amount, plus any declared and unpaid dividends, of the Class C Preferred Shares called for redemption, or of such of the Class C Preferred Shares which are represented by certificate(s) which have not at the date of such deposit been surrendered by the holders in connection with such redemption to a special account maintained by the Corporation with any chartered bank or any trust company in Calgary, Alberta designated by the Corporation (the "Redemption Trustee") to be paid without interest to or to the order of the respective holders of such Class C Preferred Shares called for redemption upon presentation and surrender to the Redemption Trustee of the certificate(s) representing such shares. Upon such deposit being made the Class C Preferred Shares in respect of which such deposit shall have been made shall be deemed to be redeemed and shall be cancelled. The rights of the holders thereof after such deposit shall be limited to receiving without interest their proportionate part of the total amount so deposited against presentation and surrender to the Redemption Trustee of the certificate(s) representing the Class C Preferred Shares to be redeemed. Any interest allowed on any such deposit shall belong to the Corporation.
- (f) Notwithstanding anything contained in this Part, the Corporation shall be under no obligation to redeem any Class C Preferred Shares to the extent that such redemption would, in the reasonable opinion of the directors, be in violation of the *Business Corporations Act* (Alberta) or any other applicable law.
- (g) Any redemption monies that are represented by a cheque which has not been presented to the Corporation's bankers for payment or that otherwise remains unclaimed (including monies held on deposit to a special account) for a period of one year from the Redemption Date shall be forfeited to the Corporation.

1.6 Retractable by the Holder.

- (a) Any holder of Class C Preferred Shares may, at the holder's option, at any time, upon giving notice as provided in 1.6(b), require the Corporation to redeem at any time the whole or from time to time any part of the Class C Preferred Shares held by the holder by payment of the Redemption Amount, plus any declared and unpaid dividends, for each share to be redeemed.
- (b) If a holder of Class C Preferred Shares desires the Corporation to redeem any of the holder's Class C Preferred Shares, the holder shall, at least 60 days before the date specified for redemption (the "Retraction Date"), give to the Corporation, at its Registered Office written notice thereof (the "Retraction Notice").
- (c) The Retraction Notice shall set out the Retraction Date and if only part of a class of Class C Preferred Shares held by such shareholder is to be redeemed, the number thereof so to be redeemed.
- (d) On the Retraction Date, the Corporation shall pay or cause to be paid, to the order of the registered holder of the Class C Preferred Shares to be redeemed, the Redemption Amount, plus any declared and unpaid dividends, for each such share, on presentation and surrender at the Registered Office of the Corporation of the certificate(s) for such shareholder's Class C Preferred Shares to be redeemed.
- (e) Payment of the Redemption Amount, plus any declared and unpaid dividends, (less any amount required to be withheld by the Corporation) for the Class C Preferred Shares to be redeemed shall be made by cheque payable to the holder thereof at par at any branch of the Corporation's bankers in Canada. Such cheque shall discharge all liability of the Corporation for the Redemption Amount, plus any declared and unpaid dividends, to the extent of the amount represented thereby, unless such cheque is not paid on due presentation. Such Class C Preferred Shares shall thereupon be deemed to be redeemed and shall be cancelled.
- (f) If a part only of the shares represented by any certificate are redeemed, a new certificate for the balance shall be issued at the expense of the Corporation.
- (g) If a holder of Class C Preferred Shares gives a Retraction Notice but fails to present the certificate(s) for such holder's Class C Preferred Shares to be redeemed on the Retraction Date, the Retraction Notice given by such holder shall be null and void and the Corporation shall have no obligation to make the redemption called for in the Retraction Notice. Notwithstanding the foregoing, the Corporation shall have the right to proceed with such redemption notwithstanding such failure. If the Corporation elects to proceed, the Corporation shall deposit the Redemption Amount, plus any declared and unpaid dividends, for the Class C Preferred Shares to be redeemed in a special account maintained by the Corporation with any chartered bank or trust company in Calgary, Alberta (the "Retraction Trustee"), to be paid without interest to or to the order of the holder of such Class C Preferred Shares upon presentation and surrender to the Retraction Trustee of the

certificate(s) representing such shares. Upon such deposit being made, the Class C Preferred Shares in respect of which such deposit shall have been made shall thereupon be deemed to be redeemed and shall be cancelled. The rights of the holder thereof after such deposit shall be limited to receiving without interest the amount so deposited upon presentation and surrender to the Retraction Trustee of the certificate(s) representing the Class C Preferred Shares to be redeemed. Any interest allowed on any such deposit shall belong to the Corporation.

- (h) Notwithstanding anything contained in this Part, the Corporation shall be under no obligation to redeem any Class C Preferred Shares to the extent that such redemption would, in the reasonable opinion of the directors, be in violation of the *Business Corporations Act* (Alberta) or any other applicable law.
- (i) Any redemption monies that are represented by a cheque which has not been presented to the Corporation's bankers for payment or that otherwise remains unclaimed (including monies held on deposit to a special account) for a period of one year from the Retraction Date shall be forfeited to the Corporation.

1.7 Specified Amount.

The "specified amount" for purposes of subsection 191(4) of the *Income Tax Act* (Canada) in respect of each Class C Preferred Shares shall be the amount specified by a director or an officer of the Corporation in a certificate that is made effective concurrently with the issuance of the Class C Preferred Shares (expressed in a dollar amount).

AMENDING AGREEMENT

THIS AMENDING AGREEMENT is made as of April 25, 2022.

AMONG:

VERMILION ENERGY INC., a corporation subsisting under the laws of the Province of Alberta (the “**Parent**”)

- and -

LEUCROTTA EXPLORATION INC., a corporation subsisting under the laws of the Province of Alberta (the “**Company**”)

- and -

COELACANTH ENERGY INC., a corporation subsisting under the laws of the Province of Alberta (the “**ExploreCo**”)

WHEREAS the Parent, the Company and ExploreCo entered into an arrangement agreement (the “**Arrangement Agreement**”) dated March 28, 2022 which contemplates that the Parent, through the Purchaser, will acquire all of the issued and outstanding common shares of the Company by way of an arrangement under section 193 of the *Business Corporations Act* (Alberta);

AND WHEREAS the Plan of Arrangement is set forth as Schedule “A” to the Arrangement Agreement;

AND WHEREAS Section 8.1 of the Arrangement Agreement and Section 7.1 of the Plan of Arrangement allow the Parties, *inter alios*, to amend the Plan of Arrangement, at any time and from time to time, in accordance with the terms and conditions set forth therein;

AND WHEREAS the Parties wish to amend the Plan of Arrangement.

NOW THEREFORE THIS AGREEMENT WITNESSETH THAT in consideration of the foregoing and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. All capitalized terms used but not otherwise defined in this Amending Agreement shall have the respective meanings ascribed to them in the Arrangement Agreement.
2. The Plan of Arrangement is hereby amended as follows:
 - (a) By deleting Section 3.1(o) in its entirety and replacing it with the following:
 - (i) The Parent shall subscribe for 53,303,668 ExploreCo Common Shares (representing 12.5% of the outstanding ExploreCo Common Shares on a fully-diluted basis) in consideration for \$14,391,990 of cash.

3. Except for the foregoing amendment, the Parties acknowledge and confirm that the Arrangement Agreement shall remain in full force and effect, unamended and without novation, and, upon the execution of this Amending Agreement, the Arrangement Agreement and this Amending Agreement shall be deemed to constitute the entire Arrangement Agreement.
4. The Parties hereby agree to take all steps and actions and execute and deliver all agreements, instruments and other document as may be necessary and advisable to give effect to the foregoing.
5. This Amending Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns. This Amending Agreement shall be governed by the laws of the Province of Alberta and the federal laws of Canada applicable therein.
6. This Amending Agreement may be executed in one or more counterparts each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Transmission by e-mail or facsimile of an executed counterpart of this Amending Agreement shall be deemed to constitute due and sufficient delivery of such counterpart, provided that the party so delivering such counterpart shall, promptly after such delivery, deliver the original of such counterpart of the Amending Agreement to the other parties hereto.

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

VERMILION ENERGY INC.

By: "Jenson Tan"
Name: Jenson Tan
Title: VP Business Development

LEUCROTTA EXPLORATION INC.

By: _____
Name:
Title:

COELACANTH ENERGY INC.

By: _____
Name:
Title:

Acknowledged and agreed to as of the date first written above in accordance with section 7.1(1) of the Plan of Arrangement:

2425566 ALBERTA LTD.

By: "Jenson Tan"
Name: Jenson Tan
Title: Director

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

VERMILION ENERGY INC.

By: _____
Name:
Title:

LEUCROTTA EXPLORATION INC.

By: "Nolan Chicoine"
Name:
Title: **Nolan Chicoine**
Vice President, Finance and CFO
Leucrotta Exploration Inc.

COELACANTH ENERGY INC.

By: "Nolan Chicoine"
Name: *Nolan Chicoine*
Title: *VP Finance & CFO*

Acknowledged and agreed to as of the date first written above in accordance with section 7.1(1) of the Plan of Arrangement:

2425566 ALBERTA LTD.

By: _____
Name:
Title:

AMENDING AGREEMENT

THIS AMENDING AGREEMENT is made as of May 19, 2022.

AMONG:

VERMILION ENERGY INC., a corporation subsisting under the laws of the Province of Alberta (the "**Parent**")

- and -

LEUCROTTA EXPLORATION INC., a corporation subsisting under the laws of the Province of Alberta (the "**Company**")

- and -

COELACANTH ENERGY INC., a corporation subsisting under the laws of the Province of Alberta (the "**ExploreCo**")

WHEREAS the Parent, the Company and ExploreCo entered into an arrangement agreement dated March 28, 2022, as amended on April 25, 2022 (the "**Arrangement Agreement**"), which contemplates that the Parent, through the Purchaser, will acquire all of the issued and outstanding common shares of the Company by way of an arrangement under section 193 of the *Business Corporations Act* (Alberta);

AND WHEREAS the Plan of Arrangement is set forth as Schedule "A" to the Arrangement Agreement;

AND WHEREAS Section 8.1 of the Arrangement Agreement and Section 7.1 of the Plan of Arrangement allow the Parties, *inter alios*, to amend the Plan of Arrangement, at any time and from time to time, in accordance with the terms and conditions set forth therein;

AND WHEREAS the Parties wish to amend the Plan of Arrangement.

NOW THEREFORE THIS AGREEMENT WITNESSETH THAT in consideration of the foregoing and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. All capitalized terms used but not otherwise defined in this Amending Agreement shall have the respective meanings ascribed to them in the Arrangement Agreement.
2. The Plan of Arrangement is hereby amended as follows:
 - (a) By deleting the definition of "Redemption Amount" in Section 1.1 in its entirety and replacing it with the following:

"Redemption Amount" means with respect to the Company Class C Preferred Shares, the amount determined by the Board at the time of issuance of such

Company Class C Preferred Shares, being an amount per share equal to (A) the amount by which the fair market value of the ExploreCo Assets exceeds the fair market value of the ExploreCo Common Shares issued pursuant to Section 3.1(g)(ii) and the ExploreCo Assumed Liabilities at the time such Company Class C Preferred Shares are issued, divided by (B) the number of such Company Class C Preferred Shares so issued (other than the Company Class C Preferred Shares held by the Parent);

3. Except for the foregoing amendment, the Parties acknowledge and confirm that the Arrangement Agreement shall remain in full force and effect, unamended and without novation, and, upon the execution of this Amending Agreement, the Arrangement Agreement and this Amending Agreement shall be deemed to constitute the entire Arrangement Agreement.
4. The Parties hereby agree to take all steps and actions and execute and deliver all agreements, instruments and other document as may be necessary and advisable to give effect to the foregoing.
5. This Amending Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns. This Amending Agreement shall be governed by the laws of the Province of Alberta and the federal laws of Canada applicable therein.
6. This Amending Agreement may be executed in one or more counterparts each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Transmission by e-mail or facsimile of an executed counterpart of this Amending Agreement shall be deemed to constitute due and sufficient delivery of such counterpart, provided that the party so delivering such counterpart shall, promptly after such delivery, deliver the original of such counterpart of the Amending Agreement to the other parties hereto.

[The remainder of this page has been intentionally left blank]

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

VERMILION ENERGY INC.

By: "Jenson Tan"
Name: Jenson Tan
Title: VP Business Development

LEUCROTTA EXPLORATION INC.

By: "Nolan Chicoine"
Name: Nolan Chicoine
Title: VP Finance + CFO

COELACANTH ENERGY INC.

By: "Robert Zakresky"
Name: Rob Zakresky
Title: President & CEO

Acknowledged and agreed to as of the date first written above in accordance with section 7.1(1) of the Plan of Arrangement:

2425566 ALBERTA LTD.

By: "Jenson Tan"
Name: Jenson Tan
Title: Director

SD 8204

SCHEDULE "C"
ARTICLES OF AMENDMENT
OF
COELACANTH ENERGY INC.

BUSINESS CORPORATIONS ACT

FORM 4

ALBERTA REGISTRIES

ARTICLES OF AMENDMENT

1. Name of Corporation	2. Corporate Access No.
COELACANTH ENERGY INC.	2024185734

3. THE ARTICLES OF THE ABOVE NAMED CORPORATION ARE AMENDED AS FOLLOWS:

- (a) pursuant to Section 193(1)(a) of the *Business Corporations Act* (Alberta), by increasing the authorized capital of the Corporation by creating a new class of preferred shares, designated as "Class C Preferred Shares", in an unlimited number, and such shares shall have the rights, privileges, restrictions and conditions set forth in Schedule 2 to the Plan of Arrangement; and
- (b) confirming that, after giving effect to the foregoing, the authorized capital of the Corporation shall consist of an unlimited number of Voting Common Shares, an unlimited number of Non-Voting Common Shares, Class A Preferred Shares, issuable in series, Class B Preferred Shares, issuable in series, an unlimited number of Class A Common Shares and an unlimited number of Class C Preferred Shares.

DATE	SIGNATURE	TITLE
May 31, 2022	<i>"Robert Zakresky"</i> <hr style="width: 80%; margin: 0 auto;"/> Robert Zakresky	President
FOR DEPARTMENTAL USE		FILED