

SAMOTH OILFIELD INC.

ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON MONDAY, JUNE 10, 2019

NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR

THIS NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF SAMOTH OILFIELD INC. OF PROXIES TO BE VOTED AT THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON MONDAY, JUNE 10, 2019.

TO BE HELD AT:

**10:30 A.M.
#2, 64 RIEL DRIVE
ST. ALBERT, ALBERTA, T8N 4A4**

Dated: May 13, 2019

SAMOTH OILFIELD INC.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT AN ANNUAL AND SPECIAL MEETING (the "**Meeting**") of holders ("**Shareholders**") of common shares ("**Common Shares**") of Samoth Oilfield Inc. (the "**Corporation**" or "**Samoth**") will be held at #2, 64 Riel Drive, St. Albert, Alberta, on Monday, June 10, 2019, at 10:30 a.m. for the following purposes:

- (a) to receive and consider the financial statements of the Corporation for the financial years ended October 31, 2017 and 2018 and auditor's report thereon and the unaudited financial statements of the Corporation for the interim period ended January 31, 2019;
- (b) to fix the number of directors of the Corporation at three (3) directors;
- (c) to elect Leonard D. Jaroszuk, Desmond O'Kell and Mathew Potter as directors of the Corporation for the ensuing year, as more particularly set forth in the accompanying management information circular prepared for the purpose of the Meeting (the "**Management Information Circular**");
- (d) to appoint Grant Thornton LLP, Chartered Professional Accountants, as the auditors of the Corporation for the ensuing year and to authorize the Board of Directors of the Corporation (the "**Board**") to fix the auditors' remuneration, as more particularly set forth in the accompanying Management Information Circular;
- (e) to consider an ordinary resolution relating to the re-approval of the stock option plan of the Corporation, as more particularly set forth in the accompanying Management Information Circular;
- (f) to consider a special resolution authorizing and approving the sale of all of the Corporation's interest in certain assets, as more particularly set forth in the accompanying Management Information Circular;
- (g) to consider a special resolution authorizing and approving the consolidation of the issued and outstanding Common Shares on the basis of one (1) post-consolidation Common Share for up to every three (3) pre-consolidation Common Shares, with the final ratio to be determined by the Board, in its sole discretion, within twelve (12) months from the date of such approval, as more particularly set forth in the accompanying Management Information Circular;
- (h) to consider a special resolution authorizing and approving the change of the name of the Corporation to such name as may be determined by the Board, in its sole discretion, within twelve (12) months from the date of such approval, as more particularly set forth in the accompanying Management Information Circular; and
- (i) to transact such other business as may be properly brought before the meeting or any adjournment thereof.

DATED this 13th day of May, 2019.

The Board of Directors of Samoth has fixed the record date for the Meeting at the close of business on Monday, May 6, 2019 (the "**Record Date**"). Only Shareholders of record as at that date are entitled to receive notice of the Meeting. Shareholders of record will be entitled to vote those Common Shares owned as at the Record Date, unless any such Shareholder transfers such Shareholders' Common Shares after the Record Date and the transferee of those Common Shares establishes that the transferee owns the

Common Shares and demands, not later than ten (10) days before the Meeting, that the transferee's name be included in the list of Shareholders entitled to vote at the Meeting, in which case such transferee shall be entitled to vote such Common Shares at the Meeting.

**BY ORDER OF THE BOARD OF DIRECTORS
OF SAMOTH OILFIELD INC.**

(signed) "*Leonard D. Jaroszuk*"

Leonard D. Jaroszuk
Chief Executive Officer

NOTE:

It is desirable that as many Common Shares as possible be represented at the Meeting. If you do not expect to attend the Meeting and would like your Common Shares represented, please complete the enclosed instrument of proxy and return it as soon as possible in the envelope provided for that purpose to AST Trust Company (Canada), at P.O. Box 721, Agincourt, ON M1S 0A1. Shareholders may also transmit their voting instructions by phone (1-888-489-5760) or by using the internet site at www.astvotemyproxy.com. Shareholders using the internet to appoint a proxy or vote should have the accompanying form of proxy in hand when they access the website as they will be prompted to enter their Control Number, which is located on the form of proxy. Whether delivering the enclosed form of proxy to the aforementioned address or voting by internet, all proxies must be received at least forty-eight (48) hours, excluding Saturdays, Sundays and holidays in the City of Edmonton, before the Meeting or any adjournment thereof. Please note that if a registered shareholder appoints a proxy holder and submits its voting instructions via the internet and subsequently wishes to change its appointment or instructions, such shareholder may do so via the internet prior to the deadline noted above. When resubmitting a proxy or voting instructions, the most recently submitted proxy or instructions, as the case may be, will be recognized as the only valid one(s), and all previous submissions will be disregarded and considered as revoked, provided that the last submission is made by the deadline noted above. Late proxies may be accepted or rejected by the Chairman of the Meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

SOLICITATION OF PROXIES

THIS MANAGEMENT INFORMATION CIRCULAR (“MANAGEMENT INFORMATION CIRCULAR”) IS PROVIDED IN CONNECTION WITH THE SOLICITATION BY MANAGEMENT AND THE BOARD OF DIRECTORS (THE “BOARD” or “BOARD OF DIRECTORS”) OF SAMOTH OILFIELD INC. (THE “CORPORATION” OR “SAMOTH”) OF proxies from the holders (the “Shareholders”) of common shares (the “Common Shares”) for the annual and special meeting of the shareholders of the Corporation (the “Meeting”) to be held on Monday, June 10, 2019 at 10:30 a.m. at #2, 64 Riel Drive, St. Albert, Alberta, or at any adjournment thereof for the purposes set out in the accompanying notice of meeting (the “Notice of Meeting”).

Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, electronically or through other proxy solicitation services. In accordance with National Instrument 54-101 *Communications With Owners of Securities*, arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the Common Shares held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The costs thereof will be borne by the Corporation.

RECORD DATE

The record date for determination of Shareholders entitled to receive notice of, and to vote at, the Meeting is May 6, 2019 (the “Record Date”). Only holders of Common Shares of record at the close of business on the Record Date are entitled to vote such Common Shares at the Meeting on the basis of one vote for each Common Share held except to the extent that: (a) the holder has transferred the ownership of any of his or her Common Shares after the Record Date, and (b) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he or she owns the Common Shares, and demands not later than ten (10) days before the day of the Meeting that his or her name be included in the list of persons entitled to vote at the Meeting, in which case the transferee will be entitled to vote his or her Common Shares at the Meeting.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named (the “Management Designees”) in the enclosed instrument of proxy (“Instrument of Proxy”) have been selected by the directors of the Corporation and have indicated their willingness to represent as proxy the shareholder(s) who appoint them.

A SHAREHOLDER HAS THE RIGHT TO DESIGNATE A PERSON (WHOM NEED NOT BE A SHAREHOLDER) OTHER THAN THE MANAGEMENT DESIGNEES TO REPRESENT HIM OR HER AT THE MEETING. SUCH RIGHT MAY BE EXERCISED BY INSERTING IN THE SPACE PROVIDED FOR THAT PURPOSE ON THE INSTRUMENT OF PROXY THE NAME OF THE PERSON TO BE DESIGNATED, AND BY DELETING THEREFROM, THE NAMES OF THE MANAGEMENT DESIGNEES, OR BY COMPLETING ANOTHER PROPER FORM OF PROXY AND DELIVERING THE SAME TO THE TRANSFER AGENT OF THE CORPORATION. Such shareholder should notify the nominee of the appointment, obtain the nominee's consent to act as proxy and should provide instructions on how the shareholder's shares are to be voted. The nominee should bring personal identification with him or her to the Meeting. In any case, the form of proxy should be dated and executed by the Shareholder or an attorney authorized in writing, with proof of such authorization attached (where an attorney executed the proxy form).

A proxy will not be valid for the Meeting or any adjournment thereof unless it is completed and delivered to the Corporation's transfer agent, AST Trust Company (Canada), P.O. Box 721, Agincourt, ON M1S 0A1. Shareholders may also use the internet website at www.astvotemyproxy.com or phone (1-888-489-5760) to transmit their voting instructions. Shareholders should have the Instrument of Proxy in hand when they access the website and will be prompted to enter their Control Number, which is located on the Instrument

of Proxy. Whether delivering the enclosed Instrument of Proxy to the aforementioned address or voting by internet or phone, all proxies must be received at least forty-eight (48) hours, excluding Saturdays, Sundays and holidays in the City of Edmonton, before the Meeting or any adjournment thereof. The website may be used to appoint a proxy holder to attend and vote on a Shareholder's behalf at the Meeting, and to convey a Shareholder's voting instructions. Late proxies may be accepted or rejected by the Chairman of the Meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

In addition to revocation in any other manner permitted by law, a proxy may be revoked by depositing an instrument in writing executed by the shareholder or by his or her authorized attorney in writing, or, if the shareholder is a corporation, by an officer or attorney thereof duly authorized, either with AST Trust Company (Canada), P.O. Box 721, Agincourt, ON M1S 0A1, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, at which the proxy is to be used, or by depositing the instrument in writing with the Chairman of such Meeting on the day of the Meeting, or at any adjournment thereof. Please note that if a shareholder appoints a proxy holder and submits their voting instructions via the internet in accordance with the above and subsequently wishes to change their appointment, such shareholder may resubmit their proxy and/or voting direction via the internet prior to the deadline noted above. When resubmitting a proxy via the internet, the most recently submitted proxy will be recognized as the only valid proxy, and all previous proxies submitted will be disregarded and considered as revoked, provided that the last proxy is submitted by the deadline noted above. In addition, a proxy may be revoked by a Shareholder personally attending the Meeting and voting his or her shares.

VOTING AND EXERCISE OF DISCRETION BY PROXY HOLDERS

All Common Shares represented at the Meeting by properly executed proxies will be voted. Where a choice with respect to any matter to be acted upon has been specified in the instrument of proxy the Common Shares represented by the proxy will be voted in accordance with such specification. **IN THE ABSENCE OF SUCH SPECIFICATION, SUCH SHARES WILL BE VOTED IN FAVOUR OF EACH RESOLUTION.** The enclosed forms of proxy confer discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. At the time of printing of the Circular, management of Samoth know of no such amendment, variation or other matter.

ADVICE TO BENEFICIAL SHAREHOLDERS

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

In accordance with the requirements of the Canadian Securities Administrators, the Corporation will distribute copies of the Notice of Meeting, Management Information Circular and the enclosed form of proxy

(collectively, the “**Meeting Materials**”) to the clearing agencies and intermediaries for onward distribution to Beneficial Shareholders. The Corporation does not intend to pay for intermediaries to forward meeting materials and voting instruction request forms to those Beneficial Shareholders who have objected to their intermediary disclosing ownership information about them pursuant to Canadian securities legislation (“**Objecting Beneficial Owners**”). As a result, Objecting Beneficial Owners will not receive these materials unless the intermediary assumes the cost of delivery.

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the Instrument of Proxy provided directly to registered shareholders by the Corporation. However, its purpose is limited to instructing the registered shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. (“**Broadridge**”) in Canada. Broadridge typically prepares a machine-readable voting instruction form, mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction forms must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

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

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

QUORUM

The by-laws of the Corporation provide that a quorum of shareholders is present at a meeting of shareholders of the Corporation if at least two (2) holders of not less than five (5%) percent of the outstanding voting securities of the Corporation entitled to vote at the meeting are present in person or by proxy.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Corporation is authorized to issue an unlimited number of Common Shares and an unlimited number of preferred shares, issuable in series all without nominal or par value. As at May 13, 2019, the effective date of this Management Information Circular (the “**Effective Date**”), 32,967,222 Common Shares are issued and outstanding as fully paid and non-assessable. No other shares are issued or outstanding.

To the knowledge of the directors and the executive officers of the Corporation, as at the Effective Date, no person or company beneficially owns, directly or indirectly, or controls or directs, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Corporation, except as follows:

<u>Name and Municipality of Residence</u>	<u>Number of Common Shares</u>	<u>Percentage of Common Shares</u>
Leonard Jaroszuk St. Albert, Alberta	6,060,388	18.38%

EXECUTIVE COMPENSATION

Oversight and Description of Director and Named Executive Officer Compensation

Named Executive Officers

The Corporation's executive compensation program is available to the Named Executive Officers of the Corporation which is defined by securities legislation to mean each of the following individuals: (i) the Chief Executive Officer ("**CEO**") of the Corporation; (ii) the Chief Financial Officer ("**CFO**") of the Corporation; (iii) the Corporation's most highly compensated executive officer, other than the CEO and the CFO, at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year; and (iv) each individual who would be a "Named Executive Officer" under (iii) above but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of the most recently completed financial year (the "**Named Executive Officer**" or "**NEO**").

The Named Executive Officers of the Corporation for the year ended October 31, 2018 were Leonard Jaroszuk, President and CEO and Doug Moak, CFO.

Compensation Elements

The Corporation compensates its Named Executive Officers primarily through consulting fees and stock options.

Consulting Fees - Named Executive Officers are periodically paid consulting fees to compensate them for providing the leadership and specific skills needed to fulfill their responsibilities.

Stock Options - Stock options are generally awarded to NEOs on an annual basis based on performance, as measured against set objectives. The granting of stock options encourages and rewards performance by aligning compensation with longer term increases in shareholder value.

Determination of Executive Compensation

The Board as a whole is responsible for reviewing the adequacy and form of compensation paid to the Corporation's executives, and ensuring that such compensation realistically reflects the responsibilities and risks of such positions. In fulfilling its responsibilities, the Board evaluates the performance of the CEO and CFO in light of corporate goals and objectives, and determines on an annual basis the compensation levels based on such evaluations.

Consulting Fees - The determination of the consulting fees payable to each NEO takes into consideration the current competitive market conditions, experience, proven or expected performance, and the particular skills of the NEO. The Board relies on the general experience of its members in determining a reasonable amount to be paid to NEOs as consulting fees based on the services expected to be provided by the NEO.

Stock Options - The Corporation has established a Stock Option Plan under which stock options are granted to directors, officers, employees and consultants as an incentive to achieve the longer-term objectives of the Corporation. The Board determines which NEOs (and other persons) are entitled to participate in the Corporation's stock option plan; determines the number of options granted to such individuals; and determines the date on which each option is granted and the corresponding exercise price. The Board makes these determinations subject to the provisions of the existing Stock Option Plan and, where applicable, the policies of the TSX Venture Exchange ("TSXV"). Previous grants of option-based awards are taken into account when considering new grants. For further information regarding the Stock Option Plan refer to "*Particulars of Matters to be Acted Upon at the Meeting – Re-Approval of Stock Option Plan*".

Director Compensation

The compensation of the individual directors is determined by the Board as a whole on an annual basis. During the years ended October 31, 2018 and 2017, the directors did not receive any compensation.

Director and Named Executive Officer Compensation Excluding Compensation Securities

The following table sets forth all compensation (other than compensation securities) paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Corporation, or a subsidiary of the Corporation to the Corporation's Named Executive Officers and directors for the two most recently completed financial years.

Name and Position	Fiscal Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Leonard Jaroszuk President, CEO and director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Douglas Moak CFO	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Desmond O'Kell Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Mathew Potter Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil

Stock Options and Other Compensation Securities

The following table sets forth all compensation securities granted or issued to Named Executive Officers and directors by the Corporation or one of its subsidiaries during the years ended October 31, 2018 and 2017.

Name and Position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Leonard Jaroszuk ⁽¹⁾	n/a	Nil	n/a	n/a	n/a	n/a	n/a

Compensation Securities

Name and Position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
President and CEO							
Douglas Moak ⁽²⁾ CFO	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Desmond O’Kell ⁽³⁾ Director	n/a	Nil	n/a	n/a	n/a	n/a	n/a
Matthew Potter ⁽⁴⁾ Director	n/a	Nil	n/a	n/a	n/a	n/a	n/a

Notes:

- (1) As at October 31, 2018, Mr. Jaroszuk held 1,391,889 stock options.
- (2) As at October 31, 2018, Mr. Moak held nil stock options.
- (3) As at October 31, 2018, Mr. O’Kell held 500,000 stock options.
- (4) As at October 31, 2018, Mr. Potter held nil stock options.

The following table sets forth all compensation securities exercised by Named Executive Officers and directors during the year ended October 31, 2018 and 2017.

Exercise of Compensation Securities by Directors and NEOs

Name and Position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of Exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Leonard Jaroszuk President, CEO and director	n/a	nil	n/a	n/a	n/a	n/a	n/a
Doug Moak CFO	n/a	nil	n/a	n/a	n/a	n/a	n/a
Desmond O’Kell Director	n/a	nil	n/a	n/a	n/a	n/a	n/a
Matthew Potter Director	n/a	nil	n/a	n/a	n/a	n/a	n/a

Stock Option Plan

The Corporation has a Stock Option Plan pursuant to which it has authorized the reservation of up to 10% of the issued and outstanding Common Shares of the Corporation for the grant of options from time to time. Under the Stock Option Plan, the Board may from time to time grant to directors, senior officers, employees and consultants of the Corporation, as the Board shall designate, options to purchase from the Corporation such number of its Common Shares as the Board shall designate. The Stock Option Plan was last approved

by Shareholders on January 4, 2018 and will be ratified at the Meeting. For a summary of the terms of the Stock Option Plan, see “*Particulars of Matters to be Acted Upon at the Meeting – Re-approval of Stock Option Plan*”.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth securities of the Corporation that are authorized for issuance under equity compensation plans as at the end of the Corporation’s most recently completed financial year.

Plan Category	Number of Common Shares to be issued upon exercise of outstanding options, warrants and rights	Weighted average exercise price of outstanding options, warrants and rights	Number of Common Shares remaining available for issuance under equity compensation plans (excluding outstanding securities reflected in Column 1) ⁽¹⁾
Equity compensation plans approved by security holders	1,891,889	\$0.08	1,404,833
Equity compensation plans not approved by security holders	N/A	N/A	N/A
Total	1,891,889	\$0.08	1,404,833

Note:

- (1) The aggregate number of Common Shares that may be reserved for issuance under the Stock Option Plan shall not exceed 10% of the Corporation’s issued and outstanding Commons Shares. As at the end of the most recently completed financial year, the number of Common Shares issued and outstanding was 32,967,222.

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS

No current or former director, officer or employee of the Corporation was indebted to the Corporation as at the Effective Date. At no time since the beginning of the financial year ended October 31, 2018 did any director or officer, or any associate of any such director or officer, owe any indebtedness to the Corporation or owe any indebtedness to any other entity which is, or at any time has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

The Corporation is not aware of any material interests, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or executive officer, proposed nominee for election as a director or any shareholder holding more than 10% of the voting rights attached to the Common Shares or any associate or affiliate of any of the foregoing in any transaction in the preceding financial year or any proposed or ongoing transaction of the Corporation which has or will materially affect the Corporation.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No director or executive officer of the Corporation or any proposed nominee of management of the Corporation for election as a director of the Corporation, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting.

AUDIT COMMITTEE

Under National Instrument 52-110 *Audit Committees* (“**NI 52-110**”), the Corporation is required to include in its information circular the disclosure required under Form 52-110F2. The disclosure required by Form 52-110F2 is set out below.

Audit Committee Charter and Terms of Reference

Mandate

The primary function of the audit committee (the “**Audit Committee**”) is to assist the Board in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Corporation to regulatory authorities and shareholders, the Corporation’s systems of internal controls regarding finance and accounting, and the Corporation’s auditing, accounting and financial reporting processes. Consistent with this function, the Audit Committee will encourage continuous improvement of, and should foster adherence to, the Corporation’s policies, procedures and practices at all levels. The Audit Committee’s primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the Corporation’s financial reporting and internal control system and review the Corporation’s financial statements.
- Review and recommend to the Board with respect to the compensation of the Corporation’s external auditors.
- Review and appraise the performance of the Corporation’s external auditors.
- Provide an open avenue of communication among the Corporation’s auditors, financial and senior management and the Board.

Composition

The composition of the Audit Committee shall be as required under the policies of the TSX Venture Exchange.

At least one member of the Audit Committee shall have accounting or related financial management expertise. All members of the Audit Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of this Charter, the definition of “financially literate” is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Corporation’s financial statements.

The members of the Audit Committee shall be appointed initially by the Board and subsequently appointed or re-appointed following each annual shareholders’ meeting, provided that any member may be removed or replaced at any time by the Board and shall, in any event, cease to be a member of the Audit Committee upon ceasing to be a member of the Board.

Where a vacancy occurs at any time in the membership of the Audit Committee, it may be filled by the Board.

The Board shall appoint the Chairman of the Audit Committee. The role of the Chairman is to act as leader of the Committee to manage and co-ordinate the meetings and activities of the Audit Committee and to oversee the execution by the Audit Committee of its duties and responsibilities. If the Chairman of the Audit Committee is not present at any meeting of the Audit Committee, one of the other members of the Audit Committee present at the meeting shall be chosen by the Audit Committee to preside.

Meetings

The Audit Committee shall meet at least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Audit Committee will meet at least annually with management and the external auditors in separate sessions. The Chairman may call additional meetings as required. In addition, a meeting may be called by the Board Chairman, the President or any member of the Audit Committee.

Audit Committee meetings may be held in person, by video conference, by means of telephone, by means of other electronic or other communication facility that permits each person to communicate with each other during the meeting or by a combination of any of the foregoing.

The minutes of the Audit Committee meetings shall accurately record the decisions reached and shall be distributed to the Audit Committee members with copies to the Board, the Chief Financial Officer or such other officer acting in that capacity, and the external auditor.

Notice of Meeting

Notice of the time and place of every meeting may be given orally, or in writing, or by facsimile to each member of the Audit Committee at least 48 hours prior to the time fixed for such meeting.

A member may in any manner waive notice of the meeting. Attendance of a member at a meeting shall constitute waiver of notice of the meeting except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting was not lawfully called.

Quorum

A majority of Audit Committee members, present in person, by video conference, by telephone, by other electronic or communication facility or by a combination thereof, shall constitute a quorum.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Audit Committee shall:

- (a) Complete review of documents and reports.
- (b) Review and update this Charter annually.
- (c) Review the Corporation's financial statements, management discussion and analysis and any annual and interim earnings, press releases before the Corporation publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

External Auditors

- (a) Require the external auditors to report directly to the Audit Committee.
- (b) Review annually the performance of the external auditors who shall be ultimately accountable to the Board and the Audit Committee as representatives of the shareholders of the Corporation.

- (c) Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Corporation and confirming their independence from the Corporation.
- (d) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (e) Take, or recommend that the full Board take, appropriate action to oversee the independence of the external auditors.
- (f) Recommend to the Board the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval and the compensation of the external auditors.
- (g) Review with management and the external auditors the terms of the external auditors' engagement letter.
- (h) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Corporation's accounting principles, internal controls and the completeness and accuracy of the Corporation's financial statements.
- (i) Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation.
- (j) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- (k) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Corporation's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
 - (i) the aggregate amount of all such non-audit services provided to the Corporation constitutes not more than five percent (5%) of the total amount of revenues paid by the Corporation to its external auditors during the fiscal year in which the non-audit services are provided;
 - (ii) such services were not recognized by the Corporation at the time of the engagement to be non-audit services; and
 - (iii) such services are promptly brought to the attention of the Audit Committee by the Corporation and approved prior to the completion of the audit by the Audit Committee or by one or more members of the Audit Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Audit Committee.

Provided the pre-approval of the non-audit services is presented to the Audit Committee's first scheduled meeting following such approval, such authority may be delegated by the Audit Committee to one or more independent members of the Audit Committee.

Financial Reporting Process

- (a) In consultation with the external auditors, review with management the integrity of the Corporation's financial reporting process, both internal and external.

- (b) Consider the external auditors' judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting.
- (c) Consider and approve, if appropriate, changes to the Corporation's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- (e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- (f) Review any significant disagreement among management and the external auditors regarding financial reporting.
- (g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (h) Review the certification process.
- (i) Establish procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters.

Other

- (a) Review any related-party transactions.

Authority

The Audit Committee may:

- (a) engage independent outside counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for any advisors employed by the Audit Committee; and
- (c) communicate directly with the internal and external auditors.

The Audit Committee shall have unrestricted access to the Corporation's personnel and documents and will be provided with the resources necessary to carry out its responsibilities.

Audit Committee Composition

The following are the members of the Audit Committee, as at the date hereof:

Leonard D. Jaroszuk	Not independent ⁽¹⁾	Financially literate ⁽¹⁾
Desmond O’Kell	Independent ⁽¹⁾	Financially literate ⁽¹⁾
Mathew Potter	Independent ⁽¹⁾	Financially literate ⁽¹⁾

Notes:

(1) As defined by NI 52-110.

Relevant Education and Experience

All of the members of the Audit Committee have been either directly involved in the preparation of the financial statements, filing of the quarterly and annual financial statements, dealing with the auditors, or as a member of the audit committee. All members have the ability to read, analyze, and understand the complexities surrounding the issuance of financial statements. The following sets out the education and experience of each member of the Audit Committee relevant to the performance of his duties as a member of the Audit Committee.

Mr. Jaroszuk has extensive experience in the management of public issuers and has been involved in significant positions in the real estate, exploration and natural resources, financial, construction and manufacturing industries. Since March 2004, Mr. Jaroszuk has been the President and Chief Executive Officer of Enterprise Group, Inc., an oilfield and construction equipment rental services company listed on the TSX.

Mr. O’Kell also has extensive experience in the organization and management of public issuers. Mr. O’Kell is currently the Senior Vice President of Enterprise Group, Inc.

Mr. Potter is an experienced businessman and entrepreneur with a focus on corporate business, sales, information technology and finance. In 2009, Mr. Potter incorporated Swift Tech which provides IT consulting. In 2010 he incorporated Swift Media Group Ltd. Swift Media was nominated for "The Marketing Award of Distinction" in 2011 and in 2012 Mr. Potter was "Nominated as Young Entrepreneur of the Year" for St. Albert. He was elected as a director for the St. Albert Chamber of Commerce in 2012.

Audit Committee Oversight

At no time since the commencement of the Corporation’s most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation’s most recently completed financial year has the Corporation relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-audit Services), Section 6.1.1 (Composition of the Audit Committee) or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110. However, the Corporation is relying upon the exemption in Section 6.1 of NI 52-110, for TSXV issuers in relation to the requirement that an audit committee must have at least three members and that every audit committee member be independent.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described above under the heading “*Audit Committee Charter and Terms of Reference - External Auditors*”.

External Auditor Service Fees

The aggregate fees billed by the Corporation’s external auditors in the previous two financial years are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
2018	\$28,750	Nil	\$2,000	Nil
2017	\$28,750	Nil	\$2,000	Nil

CORPORATE GOVERNANCE

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

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”), the Corporation is required to disclose its corporate governance practices as summarized below in Form 58-101F2.

Board of Directors

The Board is currently comprised of three (3) members. Desmond O’Kell and Mathew Potter are considered to be independent directors of the Corporation. Leonard D. Jaroszuk is the Chief Executive Officer and a member of management and, as a result, is not considered to be an independent director.

The independent directors of the Corporation do not hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance, but have held informal meetings where such persons have not been present. To facilitate open and candid discussion among the independent directors, the independent directors may hold in camera sessions at Board meetings. The independent directors may in future consider holding regularly scheduled meetings at which non-independent directors and members of management are not in attendance.

Currently, the Board is satisfied that it exercises its responsibilities for independent oversight of management. The ability to establish ad hoc committees comprised of a majority of independent directors provides the Board with the ability to meet independently of management whenever deemed necessary or appropriate and the chair of each such ad hoc committee provides leadership for such committee.

Directorships

The following directors of the Corporation are directors of other reporting issuers:

<u>Director</u>	<u>Name of Reporting Issuer</u>	<u>Market</u>
Leonard Jaroszuk	Enterprise Group, Inc.	TSX
Desmond O'Kell	Enterprise Group, Inc.	TSX
Mathew Potter	None	n/a

Orientation and Continuing Education

New directors will be provided with an orientation which will include written information about the duties and obligations of directors and the business and operations of the Corporation, documents from recent Board meetings and opportunities for meetings and discussion with senior management and other directors. The orientation program for each new director will be tailored to that director's needs and areas of interest.

As an ongoing process, the Board considers management development (including training and monitoring senior management) based mainly on periodic reports to the Board by the compensation committee and the Chief Executive Officer. Board members are encouraged to communicate with management, auditors and technical consultants to keep themselves current with industry trends and developments and changes in legislation with management's assistance, to attend related industry seminars and conventions and to visit the Corporation's operations. Board members have full access to the Corporation's records.

Ethical Business Conduct

The Board does not currently have a written code of business conduct and ethics. The Board does have in place a formal mandate. The Corporation also has a Share Trading Policy in place that is intended to protect investors and to promote investor confidence by preventing the misuse of material information.

While the Board does not take any formal measures to encourage and promote a culture of ethical business conduct, it does rely upon the selection of persons as directors, officers and employees who they consider to meet the highest ethical standards.

The Board itself must comply with the conflict of interest provisions of the ABCA, as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

Nomination of Directors

The Board's mandate provides that the Board selects nominees for election to the Board and that the Board must be composed of a majority of independent directors. The Board of the Corporation is currently comprised of a majority of independent directors. The Board does not have a nominating committee, but encourages an objective nomination process by considering succession planning (including appointment of management) based mainly on periodic reports to the Board by the Chief Executive Officer. The Board will annually review general and specific criteria to consider when directors are being appointed to the Board.

The objective of this review will be to recommend that appointments be made to provide the best combination of skills and experience to guide the long-term strategy and ongoing business operations of the Corporation. The review will take into account the desirability of maintaining a balance of skills,

experience and background, with appropriate diversity, along with the key common characteristics required for effective Board participation.

Compensation

The Board as a whole is responsible for reviewing the adequacy and form of compensation paid to the Corporation's executives and key employees, and ensuring that such compensation realistically reflects the responsibilities and risks of such positions. In fulfilling its responsibilities, the Board evaluates the performance of the chief executive officer and other senior management in light of corporate goals and objectives, and makes recommendations with respect to compensation levels based on such evaluations.

Other Board Committees

The Corporation has no other standing committees at this time other than the Audit Committee as discussed above.

Assessments

There is no formal committee with the responsibility for assessing the effectiveness of the Board. The Board as a group regularly reviews its performance and assesses the effectiveness of the Board as a whole.

PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING

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

1. Report and Financial Statements

The audited consolidated financial statements of the Corporation for the years ended October 31, 2017 and 2018 and the auditor's report thereon and the unaudited financial statements of the Corporation for the interim period ended January 31, 2019 will be placed before the Meeting. These statements have previously been distributed to shareholders and are available on the Corporation's SEDAR profile at www.sedar.com.

2. Fixing the Number of Directors

The term of office of each of the present directors expires at the Meeting. At the Meeting, shareholders will be asked to consider passing an ordinary resolution fixing the number of directors of the Corporation to be elected at three (3) members.

The resolution to fix the number of directors of Samoth for the present time at three (3) must be approved by a simple majority of the aggregate votes cast by Shareholders present in person or by proxy at the Meeting. **Unless otherwise directed, it is the intention of the Management Designees, if named as proxy, to vote "FOR" the resolution.**

3. Election of Directors

The Shareholders will be asked to consider a resolution electing the directors of the Corporation to hold office until the next annual meeting of shareholders. The persons nominated are, in the opinion of management, qualified to direct the activities of the Corporation until the next annual meeting of the Shareholders of the Corporation. All nominees have indicated their willingness to stand for election. Each director elected will hold office until the next annual meeting of the Shareholders of the Corporation or until his successor is duly elected or appointed, unless his office is earlier vacated in accordance with the Corporation's articles or by-laws.

The Corporation does not contemplate that any of such nominees will be unable to serve as directors; however, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, proxies held by Management Designees will be voted for another nominee in their discretion unless the Shareholder has specified in his or her form of proxy that his or her Common Shares are to be withheld from voting in the election of directors. Each director elected will hold office until the next annual meeting of Shareholders or until his successor is duly elected or appointed, all as the case may be, unless his office is earlier vacated in accordance with the by-laws of the Corporation or the provisions of the ABCA to which the Corporation is subject.

The following sets forth the name of each of the persons proposed to be nominated for election, all positions and offices in the Corporation presently held by such nominees, the nominees' municipality and province or country of residence, principal occupation, the period during which the respective nominees have served as directors, and the number and percentage of Common Shares beneficially owned by the nominees, directly or indirectly, or over which control or direction is exercised, as of the Effective Date.

Name and Municipality of Residence	Date Since Served as a Director	Principal Occupation	Number of Common Shares Beneficially Owned or Subject to Control or Direction
Leonard D. Jaroszuk ⁽¹⁾ St. Albert, Alberta, Canada	2006	President and Chief Executive Officer of Enterprise Group, Inc., an oilfield and construction equipment rental services company.	6,060,388
Desmond O'Kell ⁽¹⁾ St. Albert, Alberta Canada	2006	Senior Vice President and Corporate Secretary of Enterprise Group, Inc.	1,088,333
Mathew Potter ⁽¹⁾ Edmonton, Alberta Canada	2014	President of Swift Media Group and corporate development with Enterprise Group, Inc.	nil

Notes:

(1) Members of the Audit Committee.

In order for the resolution appointing the aforementioned individuals to be effective, it must be approved by the affirmative vote of a majority of the votes cast in respect thereof by Shareholders present in person or by proxy at the Meeting. **Unless otherwise directed, it is the intention of the Management Designees, if named as proxy, to vote for the election of the directors as set forth above.**

Cease Trade Orders or Bankruptcies

To the best of the Corporation's knowledge, no proposed director is, as at the date of this Circular, or has been within the ten (10) years before the date hereof, a director or executive officer of any company (including Samoth), that:

- a) was subject to: (i) a cease trade order, (ii) an order similar to a cease trade order, or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (collectively, an "**Order**"), that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or
- b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Personal Bankruptcies

To the best of the Corporation's knowledge, no proposed director is, as at the date of this Circular, or has been within the ten (10) years before the date hereof, a director or executive officer of any company (including Samoth), that, while the proposed director was acting in that capacity, or within a year of the proposed director ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

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

Penalties and Sanctions

To the best of the Corporation's knowledge, no proposed director has, as at the date of this Circular, been subject to:

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

4. Appointment of Auditor

Grant Thornton LLP of Calgary, Alberta are the current auditors of the Corporation. Management proposes that Grant Thornton LLP be re-appointed as auditors of the Corporation to hold office until the earlier of the next annual meeting of shareholders or their removal by the Corporation, at a remuneration to be fixed by the Board of the Corporation. **Unless otherwise directed, it is the intention of the Management Designees to vote the proxies in favour of an ordinary resolution to appoint the firm of Grant Thornton LLP as the auditors of the Corporation and to authorize the Board to fix the remuneration of Grant Thornton LLP.**

5. Re-Approval of Stock Option Plan

The Corporation has a stock option plan (defined herein as the "Plan" or "Stock Option Plan") most recently approved by the Corporation's Shareholders at the last annual and special meeting of Shareholders held on January 4, 2018. The policies of the TSXV require that stock option plans which reserve for issuance up to 10% of a listed issuer's issued and outstanding shares be approved annually by the Shareholders of the listed issuer. That approval is being sought at the Meeting. There have not been any amendments to the Plan since it was last approved by Shareholders.

The following is a summary of the material terms of the Stock Option Plan.

Terms of the Plan

Directors, officers, consultants and employees of the Corporation or its subsidiaries, and employees of a person or company which provides management services to the Corporation or its subsidiaries may participate in the Plan. The purpose of the Plan is to provide the participants with an opportunity to purchase Common Shares and to benefit from the appreciation thereof. This provides an increased incentive for the participants to contribute to the future success and prosperity of the Corporation, thus enhancing the value

of the Common Shares for the benefit of all the shareholders and increasing the ability of the Corporation and its subsidiaries to attract and retain individuals of exceptional skill.

Under the Plan, options to purchase Common Shares (“**Options**”) may be granted in such numbers and with such vesting provisions as the Board may determine. The Corporation can, at any time, have a number of Options outstanding equal to up to 10% of the then issued and outstanding number of Common Shares. In the event of the exercise or cancellation of any Options, the Corporation could make a further grant of Options, provided that the 10% maximum is not exceeded. In that regard, the Plan is a “rolling” stock option plan.

The Plan also provides that the Options granted under the Plan together with all of the Corporation’s other previously established stock option plans or grants, shall not result at any time in:

- (a) the number of outstanding Options exceeding 10% of the issued and outstanding Common Shares at any time; and
- (b) the grant to any one (1) optionee within a twelve month period, of a number of Options exceeding 5% of the issued and outstanding Common Shares (or 2% of the issued and outstanding Common Shares in the case of an Optionee who is a consultant).

The price per share at which Common Shares may be purchased under an Option shall be fixed by the Board when the Option is granted, provided that such price shall not be less than the price permitted by the TSXV. Once the exercise price has been determined by the Board, accepted by the TSXV and the option has been granted, the exercise price of an option may only be reduced, in the case of options held by insiders of the Corporation if disinterested shareholder approval is obtained at a meeting of the shareholders.

In the event that a participant ceases to be an eligible participant in the Plan for any reason other than death or termination for cause, the participant may only exercise any Options for a period of 90 days after ceasing to be an eligible participant.

In the event of the death of a participant on or prior to the expiry time of an Option, such Option may be exercised as to such of the Common Shares in respect of which such Option has not previously been exercised (including in respect of the right to purchase Shares not otherwise vested at such time), by the legal personal representatives of the participant at any time up to and including (but not after) a date one (1) year following the date of death of the participant or the expiry time of such Option, whichever occurs first.

TSXV policies require that rolling stock option plans must receive Shareholder approval yearly, at an issuer's annual meeting. In accordance with TSXV policies, Shareholders will be asked to consider and if thought fit, approve an ordinary resolution approving and ratifying the Plan as the Corporation's stock option plan. In order for the resolution approving the Plan to be effective, it must be approved by the affirmative vote of a majority of the votes cast in respect thereof by Shareholders present in person or by proxy at the Meeting. **Unless otherwise directed, it is the intention of the Management Designees to vote proxies in favour of the resolution approving the Plan.**

The complete text of the ordinary resolution which management intends to place before the Meeting for approval, with or without modification, is as follows:

“BE IT HEREBY RESOLVED, as an ordinary resolution of the Shareholders that:

1. The stock option plan of the Corporation, be and is hereby approved, ratified and confirmed.

2. Any director or officer of the Corporation is authorized to do all acts and things, to execute and deliver all agreements, documents and instructions, to give all notices and to deliver, file and distribute all documents and information which such director or officer determines to be necessary or desirable in connection with or to give effect to and carry out these resolutions.”

6. Asset Sale Transaction

General

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, pass with or without amendment a special resolution (the “**Asset Sale Resolution**”) approving and authorizing the sale of the Corporation’s oil and gas assets located in the Willesden Green and Garrington areas of Central Alberta (the “**Properties**”), which represent all of the operating assets of the Corporation (the “**Asset Sale**”).

Pursuant to a purchase and sale agreement dated May 13, 2019 (the “**Sale Agreement**”) between the Corporation and a private arm’s length purchaser (the “**Purchaser**”), the Corporation agreed to sell the Properties to Purchaser in consideration for a nominal purchase price of \$100 and the assumption by Purchaser of abandonment and reclamation obligations and other environmental liabilities relating to the Properties. In addition, the Corporation has agreed to a purchase price adjustment in favour of Purchaser in the amount of \$365,100 (the “**Environmental and Regulatory Adjustment**”), being the amount that the parties anticipate will be required to be deposited with the Alberta Energy Regulator in order to obtain approval for the transfer of the Properties from the Corporation to Purchaser.

Background

The Corporation acquired the Properties in 2008 as the qualifying transaction for the Corporation pursuant to the policies of the TSX Venture Exchange. Since the Corporation acquired the Properties, it has operated the existing natural gas wells on the Properties but has not engaged in further exploration or development activities due to low natural gas prices. The Corporation has determined to sell the Properties in order to pursue other opportunities in a different industry.

Terms and Conditions of the Sale Agreement

The following summary is qualified in its entirety by the Sale Agreement containing the terms and conditions as well as customary covenants, representations and warranties for a transaction of the nature of the Asset Sale. A copy of the Sale Agreement is available under the Corporation’s profile on SEDAR at www.sedar.com.

The conditions to the closing of the Asset Sale include:

- (a) all obligations of both parties contained in the Sale Agreement be performed or complied with prior to or at closing;
- (b) all representations and warranties of both parties contained in the Sale Agreement be true in all material respects;
- (c) no claims that would materially or adversely affect the Properties being pending before any court or regulatory agency;
- (d) no substantial unrepaired damage or physical alteration to tangibles relating to the Properties which would materially and adversely affect the value of the Properties;

- (e) receipt of approval of the Alberta Energy Regulator, subject only to any deposit required in respect of abandonment and reclamation obligations and other environmental liabilities in an amount not to exceed the Environmental and Regulatory Adjustment;
- (f) receipt of required consents and approvals, including the approval of the TSX Venture Exchange and the approval of Shareholders;
- (g) Shareholders holding not more than 5% of the outstanding Common Shares of the Corporation exercising rights of dissent pursuant to the ABCA; and
- (h) the delivery of customary releases, registerable discharges and conveyances.

Reasons for the Asset Sale

In the course of the Corporation's evaluation of the Properties, the Board consulted with management and advisors and considered a number of factors which provided compelling business reasons for the Asset Sale, including, among others, the outlook for natural gas prices, the operating costs relating to the Properties, abandonment and reclamation and other environmental liabilities relating to the Properties and the value of the Company as a "shell" entity that could be used by an operating company in another industry following the disposition of the Properties.

Recommendation of the Board of Directors

The Board took a strategic view of the Corporation's current business, assets and prospects. Based on its review, the Board resolved that the Asset Sale is in the best interest of the Corporation and authorized the submission of the Asset Sale Resolution to the Shareholders for approval. The Board approved the Asset Sale with a view to focusing the Corporation's financial and managerial resources on pursuing new opportunities in a different industry. **The Board recommends that the Shareholders vote in favour of the Asset Sale Resolution**

Asset Sale Resolution

The Asset Sale constitutes the sale of all or substantially all of the Corporation's assets and requires the approval of Shareholders by way of special resolution pursuant to subsection 190(6) of the ABCA. The approval of the Asset Sale pursuant to the ABCA is also intended to satisfy the requirements of the TSXV that the disposition by the Corporation of the Properties pursuant to the Sale Agreement be approved by the Shareholders, as discussed below.

The Shareholders will be asked to consider and if thought fit, approve the Asset Sale Resolution, the full text of which is set forth below:

"BE IT RESOLVED as a special resolution of the Shareholders that:

1. The sale of the Corporation's petroleum and natural gas assets (the "Asset Sale") substantially on the terms and conditions set forth in the management information circular dated May 13, 2019 be and it is hereby authorized and approved.
2. The Board be and it is hereby authorized to revoke, without further approval of the Shareholders, this special resolution at any time prior to the completion thereof, notwithstanding the approval by the Shareholders of same, if determined, in the Board's sole discretion to be in the best interest of the Corporation.
3. Any director or officer of the Corporation is authorized to do all acts and things, to execute and deliver all agreements, documents and instructions, to give all notices and to deliver, file and distribute all documents and information which such director

or officer determines to be necessary or desirable in connection with or to give effect to and carry out these resolutions.”

In order to be effective, the Asset Sale Resolution must be approved by the affirmative vote thereof by not less than two-thirds (66⅔%) of the votes cast by the Shareholders present in person or represented by proxy at the Meeting. In the event that the Asset Sale Resolution is not passed, the Corporation will not proceed with the Asset Sale. Unless otherwise directed, it is the intention of the management designees to vote proxies in favour of the Asset Sale Resolution.

The Asset Sale constitutes a "Reviewable Disposition" as that term is defined in Policy 5.3 – *Acquisitions and Dispositions of Non-Cash Assets* of the TSXV Corporate Finance Manual and as such, the disposition is subject to the acceptance of the TSXV. Shareholder approval of a simple majority of votes cast in favour of the Asset Sale Resolution is required pursuant to TSXV policies.

If TSXV concludes that the Corporation's remaining assets do not satisfy their continued listing requirements and the Corporation has not commenced any contractual negotiations for any additional assets prior to closing the Asset Sale, it will likely no longer satisfy the continued listing requirements of TSXV. Pursuant to such policies, in situations where an issuer has disposed of all or substantially all of its assets, TSXV can immediately delist the issuer or transfer its listing to NEX. The Corporation anticipates that if its remaining assets do not satisfy the continued listing requirements and it has not commenced any contractual negotiations prior to the closing of the Asset Sale its listing will be transferred to NEX. If the Corporation's listing is transferred to NEX, the Corporation intends to proceed to identify new opportunities that will be beneficial to shareholders and as soon as possible reactivate its listing on TSXV.

Rights of Dissenting Shareholders

The shareholders are entitled to dissent rights with respect to the Asset Sale pursuant to the ABCA.

The following description of the dissent rights ("Dissent Rights") of shareholders is not a comprehensive statement of the procedures to be followed by a shareholder who dissents ("Dissenting Shareholder") who seeks payment of the fair value of such holder's shares and is qualified in its entirety by the reference to the text of Section 191 of the ABCA, which is attached to this Circular as Schedule "A". A Dissenting Shareholder who intends to exercise the right to dissent should carefully consider and comply with the provisions of Section 191 of the ABCA. Failure to comply with the provisions of that section and to adhere to the procedures established therein may result in the loss of all rights thereunder.

A registered shareholder is entitled, in addition to any other rights the holder may have, to dissent and to be paid by the Corporation the fair value of the shares held by the holder in respect of which the holder dissents, determined as of the close of business on the last business day before the day on which the resolution from which such holder dissents was adopted. **Only registered shareholders may dissent. Persons who are beneficial shareholders who hold shares registered in the name of a broker, custodian, nominee or other intermediary who wish to dissent should be aware that they may only do so through the registered owner of such shares. Accordingly, a beneficial shareholder desiring to exercise Dissent Rights must make arrangements for the shares beneficially owned by such beneficial shareholder to be registered in the name of such beneficial shareholder prior to the time the written objection to the Asset Sale Resolution is required to be received by the Corporation, or, alternatively, make arrangements for the registered holder of such shares to dissent on behalf of the beneficial shareholder.**

A dissenting shareholder must send to the Corporation a written objection to the Asset Sale Resolution, which written objection must be received by the Corporation, c/o Borden Ladner Gervais LLP, Suite 1900, 520 – 3rd Avenue SW, Calgary, Alberta T2P 0R3, Attention: Lloyd McLellan, by 10:30 a.m. (Mountain time) on June 7, 2019. A registered shareholder may not exercise the right to dissent in respect of only a portion of such holder's shares, but may dissent only with respect to all of the shares held by the holder.

An application may be made to the Court of Queen's Bench of Alberta ("**Court**") by the Corporation or by a Dissenting Shareholder after adoption of the Asset Sale Resolution to fix the fair value of the Dissenting Shareholder's shares. If such an application to the Court is made by either the Corporation or a Dissenting Shareholder, the Corporation must, unless the Court otherwise orders, send to each Dissenting Shareholder a written offer to pay such person an amount considered by the Board to be the fair value of the shares held by such Dissenting Shareholders. The offer, unless the Court otherwise orders, will be sent to each Dissenting Shareholder at least 10 days before the date on which the application is returnable, if the Corporation is the applicant, or within 10 days after the Corporation is served with notice of the application, if a Dissenting Shareholder is the applicant. The offer will be made on the same terms to each Dissenting Shareholder and will be accompanied by a statement showing how the fair value was determined.

A Dissenting Shareholder may make an agreement with the Corporation for the purchase of such Dissenting Shareholder's shares in the amount of the Corporation's offer (or otherwise) at any time before the Court pronounces an order fixing the fair value of the shares.

A Dissenting Shareholder is not required to give security for costs in respect of an application and, except in special circumstances, will not be required to pay the costs of the application and appraisal. On the application, the Court will make an order fixing the fair value of the shares of all Dissenting Shareholders who are parties to the application, giving judgment in that amount against a party and in favour of each of those Dissenting Shareholders, and fixing the time within which the Corporation must pay that amount payable to the Dissenting Shareholders. The Court may in its discretion allow a reasonable rate of interest on the amount payable to each Dissenting Shareholder calculated from the date on which the Dissenting Shareholder ceases to have any rights as a shareholder until the date of payment.

On the Asset Sale becoming effective, or upon the making of an agreement between the Corporation and the Dissenting Shareholder as to the payment to be made by the Corporation to the Dissenting Shareholder, or the pronouncement of a Court order, whichever first occurs, the Dissenting Shareholder will cease to have any rights as a shareholder other than the right to be paid the fair value of such Dissenting Shareholder's shares in the amount agreed to between the party and the Dissenting Shareholder or in the amount of the judgment, as the case may be. Until one of these events occurs, the Dissenting Shareholder may withdraw his dissent, or if the Asset Sale Resolution has not yet become effective the Corporation may rescind their Asset Sale Resolution, and, in either event, the dissent and appraisal proceedings in respect of that Dissenting Shareholder will be discontinued.

A corporation shall not make a payment to a Dissenting Shareholder under Section 191 if there are reasonable grounds for believing that the corporation is or would after the payment be unable to pay its liabilities as they become due, or that the realizable value of the assets of the corporation would thereby be less than the aggregate of its liabilities. In such event, the corporation shall notify each Dissenting Shareholder that it is lawfully unable to pay Dissenting Shareholders for their shares in which case the Dissenting Shareholder may, by written notice to the corporation within 30 days after receipt of such notice, withdraw such holder's written objection, in which case such Dissenting Shareholder shall be deemed to have participated in the Asset Sale as a Shareholder. If the Dissenting Shareholder does not withdraw such holder's written objection such Dissenting Shareholder retains status as a claimant against the party to be paid as soon as the party is lawfully entitled to do so or, in a liquidation, to be ranked subordinate to creditors but prior to its shareholders.

The above summary does not purport to provide a comprehensive statement of the procedures to be followed by a Dissenting Shareholder who seeks payment of the fair value of their common shares. Section 191 of the ABCA requires adherence to the procedures established therein and failure to do so may result in the loss of all rights thereunder. **Accordingly, each Dissenting Shareholder who is considering the right to dissent and appraisal should carefully consider and comply with the provisions of that section, the full text of which are set out in Schedule "A" to this Circular and consult their own legal advisor.**

7. Consolidation of Share Capital

At the Meeting, Shareholders will be asked to consider a special resolution (the “**Share Consolidation Resolution**”) approving an amendment to the Corporation’s articles to consolidate the issued and outstanding Common Shares (the “**Share Consolidation**”) on the basis of one (1) post-consolidation Common Share for up to every three (3) pre-consolidation Common Shares, with such ratio to be determined by the Board in its sole discretion.

The Board wishes to obtain approval for the Share Consolidation in order to provide the Corporation with flexibility with respect to the structuring of a potential future transaction. If the special resolution is approved by Shareholders, the Share Consolidation would only be implemented, if at all, upon a determination by the Board that it is in the best interest of the Corporation and its Shareholders at that time.

If the proposed Share Consolidation is approved by the Shareholders and all regulatory requirements are complied with, including the approval of TSXV, and implemented by the Board, following the announcement by the Corporation of the effective date of the Share Consolidation, registered shareholders will be sent a letter of transmittal by the Corporation’s transfer agent containing instructions on how to exchange their share certificates representing pre-consolidation Common Shares for new share certificates representing post-consolidation Common Shares. Non-registered shareholders holding their Common Shares through a bank, broker or other nominee should note that such banks, brokers or other nominees may have different procedures for processing the Share Consolidation than those that will be put in place by the Corporation for the registered shareholders. If you hold your Common Shares with such a bank, broker or other nominee and if you have any questions in this regard, you are encouraged to contact such intermediary.

No fractional Common Shares will be issued in connection with the Share Consolidation and, in the event that a Shareholder would otherwise be entitled to receive a fractional share upon such Share Consolidation, the number of Common Shares to be received by such Shareholder will be rounded up or down to the nearest whole Common Share.

At the Meeting, Shareholders will be asked to consider and, if thought appropriate, approve, a special resolution approving the Share Consolidation. The text of the special resolution to be considered at the Meeting will be as follows:

“**BE IT RESOLVED** as a special resolution that:

1. The Articles of the Corporation be amended to consolidate all of the issued and outstanding Common Shares of the Corporation on the basis of one (1) post-consolidation Common Share for up to every three (3) pre-consolidation Common Shares, with the final exchange ratio to be determined by the Board in its sole discretion and with the effective date of the amendment to be determined by the Board and not to be later than June 10, 2020. Any resulting fractional Common Shares shall be either rounded up or down to the nearest whole Common Share;
2. The Board be and it is hereby authorized to revoke, without further approval of the Shareholders, this special resolution at any time prior to the completion thereof, notwithstanding the approval by the Shareholders of same, if determined, in the Board’s sole discretion to be in the best interest of the Corporation; and
3. Any director or officer of the Corporation is authorized to do all acts and things, to execute and deliver all agreements, documents and instructions, to give all notices and to deliver, file and distribute all documents and information which such director or officer determines to be necessary or desirable in connection with or to give effect to and carry out these resolutions.”

In order for the foregoing resolution to be passed, it must be approved by 66 $\frac{2}{3}$ % of the votes cast by Shareholders in person or by proxy at the Meeting on such resolution. Unless otherwise directed, the persons named in the enclosed form of proxy, if named as proxy, intend to vote for the approval of the foregoing resolution approving the Share Consolidation.

8. Name Change

The name "Samoth Oilfield Inc." was chosen upon incorporation in 2006 to reflect the Corporation's focus on pursuing opportunities in the oil and gas industry. The Corporation has decided to dispose of its oil and gas assets and focus on other opportunities in a different industry. Management and the Board believe that a change of the name of the Corporation is necessary to better reflect the focus and strategy of the Corporation.

At the Meeting, Shareholders will be asked to consider and, if thought appropriate, to pass a resolution authorizing the Board to change the Corporation's name from "Samoth Oilfield Inc." to such name deemed appropriate by the Board (the "**Name Change**"), at its sole discretion, and as may be acceptable to TSXV and pursuant to the requirements of the ABCA.

Although Shareholder approval of the name change is being sought at the Meeting, such name change would become effective at a future date to be determined by the Board when it considers it to be in the best interests of the Corporation to implement. The proposed name change is also subject to certain regulatory approvals, including the approval of TSXV. The Board may, in its sole discretion, determine not to implement the name change without further notice to or action on the part of the Shareholders.

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to authorize and approve a special resolution to authorize an amendment of the Articles of the Corporation to change the name of the Corporation in substantially the form set out below (the "**Name Change Resolution**"). The following is the text of the Name Change Resolution which will be put forward to Shareholders for approval at the Meeting:

"BE IT RESOLVED as a special resolution that:

1. The articles of the Corporation be amended to change the name of the Corporation (the "Name Change") to such name as the Board determines in its sole discretion and with the effective date of the amendment to be determined by the Board and not to be later than June 10, 2020.
2. Any director or officer is hereby authorized, for and on behalf of the Corporation, to execute and deliver or cause to be delivered Articles of Amendment to the Registrar under the ABCA at such time as the Board determines to implement the Name Change.
3. The Board be and it is hereby authorized to revoke, without further approval of the Shareholders, this special resolution at any time prior to the completion thereof, notwithstanding the approval by the Shareholders of same, if determined, in the Board's sole discretion to be in the best interest of the Corporation.
4. Any director or officer of the Corporation is authorized to do all acts and things, to execute and deliver all agreements, documents and instructions, to give all notices and to deliver, file and distribute all documents and information which such director or officer determines to be necessary or desirable in connection with or to give effect to and carry out these resolutions."

In order for the foregoing resolution to be passed, it must be approved by 66 $\frac{2}{3}$ % of the votes cast by Shareholders in person or by proxy at the Meeting on such resolution. Unless otherwise directed, the

persons named in the enclosed form of proxy, if named as proxy, intend to vote for the approval of the foregoing resolution approving the Name Change.

OTHER BUSINESS

While there is no other business other than that business mentioned in the Notice of Meeting to be presented for action by the Shareholders at the Meeting, it is intended that the proxies hereby solicited will be exercised upon any other matters and proposals that may properly come before the Meeting or any adjournment or adjournments thereof, in accordance with the discretion of the persons authorized to act thereunder. The enclosed Instrument of Proxy confers discretionary authority upon the persons authorized to act thereunder to vote on any modifications or amendments concerning the business mentioned in the Notice of Meeting or any other business in accordance with his best judgment.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Financial information in respect of the Corporation's most recently completed financial year is provided in the Corporation's financial statements and management discussion and analysis which are available on SEDAR. A shareholder may contact the Corporation at: #2, 64 Riel Drive, St. Albert, Alberta, T8N 4A4; telephone number (780) 418-4400, Attention: Chief Financial Officer, to obtain a copy of the Corporation's most recent financial statements and management discussion and analysis.

SCHEDULE A
SECTION 191 OF THE BUSINESS CORPORATIONS ACT (ALBERTA)

Shareholder's right to dissent

- 191(1) Subject to sections 192 and 242, a holder of shares of any class of a corporation may dissent if the corporation resolves to
- (a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue or transfer of shares of that class,
 - (b) amend its articles under section 173 to add, change or remove any restrictions on the business or businesses that the corporation may carry on,
 - (b.1) amend its articles under section 173 to add or remove an express statement establishing the unlimited liability of shareholders as set out in section 15.2(1),
 - (c) amalgamate with another corporation, otherwise than under section 184 or 187,
 - (d) be continued under the laws of another jurisdiction under section 189, or
 - (e) sell, lease or exchange all or substantially all its property under section 190.
- (2) A holder of shares of any class or series of shares entitled to vote under section 176, other than section 176(1)(a), may dissent if the corporation resolves to amend its articles in a manner described in that section.
- (3) In addition to any other right the shareholder may have, but subject to subsection (20), a shareholder entitled to dissent under this section and who complies with this section is entitled to be paid by the corporation the fair value of the shares held by the shareholder in respect of which the shareholder dissents, determined as of the close of business on the last business day before the day on which the resolution from which the shareholder dissents was adopted.
- (4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the shareholder or on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.
- (5) A dissenting shareholder shall send to the corporation a written objection to a resolution referred to in subsection (1) or (2)
- (a) at or before any meeting of shareholders at which the resolution is to be voted on, or
 - (b) if the corporation did not send notice to the shareholder of the purpose of the meeting or of the shareholder's right to dissent, within a reasonable time after the shareholder learns that the resolution was adopted and of the shareholder's right to dissent.
- (6) An application may be made to the Court after the adoption of a resolution referred to in subsection (1) or (2),
- (a) by the corporation, or
 - (b) by a shareholder if the shareholder has sent an objection to the corporation under subsection (5),

to fix the fair value in accordance with subsection (3) of the shares of a shareholder who dissents under this section, or to fix the time at which a shareholder of an unlimited liability corporation who dissents under this section ceases to become liable for any new liability, act or default of the unlimited liability corporation.

- (7) If an application is made under subsection (6), the corporation shall, unless the Court otherwise orders, send to each dissenting shareholder a written offer to pay the shareholder an amount considered by the directors to be the fair value of the shares.
- (8) Unless the Court otherwise orders, an offer referred to in subsection (7) shall be sent to each dissenting shareholder
 - (a) at least 10 days before the date on which the application is returnable, if the corporation is the applicant, or
 - (b) within 10 days after the corporation is served with a copy of the application, if a shareholder is the applicant.
- (9) Every offer made under subsection (7) shall
 - (a) be made on the same terms, and
 - (b) contain or be accompanied with a statement showing how the fair value was determined.
- (10) A dissenting shareholder may make an agreement with the corporation for the purchase of the shareholder's shares by the corporation, in the amount of the corporation's offer under subsection (7) or otherwise, at any time before the Court pronounces an order fixing the fair value of the shares.
- (11) A dissenting shareholder
 - (a) is not required to give security for costs in respect of an application under subsection (6), and
 - (b) except in special circumstances must not be required to pay the costs of the application or appraisal.
- (12) In connection with an application under subsection (6), the Court may give directions for
 - (a) joining as parties all dissenting shareholders whose shares have not been purchased by the corporation and for the representation of dissenting shareholders who, in the opinion of the Court, are in need of representation,
 - (b) the trial of issues and interlocutory matters, including pleadings and questionings under Part 5 of the Alberta Rules of Court,
 - (c) the payment to the shareholder of all or part of the sum offered by the corporation for the shares,
 - (d) the deposit of the share certificates with the Court or with the corporation or its transfer agent,
 - (e) the appointment and payment of independent appraisers, and the procedures to be followed by them,
 - (f) the service of documents, and
 - (g) the burden of proof on the parties.
- (13) On an application under subsection (6), the Court shall make an order

- (a) fixing the fair value of the shares in accordance with subsection (3) of all dissenting shareholders who are parties to the application,
- (b) giving judgment in that amount against the corporation and in favour of each of those dissenting shareholders,
- (c) fixing the time within which the corporation must pay that amount to a shareholder, and
- (d) fixing the time at which a dissenting shareholder of an unlimited liability corporation ceases to become liable for any new liability, act or default of the unlimited liability corporation.

(14) On:

- (a) the action approved by the resolution from which the shareholder dissents becoming effective,
- (b) the making of an agreement under subsection (10) between the corporation and the dissenting shareholder as to the payment to be made by the corporation for the shareholder's shares, whether by the acceptance of the corporation's offer under subsection (7) or otherwise, or
- (c) the pronouncement of an order under subsection (13),

whichever first occurs, the shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shareholder's shares in the amount agreed to between the corporation and the shareholder or in the amount of the judgment, as the case may be.

(15) Subsection (14)(a) does not apply to a shareholder referred to in subsection (5)(b).

(16) Until one of the events mentioned in subsection (14) occurs,

- (a) the shareholder may withdraw the shareholder's dissent, or
- (b) the corporation may rescind the resolution,

and in either event proceedings under this section shall be discontinued.

(17) The Court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder, from the date on which the shareholder ceases to have any rights as a shareholder by reason of subsection (14) until the date of payment.

(18) If subsection (20) applies, the corporation shall, within 10 days after

- (a) the pronouncement of an order under subsection (13), or
- (b) the making of an agreement between the shareholder and the corporation as to the payment to be made for the shareholder's shares,

notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

- (19) Notwithstanding that a judgment has been given in favour of a dissenting shareholder under subsection (13)(b), if subsection (20) applies, the dissenting shareholder, by written notice delivered to the corporation within 30 days after receiving the notice under subsection (18), may withdraw the shareholder's notice of objection, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to the shareholder's full rights as a shareholder, failing which the shareholder retains a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

- (20) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that
 - (a) the corporation is or would after the payment be unable to pay its liabilities as they become due, or
 - (b) the realizable value of the corporation's assets would by reason of the payment be less than the aggregate of its liabilities.