

BUSINESS COMBINATION AGREEMENT

BETWEEN

SAMOTH OILFIELD INC.

- AND -

2470638 ALBERTA LTD.

- AND -

CHRONOS RESOURCES LTD.

November 7, 2022

BUSINESS COMBINATION AGREEMENT

THIS BUSINESS COMBINATION AGREEMENT is dated as of the 7 day of November, 2022.

BETWEEN:

SAMOTH OILFIELD INC.,
a corporation existing under the laws of the Province of Alberta
("Samoth")

- and -

CHRONOS RESOURCES LTD.,
a corporation existing under the laws of the Province of Alberta
("Chronos")

- and -

2470638 ALBERTA LTD.,
a corporation existing under the laws of the Province of Alberta
("AcquisitionCo")

(each, a "Party" and collectively, the "Parties")

WHEREAS pursuant to the terms and subject to the conditions set forth in this Agreement, the Parties intend to effect a business combination transaction whereby, among other things, Chronos and AcquisitionCo will amalgamate and continue as one corporation in accordance with the terms and conditions hereof;

AND WHEREAS AcquisitionCo is a wholly-owned subsidiary of Samoth and has not carried on active business and Samoth desires that AcquisitionCo amalgamate with Chronos in accordance with the terms and conditions hereof;

AND WHEREAS the boards of directors of Chronos and Samoth have unanimously: (a) approved this Agreement and the Amalgamation (as defined herein); and (b) in the case of Chronos, determined to recommend that the Chronos Shareholders vote in favour of the Amalgamation;

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

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, including the recitals hereto, unless there is something in the context or subject matter inconsistent therewith, the following defined terms have the meanings hereinafter set forth:

- (a) **Acquisition Proposal** means, other than the transactions contemplated by this Agreement, any written or oral offer, proposal, inquiry or request for discussions or negotiations from any Person or group of Persons "acting jointly or in concert" (within the meaning of National Instrument 62-104 - *Takeover Bids and Issuer Bids*) which contemplates, relates to or could reasonably be expected to lead to (in either case in one transaction or a series of transactions) any sale, issuance, acquisition, lease, joint venture, amalgamation, arrangement, merger, business combination, consolidation, take-over bid, issuer bid, exchange offer, liquidation, dissolution, reorganization, recapitalization or other arrangement or transaction having the same economic effect as a purchase and sale involving the shares or substantially all of the assets of either Samoth or Chronos or the consummation of which would materially reduce to either Samoth or Chronos the benefit of the transactions contemplated in this Agreement.
- (b) **AcquisitionCo** means 2470638 Alberta Ltd., a corporation wholly owned by Samoth and existing under the laws of the Province of Alberta.
- (c) **AcquisitionCo Shares** means common shares in the capital of AcquisitionCo.
- (d) **Agreement**, **herein**, **hereof**, **hereto**, **hereunder** and similar expressions mean and refer to this Business Combination Agreement (including the schedules hereto) as supplemented, modified or amended, and not to any particular article, section, schedule or other portion hereof.
- (e) **Amalco** means the continuing corporation arising as a result of the Amalgamation of Chronos and AcquisitionCo.
- (f) **Amalco Shares** means common shares in the capital of Amalco, as provided for in the Articles of Amalgamation.
- (g) **Amalgamation** means the amalgamation of Samoth and Chronos contemplated by this Agreement.
- (h) **Anti-Corruption Laws** has the meaning set forth in Section 4.1(r)(iv).
- (i) **Applicable Laws** in the context that refers to one or more persons, means any domestic or foreign, federal, state, provincial, municipal, regional or local law (statutory, common, or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated, or applied by a Governmental Authority and any terms or conditions of any grant of approval, permission, authority or license of any Governmental Authority, that is binding upon or applicable to such person or persons or its business or their business, undertaking, property or securities and emanate from a person having jurisdiction over the person or persons or its or their business, undertaking, property or securities, including the Exchange.
- (j) **Articles of Amalgamation** means the articles of amalgamation of Amalco.
- (k) **Breaching Party** has the meaning set forth in Section 5.4(b).
- (l) **Business Day** means any day, other than Saturday, Sunday or a statutory holiday in the Province of Alberta.

- (m) "**Chronos**" means Chronos Resources Ltd., a corporation existing under the laws of the Province of Alberta.
- (n) "**Chronos Amalgamation Resolution**" means the special resolution of Chronos Shareholders in respect of the Amalgamation to be considered at the Chronos Meeting, substantially in the form attached hereto as Schedule "A".
- (o) "**Chronos Duvernay**" means Chronos Duvernay Ltd., a corporation wholly-owned by Chronos and existing under the laws of the Province of Alberta.
- (p) "**Chronos Information Circular**" means the notice of Chronos Meeting and the accompanying management information circular of Chronos, together with all appendices thereto, to be mailed or otherwise distributed by Chronos to the Chronos Shareholders or such other securityholders of Chronos as may be required in connection with the Chronos Meeting pursuant to Applicable Laws.
- (q) "**Chronos Meeting**" means the special meeting of Chronos Shareholders to be held to consider the Chronos Amalgamation Resolution and related matters, and any adjournments thereof.
- (r) "**Chronos MIS**" means Chronos Duvernay MIS Ltd., a corporation wholly-owned by Chronos and existing under the laws of the Province of Alberta.
- (s) "**Chronos Financial Statements**" means, collectively, the:
 - (i) audited consolidated financial statements of Chronos as at and for the years ended December 31, 2021 and 2020, together with the notes thereto and the auditors' report thereon; and
 - (ii) unaudited condensed interim consolidated financial statements of Chronos as at and for the three- and six- months ended June 30, 2022, together with the notes thereto,

copies of which have been provided to Samoth prior to the date hereof.
- (t) "**Chronos Net Surplus**" means the net surplus of Chronos which includes, without duplication, any and all cash and cash equivalents, accounts receivable, prepaid expenses, deposits, bank debt, accounts payable, product inventory and line-fill assets, the mark-to-market value of any financial instruments, current tax liabilities.
- (u) "**Chronos Private Placements**" means, collectively, the Chronos Subscription Receipt Private Placement and the Chronos Unit Private Placement.
- (v) "**Chronos Reserves Report**" means the independent engineering evaluation of Chronos' oil, natural gas liquids and natural gas interests prepared by Sproule effective December 31, 2021.
- (w) "**Chronos Shareholder Approval**" means approval of the Chronos Amalgamation Resolution by Chronos Shareholders at the Chronos Meeting.
- (x) "**Chronos Shareholders**" means the holders from time to time of Chronos Shares.

- (y) "**Chronos Shares**" means common shares in the capital of Chronos.
- (z) "**Chronos SubCo**" means Chronos Duvernay SubCo. Ltd., a corporation wholly-owned by Chronos and existing under the laws of the Province of Alberta.
- (aa) "**Chronos Subscription Receipt**" means the subscription receipts of Chronos issued under the Chronos Subscription Receipt Private Placement, with each Chronos Subscription Receipt being automatically exchanged for one (1) Chronos Share upon the conditions to the completion of the Amalgamation being satisfied or waived as set forth in this Agreement.
- (bb) "**Chronos Subscription Receipt Private Placement**" means the non-brokered private placement of Chronos Subscription Receipts at a price of \$0.70 per Chronos Subscription Receipt for maximum aggregate gross proceeds of up to \$50 million.
- (cc) "**Chronos Subsidiaries**" means Chronos Duvernay, Chronos MIS, and Chronos SubCo.
- (dd) "**Chronos Warrant**" means the Chronos Share purchase warrants underlying the Chronos Units, each Chronos Warrant entitling the holder thereof to purchase one (1) Chronos Share for a period of five (5) years following the date of the issuance at a price of \$0.70 per Chronos Warrant (the "**Chronos Warrant Exercise Price**"), such Chronos Warrants to vest and become exercisable as to one-third upon the 10-day weighted average trading price of the Chronos Shares (the "**Chronos Warrant Market Price**") equaling or exceeding \$1.05, an additional one-third upon the Chronos Warrant Market Price equaling or exceeding \$1.23, and the final one-third upon the Chronos Warrant Market Price equalling or exceeding \$1.40 (which Chronos Warrants shall, upon the completion of the Amalgamation, represent a right to acquire Samoth Shares, as adjusted to reflect the Amalgamation and the Consolidation).
- (ee) "**Chronos Warrant Exercise Price**" has the meaning ascribed thereto in Section 1.1(dd).
- (ff) "**Chronos Unit**" means the units issued to subscribers under the Chronos Unit Private Placement, each Chronos Unit being comprised of one (1) Chronos Share and one (1) Chronos Warrant.
- (gg) "**Chronos Unit Private Placement**" means the non-brokered private placement of Chronos Units for maximum aggregate gross proceeds of up to \$12 million to certain directors, officers and insiders of Chronos.
- (hh) "**Confidentiality Agreement**" means the mutual confidentiality and non-disclosure agreement dated September 30, 2022 between Chronos and Samoth entered into in connection with the transactions contemplated herein.
- (ii) "**Consolidation**" has the meaning ascribed thereto in Section 2.8.
- (jj) "**Claim**" means any claim, action, demand, lawsuit, proceeding, arbitration or governmental investigation, in each case, whether asserted, threatened, pending or existing.
- (kk) "**Closing**" means the completion of the transactions contemplated herein, including the Amalgamation, the Name Change and the Consolidation.

- (ll) "**Closing Date**" means the date that Closing occurs, which is currently expected to be December 12, 2022, or such other date as the Parties hereto agree in writing, and in any event no later than the Outside Date.
- (mm) "**Closing Time**" means the time when the Amalgamation is completed on the Closing Date.
- (nn) "**COVID-19**" means the novel coronavirus disease outbreak.
- (oo) "**Deloitte**" means Deloitte LLP.
- (pp) "**Depository**" means Odyssey Trust Company or any trust company, bank or financial institution agreed to in writing between Samoth and Chronos for the purpose of, among other things, exchanging certificates and/or DRS advices representing Chronos Shares for certificates and/or DRS advices representing Samoth Shares in connection with the Amalgamation.
- (qq) "**Disclosing Party**" has the meaning set forth in Section 4.3.
- (rr) "**Dissent Rights**" means the rights of dissent in respect of the Chronos Amalgamation Resolution provided pursuant to the ABCA.
- (ss) "**Environment**" means the natural environment (including soil, land surface or subsurface strata), surface waters, groundwater, sediment, ambient air (including all layers of the atmosphere), organic and inorganic matter and living organisms, and any other environmental medium or natural resource and all sewer systems.
- (tt) "**Environmental Laws**" means, with respect to any person or its business, activities, property, assets or undertaking, all Applicable Laws relating to the Environment or public health and safety matters in the jurisdictions applicable to such person or its business, activities, property, assets or undertaking, including legislation governing abandonment and reclamation obligations, and the use, storage, treatment and release of Hazardous Substances.
- (uu) "**Exchange**" means the TSX Venture Exchange.
- (vv) "**Exchange Approval**" means the conditional approval of the Exchange for the issuance and listing of the Samoth Shares issuable in connection with the transactions contemplated herein in respect of the acquisition of the Chronos Shares (including the Chronos Shares issued pursuant to the Chronos Private Placements) pursuant to the Amalgamation, Name Change and Consolidation.
- (ww) "**Exchange Ratio**" has the meaning ascribed thereto in Section 2.5(l)(i).
- (xx) "**Governmental Authority**" means: (i) any international, multinational, federal, provincial, state, regional, municipal, local or other government, governmental or public department, ministry, central bank, court, tribunal, arbitral body, commission, commissioner, board, bureau or agency, domestic or foreign; (ii) any subdivision, agency, agent or authority of any of the foregoing; or (iii) any quasi-governmental or private body, including any tribunal, commission, regulatory agency, stock exchange or self-regulatory organization,

exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing.

- (yy) "**Hazardous Substances**" means any element, waste or other substance whether natural or artificial and whether consisting of gas, liquid, solid or vapour that is prohibited, listed, defined, designated or classified as dangerous, hazardous, radioactive, explosive or toxic or a pollutant or a contaminant under or pursuant to any applicable Environmental Laws, and specifically includes petroleum and all derivatives thereof or synthetic substitutes therefor and asbestos or asbestos containing materials or any substance which is deemed under Environmental Laws to be deleterious to the Environment or worker or public health or safety.
- (zz) "**IFRS**" means Canadian generally accepted accounting principles for publicly accountable enterprises, being International Financial Reporting Standards as adopted by the Canadian Accounting Standards Board.
- (aaa) "**KPMG**" means KPMG LLP.
- (bbb) "**Liens**" means any hypothecs, mortgages, pledges, assignments, liens, charges, security interests, encumbrances and adverse rights or Claims, other third person interests or encumbrances of any kind, whether contingent or absolute, and any agreement, options, rights or privileges (whether by Applicable Law, contract or otherwise) capable of becoming any of the foregoing.
- (ccc) "**Material Adverse Change**" or "**Material Adverse Effect**" means, with respect to a Party, any effect, change, event, development, circumstance or occurrence that, individually or in the aggregate with other such effects, changes, events, developments, circumstances or occurrences is, or would reasonably be expected to be material and adverse to the financial condition, business, operations, results of operations, assets, properties or capitalization of such Party (taken as a whole), other than any effect, change, event or development resulting from:
 - (i) general economic, financial, currency exchange, securities, credit or commodity prices in Canada or elsewhere, including, without limitation, changes as a result of, or relating to, the COVID-19 pandemic or any escalation of the Russian invasion of Ukraine;
 - (ii) conditions affecting the oil and natural gas exploration, exploitation, development and production industry as a whole, including, without limitation, changes as a result of, or relating to, the COVID-19 pandemic or any escalation of the Russian invasion of Ukraine;
 - (iii) any decline in crude oil or natural gas prices on a current or forward basis;
 - (iv) any matter in respect of which there has been disclosure in writing to the other Party on or prior to the date hereof;
 - (v) changes in Applicable Laws (including tax laws);
 - (vi) any changes in IFRS;

- (vii) the announcement of the execution of this Agreement or the transactions contemplated hereby;
- (viii) the failure of such Party to meet any internal or published projections, forecasts or estimates of revenues, earnings, cash flow or production or petroleum substances or natural gas (provided, however, that the causes underlying such failure may be considered to determine whether such causes constitute a Material Adverse Change or Material Adverse Effect);
- (ix) any changes in the trading price or trading volumes of the securities of such Party (provided, however, that the causes underlying such changes may be considered to determine whether such causes constitute a Material Adverse Change or Material Adverse Effect);
- (x) any acts of God, riots, terrorism, sabotage, earthquakes, epidemics (including the COVID 19 pandemic), military action or war (whether or not declared), change in global, national or regional political conditions, civil unrest, or disturbances or similar event or escalation or worsening thereof; or
- (xi) any changes or effects arising from matters permitted or contemplated by this Agreement or consented to or approved in writing by the other Party;

provided, however, that in the case of (i), (ii), (iii), (v), (vi) and (x) such change or effect relating to or resulting from the foregoing does not disproportionately affect a Party compared to other entities of similar size operating in the oil and gas exploration, exploitation, development and production industry, in which case the relevant exclusion from this definition of Material Adverse Change or Material Adverse Effect referred to above shall not be applicable to the extent of the disproportionate effect.

- (ddd) "**material contracts**" has the meaning set forth in Section 4.2(q).
- (eee) "**material fact**" and "**misrepresentation**" have the meanings ascribed thereto under the Securities Act.
- (fff) "**Money Laundering Laws**" has the meaning set forth in Section 4.1(r)(iii).
- (ggg) "**Mutual Releases**" has the meaning set forth in Section 2.14(c).
- (hhh) "**Name Change**" has the meaning ascribed thereto in Section 2.8.
- (iii) "**Outside Date**" has the meaning set forth in Section 5.1(d).
- (jjj) "**Parties**" means Chronos, Samoth and AcquisitionCo; and "**Party**" means any one of them.
- (kkk) "**Permit**" means any license, permit, certificate, franchise, consent, order, grant, easement, covenant, approval, classification, registration or other authorization of and from any person, including any Governmental Authority.

(III) **"Permitted Liens"** means:

- (i) the royalty burdens, liens, duties, terms and conditions, adverse Claims, penalties, reductions in interest and other encumbrances identified in the Samoth Public Record and as disclosed in writing by Samoth to Chronos in respect of the Samoth Assets;
- (ii) contracts for the purchase, processing, transportation, storage or operations in respect of the Samoth Assets, respectively, that are terminable (without penalty) on 31 days' notice or less;
- (iii) easements, rights of way, servitudes and similar rights in land including rights of way and servitudes for highways and other roads, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone, telegraph or cable television conduits, poles, wires and cables, in existence on the date of this Agreement;
- (iv) the right reserved to or vested in any Governmental Authority by the terms of any lease, or Permit forming part of the Samoth Assets, or by any statutory provision, to terminate any lease, Permit, or to require annual or other periodic payments as a condition of the continuance of them;
- (v) the right of general application reserved to or vested in any Governmental Authority to levy Taxes on petroleum and natural gas substances or the revenue from them, and governmental restrictions on production rates or on the operation of any property or otherwise affecting the value of any property;
- (vi) rights reserved to or vested in any Governmental Authority to control or regulate the Samoth Assets in any manner and all Applicable Laws;
- (vii) Liens for Taxes, assessments or governmental charges which are not due and payable and for which adequate reserves have been maintained in accordance with IFRS on the books and records, Chronos Financial Statements or Samoth Financial Statements, as applicable;
- (viii) the right reserved or vested in any person to create or incur a Lien that is a mechanics' lien, builders' lien or materialmen's lien in respect of services rendered or goods supplied but only to the extent such lien relates to goods or services for which payment is not delinquent or the validity of which is being contested in good faith by Samoth;
- (ix) the reservations, limitations, provisos and conditions in any original grant from the Crown of any of the lands forming part of the Samoth Leases or interests in them, and statutory exceptions to title;
- (x) the terms and conditions of the Samoth Interests and Samoth Leases; and
- (xi) Liens incurred, created and granted in the ordinary course of business to a public utility, municipality or Governmental Authority in connection with operations conducted with respect to the Samoth Assets.

- (mmm) "**person**" or "**Person**" includes an individual, limited or general partnership, limited liability company, limited liability partnership, trust, joint venture, association, body corporate, unincorporated organization, trustee, executor, administrator, legal representative, government (including any Governmental Authority) or any other entity, whether or not having legal status.
- (nnn) "**Recipient**" has the meaning set forth in Section 4.3(a).
- (ooo) "**Representatives**" means, with respect to a Party, the officers, directors, advisors, employees, representatives and agents of such Party.
- (ppp) "**Returns**" shall mean all reports, filings, notices, schedules, estimates, elections, designations, forms, declarations of estimated tax, information statements and returns including any amendments, attachments or appendices and exhibits thereto, made, prepared or filed or required to be filed with a Governmental Authority in connection with, any Taxes.
- (qqq) "**Samoth**" means Samoth Oilfield Inc., a corporation existing under the laws of the Province of Alberta.
- (rrr) "**Samoth AFEs**" means authorities for expenditure, cash calls, operations notices, amounts budgeted pursuant to joint operating agreements, unit agreements, mail ballots and similar notices and calls for funds pertaining to any of the Samoth Assets.
- (sss) "**Samoth Assets**" means all of the assets, properties, Permits, rights or other privileges (whether contractual or otherwise) of Samoth and, for greater certainty, includes the Samoth Leases and the Samoth Interests.
- (ttt) "**Samoth Board**" means the board of directors of Samoth.
- (uuu) "**Samoth Change of Control Payments**" means obligations of Samoth, pursuant to all employment or consulting services agreements, director compensation programs, termination, severance, change of control, bonus and retention plans or policies for severance, termination, change of control, bonus or retention payments, any payments related to any incentive plan and any other payments Samoth is required by law or contract or intends to make in connection with the termination of the Samoth employees at Closing arising out of or in connection with the transactions contemplated by this Agreement all of which costs and expenses have been disclosed in writing by Samoth to Chronos and, for greater certainty, shall exclude the payments to holders of Samoth Options pursuant to the terms of the Samoth Exercise and Cancellation Agreements.
- (vvv) "**Samoth Exercise and Cancellation Agreements**" means agreements, in form and satisfactory to each of Samoth and Chronos, acting reasonably, to be entered into between Samoth and the holders of Samoth Options, whereby each holder of Samoth Options agrees to exercise or surrender such Samoth Options in accordance with Section 2.13.

(www) "**Samoth Financial Statements**" means, collectively, the:

- (i) audited consolidated financial statements of Samoth as at and for the years ended October 31, 2021 and 2020, together with the notes thereto and the auditor's report thereon; and
- (ii) unaudited condensed interim consolidated financial statements of Samoth as at and for the three- and nine- months ended July 31, 2022, together with the notes thereto,

copies of which are available on the Samoth Public Record.

(xxx) "**Samoth Interests**" means the right of Samoth in and to the Samoth Leases, any and all reservations, Permits, licences, unit agreements, assignments, trust declarations, operating agreements, royalty agreements, gross overriding royalty agreements, agreements for the construction, ownership and operation of facilities, contract operating agreements, participation agreements, farm-in agreements, sale and purchase agreements, pooling agreements and any other documents and agreements granting, reserving or otherwise conferring rights to: (i) explore for, drill for, produce, take, use or market petroleum and natural gas substances; (ii) share in the production of petroleum and natural gas substances; (iii) share in the proceeds from, or measured or calculated by reference to the value or quantity of, petroleum and natural gas substances which are produced; and (iv) acquire any of the rights described in items (i) to (iii) of this definition; together with all related tangibles and miscellaneous interests; including interests and rights known as working interests, leasehold interests, royalty interests, overriding royalty interests, gross overriding royalty interests, production payments, profits interests, net profits interests, revenue interests, net revenue interests, economic interests and fee simple interests, including fractional or undivided interests in any of the foregoing.

(yyy) "**Samoth Leases**" means Samoth's leases, Permits, concessions, concession agreements, contracts, subleases, reservations or other agreements, by virtue of which Samoth is entitled to drill for, win, take, own or remove the petroleum and natural gas substances, or by virtue of which the holder thereof is deemed to be entitled to a share of petroleum and natural gas substances removed from the lands, and includes, if applicable, all renewals and extensions of such documents and all documents issued in substitution therefor.

(zzz) "**Samoth Net Surplus**" means the net surplus of Samoth which includes, without duplication, any and all cash and cash equivalents (including any proceeds from the exercise of Samoth Options), accounts receivable, prepaid expenses, deposits, bank debt, accounts payable, product inventory and line-fill assets, the mark-to-market value of any financial instruments, current tax liabilities, and, for greater certain, including the Samoth Transaction Costs calculated in accordance with the methodology and in the form disclosed in writing by Samoth to Chronos.

(aaaa) "**Samoth Option Plan**" means the stock option plan of Samoth as approved by Samoth Shareholders on August 11, 2022, as amended, restated, modified and supplemented from time to time.

(bbbb) "**Samoth Options**" means options to purchase Samoth Shares under the Samoth Option Plan.

- (cccc) "**Samoth Public Record**" means all information filed by or on behalf of Samoth with the Securities Authorities, in compliance, or intended compliance, with any Applicable Laws after November 2021, and prior to the date hereof, which is available for public viewing on the SEDAR website under Samoth's profile at www.sedar.com.
- (dddd) "**Samoth Reserves Report**" means the independent engineering evaluation of Samoth's oil, natural gas liquids and natural gas interests prepared by Deloitte effective October 31, 2021.
- (eeee) "**Samoth Shareholders**" means the holders from time to time of Samoth Shares and Samoth preferred shares.
- (ffff) "**Samoth Shares**" means common shares in the capital of Samoth.
- (gggg) "**Samoth Transaction Costs**" means all costs and expenses incurred by Samoth in connection with the transactions contemplated by this Agreement, including severance, termination, change of control (including the Samoth Change of Control Payments), or retention payments, "run off" directors' and officers' liability insurance costs, legal, accounting, audit, engineering, financial advisory, printing fees, fees to obtain required regulatory approvals and consents and all other administrative or professional fees, costs and expenses of Third Parties incurred by Samoth.
- (hhhh) "**Securities Act**" means the *Securities Act* (Alberta).
- (iiii) "**Securities Authorities**" means, collectively, the securities commissions or similar securities regulatory authorities in each of the provinces or territories of Canada.
- (jjjj) "**SEDAR**" means the System for Electronic Document Analysis and Retrieval.
- (kkkk) "**Sproule**" means Sproule Associates Limited.
- (llll) "**subsidiary**" means, with respect to a specified entity, any:
- (i) body corporate of which more than 50% of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other class or classes shall or might be entitled to vote upon the happening of any event or contingency) are at the time owned directly or indirectly by such specified entity or indirectly by or for the benefit of such specified entity;
 - (ii) entity which is not a body corporate, of which more than 50% of the voting or equity interests of such entity (including, for a partnership other than a limited partnership, the voting or equity interests in such partnership) are owned, directly or indirectly, by such specified entity or indirectly by or for the benefit of such specified entity and, in the case of a limited partnership, of which such specified entity, or a subsidiary of such specified entity, is a general partner; or
 - (iii) issuer that would constitute a subsidiary as defined in the Securities Act.
- (mmmm) "**Tax**" or "**Taxes**" means all taxes, duties, fees, premiums, assessments, imposts, levies and other charges of any kind whatsoever imposed by any Governmental Authority, together with all interest, penalties, fines, additions to tax or other additional amounts

imposed in respect thereof, including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, large corporation, capital gain, alternative minimum, transfer, land transfer, sales, goods and services, harmonized sales, use, value-added, excise, stamp, withholding, business, franchising, property, employer health, payroll, employment, health, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, all employment insurance, health insurance and Canada and other Governmental Authority pension plan and workers compensation premiums or contributions including any interest, fines or penalties for failure to withhold, collect or remit any tax and any liability for such taxes imposed by law with respect to any other person arising pursuant to any tax sharing, indemnification or other agreements or any liability for taxes of any predecessor or transferor entity and whether disputed or not.

(nnnn) "**Tax Act**" means the *Income Tax Act* (Canada) and the regulations promulgated thereunder, each as amended.

(oooo) "**Tax Pools**" means undepreciated capital cost of any particular class of depreciable property, earned depletion base, cumulative Canadian exploration expense, cumulative Canadian development expense, cumulative Canadian oil and gas property expense, foreign exploration and development expense, capital losses, non-capital losses, cumulative eligible capital, share issue costs and investment tax credits, all as defined in the Tax Act, and financing expenses referred to in paragraph 20(1)(e) of the Tax Act.

(pppp) "**Terminating Party**" has the meaning set forth in Section 5.4(b).

(qqqq) "**Termination Notice**" has the meaning set forth in Section 5.4(b).

(rrrr) "**Third Party**" means any Person other than the Parties and their respective Representatives.

(ssss) "**Third Party Beneficiaries**" has the meaning ascribed in Section 10.7.

(tttt) "**Transferred Information**" has the meaning set forth in Section 4.3(a).

(uuuu) "**United States**" means the United States of America, its territories and possessions, any state of the United States, and the District of Columbia.

1.2 Interpretation Not Affected by Headings, etc.

The division of this Agreement into articles, sections and subsections is for convenience of reference only and does not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereof", "herein" and "hereunder" and similar expressions refer to this Agreement (including the Schedules hereto) and not to any particular article, section, schedule or other portion hereof and include any agreement or instrument supplementary or ancillary hereto. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles, Sections and Schedules are to Articles and Sections of and Schedules to this Agreement.

1.3 Number, etc.

Words importing the singular number include the plural and vice versa and words importing the use of any gender include all genders.

1.4 Date for Any Action

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

1.5 Entire Agreement

This Agreement and the Confidentiality Agreement, together with the agreements and documents herein and therein referred to, constitute the entire agreement between the Parties pertaining to the subject matter hereof and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect to the subject matter hereof. To the extent of any inconsistency between this Agreement and the Confidentiality Agreement, this Agreement supersedes the Confidentiality Agreement.

1.6 Currency

All sums of money which are referred to in this Agreement are expressed in lawful money of Canada.

1.7 Accounting Matters

Unless otherwise stated, wherever in this Agreement reference is made to a calculation to be made or an action to be taken in accordance with IFRS, such reference will be deemed to be to the IFRS, as applicable, from time to time approved by the Canadian Accounting Standards Board or any successor institute, and applicable as at the date on which such calculation or action is made or taken or required to be made or taken.

1.8 Disclosure in Writing

The phrases "disclosed in writing by Chronos", "disclosed in writing by Samoth" and similar expressions used in this Agreement shall be construed for the purposes of this Agreement as referring to:

- (a) in the case of Chronos, written disclosure delivered by Chronos to Samoth concurrently with this Agreement setting out certain factual disclosures as referred to in this Agreement; and
- (b) in the case of Samoth, written disclosure delivered by Samoth to Chronos concurrently with this Agreement setting out certain factual disclosures as referred to in this Agreement.

1.9 References to Legislation

References in this Agreement to any statute or sections thereof shall include such statute as amended or substituted and any regulations promulgated thereunder from time to time in effect.

1.10 Enforceability

All representations, warranties, covenants and opinions in or contemplated by this Agreement as to the enforceability of any covenant, agreement or document are subject to

enforceability being limited by applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other laws relating to or affecting creditors' rights generally, and the discretionary nature of certain remedies (including specific performance and injunctive relief and general principles of equity).

1.11 Knowledge

Where any representation or warranty contained in this Agreement is expressly qualified by reference to the knowledge of a Party, it refers to the actual knowledge (having made due inquiry) of the officers of such Party and in each case in their capacities as officers of Samoth, Chronos or AcquisitionCo, as applicable, and not in their personal capacities and does not include the knowledge or awareness of any other individual or any constructive, implied or imputed knowledge.

1.12 Interpretation Not Affected by Party Drafting

The Parties acknowledge that their respective legal counsel have reviewed and participated in negotiating, drafting and settling the terms of this Agreement, and the Parties agree that any rule of construction to the effect that any ambiguity is to be resolved against the drafting party will not be applicable in the interpretation of this Agreement.

1.13 Schedules

The following Schedule attached hereto is incorporated into and forms an integral part of this Agreement:

- Schedule "A" – Chronos Amalgamation Resolution
- Schedule "B" – Articles of Amalgamation

ARTICLE 2 THE AMALGAMATION

2.1 General

Subject to the terms and conditions of this Agreement, each of the Parties hereto agrees to use its reasonable commercial efforts prior to the Closing Date to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary or advisable to complete the transactions contemplated by this Agreement and the Amalgamation.

2.2 Recommendation of Chronos Board

- (a) The Chronos Board has unanimously:
 - (i) determined that the Amalgamation is in the best interests of Chronos and Chronos Shareholders;
 - (ii) determined that the consideration to be received by the Chronos Shareholders pursuant to the Amalgamation is fair to Chronos Shareholders;
 - (iii) approved the Amalgamation and entering into of this Agreement; and

- (iv) resolved to recommend that the Chronos Shareholders vote in favour of the Chronos Amalgamation Resolution and the Amalgamation.
- (b) Notice of such approvals, determinations and resolution shall, subject to the terms hereof, be included in the Chronos Information Circular.

2.3 Chronos Information Circular and Chronos Meeting

- (a) As promptly as practicable following the execution of this Agreement and in compliance with Applicable Laws Chronos shall and with assistance from and the participation of the other Parties, each acting reasonably:
 - (i) prepare the Chronos Information Circular together with any other documents required by Applicable Laws in connection with the Chronos Meeting, and cause the Chronos Information Circular and such other documents to be mailed to the Chronos Shareholders and filed with applicable securities regulatory authorities and other Governmental Authorities in all jurisdictions where the same are required to be filed by no later than November 18, 2022; and
 - (ii) convene and conduct the Chronos Meeting by no later than December 12, 2022 and not adjourn, postpone or cancel (or propose the same) the Chronos Meeting without the prior written consent of Samoth, such consent not to be unreasonably withheld, conditioned or delayed, except in the case of an adjournment or postponement required for quorum purposes or by Applicable Laws or by a Governmental Authority, at which Chronos Meeting the Chronos Amalgamation Resolution shall be submitted to the Chronos Shareholders entitled to vote upon such resolutions for approval.
- (b) Samoth and Chronos shall cooperate in the preparation, filing and mailing of the Chronos Information Circular. Chronos shall provide Samoth and its representatives with a reasonable opportunity to review and comment on the Chronos Information Circular and other relevant documentation and the Chronos Information Circular shall comply in all respects with Applicable Laws.
- (c) If the Chronos Amalgamation Resolution is approved by Chronos Shareholders at the Chronos Meeting, Chronos agrees that it shall, with the cooperation and participation of Samoth, use reasonable commercial efforts to file with the Registrar the Articles of Amalgamation to be made effective as of the Closing Time.

2.4 Amalgamation Steps to be taken by Samoth

- (a) On the Closing Date, Samoth shall provide to the Depositary an irrevocable direction to issue the required number of Samoth Shares issuable pursuant to the Amalgamation and to register such shares in the name of the Chronos Shareholders in accordance with the Letters of Transmittal.
- (b) Samoth agrees that it shall, with the cooperation and participation of Chronos, exert its reasonable commercial efforts to file with the Registrar the Articles of Amalgamation to be made effective as of the Closing Time.

2.5 Implementation of Amalgamation

- (a) *Amalgamation.* Chronos and AcquisitionCo agree to amalgamate pursuant to the provisions of Section 181 of the ABCA and to continue as one corporation on the terms and subject to the conditions set forth herein.
- (b) *Name Change.* The name of Amalco shall be "Chronos Resources Ltd."
- (c) *Year End.* The year-end for Amalco shall be December 31.
- (d) *Registered Office.* The registered office of Amalco shall be located at Suite 4300, 888 – 3rd Street S.W., Calgary, Alberta T2P 5C5.
- (e) *Authorized Capital.* Amalco shall be authorized to issue an unlimited number of shares designated as common shares, which shall have the rights, privileges, restrictions and conditions set forth in the Articles of Amalgamation attached as Schedule "B" hereto.
- (f) *Number of Directors.* The minimum number of directors of Amalco shall be one and the maximum number of directors of Amalco shall be nine.
- (g) *Initial Directors.* The initial number of directors of Amalco shall be six (6). The initial directors of Amalco shall be the persons whose names are set forth below:
 - (i) Kevin Olson;
 - (ii) Dave Burton;
 - (iii) Ian Atkinson;
 - (iv) Ali Horvath;
 - (v) Kel Johnston;
 - (vi) Bruce Beynon; and
 - (vii) Don Cowie.

The initial directors shall hold office until the first annual general meeting of the shareholders of Amalco or until their successor are duly appointed or elected. The subsequent directors shall be elected each year thereafter as provided for in the by-laws of Amalco. The management and operation of the business and affairs of Amalco shall be under the control of the board of directors of Amalco as it is constituted from time to time.

- (h) *Effect of Certificate of Amalgamation.* On the Closing Date, the Amalgamation of Chronos and AcquisitionCo and their continuance as one corporation shall become effective; the property of each of Chronos and AcquisitionCo shall continue to be the property of Amalco; Amalco shall continue to be liable for the obligations of each of Chronos and AcquisitionCo; any existing cause of action, claim or liability to prosecution shall be unaffected; any civil, criminal or administrative action or proceeding pending by or against either Chronos or AcquisitionCo may be continued to be prosecuted by or against Amalco; a conviction against, or filing, order or judgment in favour of or against, either Chronos or AcquisitionCo may be enforced by or against Amalco; and the Articles of Amalgamation

shall be deemed to be the same as the Articles of Amalgamation of Chronos and the Certificate of Amalgamation shall be deemed to be the same as the Certificate of Amalgamation for Chronos.

- (i) *First Auditors.* The first auditors of Amalco shall be KPMG. The first auditors of Amalco shall hold office until their first annual meeting of shareholders of Amalco following the Amalgamation or until their successors are elected or appointed.
- (j) *Restrictions on Business.* There shall be no restrictions on the business the Amalco may carry on.
- (k) *Articles of Amalgamation and By-Laws.* The Articles of amalgamation of Amalco shall be in the form set forth in Schedule "B" hereto. The by-laws of Amalco shall be the same as the existing by-laws of Chronos.
- (l) *General Effects of the Amalgamation.* On the Closing Date:
 - (i) each holder of Chronos Shares, including holders of Chronos Shares issued upon conversion of the Chronos Subscription Receipts, shall exchange such Chronos Shares for Samoth Shares and shall, pursuant to the Amalgamation, receive twenty (20) fully paid and non-assessable Samoth Shares for each one (1) Chronos Share (the "**Exchange Ratio**") held by such Chronos Shareholder;
 - (ii) Samoth shall receive one (1) fully paid and non-assessable Amalco Share for each one (1) AcquisitionCo Share held by Samoth, following which all such AcquisitionCo Shares shall be cancelled;
 - (iii) Samoth shall add to the stated capital account maintained in respect of the Samoth Shares an amount equal to the aggregate paid-up capital for purposes of the Tax Act of the Chronos Shares immediately prior to the Amalgamation (less the paid-up capital of any Chronos Shares held by dissenting Chronos Shareholders who do not exchange their Chronos Shares for Samoth Shares on the Amalgamation); and
 - (iv) Amalco shall add to the stated capital account maintained in respect of the Amalco Shares an amount such that the stated capital of the Amalco Shares shall be equal to the aggregate paid-up capital for the purposes of the Tax Act of the AcquisitionCo Shares and Chronos Shares immediately prior to the Amalgamation (less the paid-up capital of any Chronos Shares held by dissenting Chronos Shareholders who do not exchange their Chronos Shares for Samoth Shares on the Amalgamation).
- (m) *Share Certificates and DRS Advices.* On the Closing Date:
 - (i) Registered Chronos Shareholders shall be deemed to be the registered holders of the Samoth Shares to which they are entitled pursuant to the aforementioned exchange and calculated in accordance with the provisions hereof and the holders of share certificates or direct registration statements (DRS) representing such Chronos Shares may surrender such certificates to the Depository, along with a duly completed Letter of Transmittal, and, upon such surrender, shall be entitled

to receive certificates and/or DRS advices representing the number of Samoth Shares to which they are so entitled pursuant to the aforementioned exchange;

- (ii) Samoth, as the registered holder of the AcquisitionCo Shares, shall be deemed to be the registered holder of Amalco Shares to which it is entitled calculated in accordance with the provisions hereof and may surrender the certificates representing the common shares of AcquisitionCo to Amalco and, upon such surrender, shall be entitled to receive a share certificate representing the number of Amalco Shares to which it is entitled, calculated in accordance with the provisions hereof.
- (n) Stale Certificates and/or DRS Advices. Any certificate and/or DRS advice formerly representing Chronos Shares which is not deposited with the Depositary on or prior to the third anniversary of the Closing Date with a Letter of Transmittal shall cease to represent a right or claim of any kind or nature whatsoever.

2.6 Dissenting Shareholders

Provided that the Amalgamation is to be approved by Chronos Shareholders at the Chronos Meeting, each Chronos Shareholder may exercise Dissent Rights in connection with the Amalgamation pursuant to and in the manner set forth in Section 191 of the ABCA. In such event, Chronos shall give Samoth: (a) prompt notice of any written notices of exercise of rights of dissent, withdrawals of such notices, and any other instruments served pursuant to the ABCA and received by Chronos; and (b) the opportunity to participate in all negotiations and proceedings with respect to such rights. Without the prior written consent of Samoth, except as required by Applicable Laws, Chronos shall not make any payment with respect to any such rights or offer to settle or settle any such rights.

2.7 Tax Withholdings

Samoth shall be entitled to deduct and withhold from any consideration otherwise payable to any Chronos Shareholder such amounts as Samoth is required or reasonably believes to be required to deduct and withhold from such consideration in accordance with applicable tax laws. Any such amounts will be deducted, withheld and remitted from the consideration payable pursuant to Amalgamation and shall be treated for all purposes under this Agreement as having been paid to Chronos Shareholders in respect of which such deduction, withholding and remittance was made; provided that such deducted and withheld amounts are actually remitted to the appropriate Governmental Authority.

2.8 Name Change and Consolidation of Samoth

On the Closing Date, immediately following the Amalgamation, Samoth shall file Articles of Amendment pursuant to the ABCA to: (i) consolidate the issued and outstanding Samoth Shares (the "**Consolidation**") on the basis of one (1) post-Consolidation Samoth Share for every eight (8) pre-Consolidation Samoth Shares; and (ii) effect a name change of Samoth (the "**Name Change**") from "Samoth Oilfield Inc." to "Lycos Energy Inc.". For greater certainty, the 20:1 Exchange Ratio set forth in Section 2.5(l)(i) herein is provided on a pre-Consolidation basis; on a post-Consolidation basis, each Chronos Shareholder will receive two and a half (2.5) Samoth Shares for each Chronos Share held.

2.9 Samoth Shareholder Approval

- (a) In compliance with Applicable Laws, Samoth has obtained approval of the Name Change and Consolidation prior to the date hereof.
- (b) If requested by Chronos, Samoth shall convene and conduct a meeting of the Samoth Shareholders by no later than the Closing Date, at which the Samoth Shareholders shall vote upon: (i) fixing the number of directors of Samoth for the ensuing year at six (6); (ii) electing the directors listed in Section 2.5(g) herein; and (iii) approving such amendments to the Samoth Option Plan as may be requested by Chronos.

2.10 Regulatory Matters

The Parties shall co-operate in the preparation of any application for Exchange Approval and any other orders, registrations, consents, filings, rulings, exemptions, no-action letters and approvals and the preparation of any documents reasonably deemed by any of the Parties to be necessary to discharge its respective obligations or otherwise advisable under Applicable Laws in connection with the transactions contemplated by this Agreement as promptly as practicable hereafter.

2.11 Closing

The Closing of the transactions contemplated hereby will take place by electronic means on the Closing Date.

2.12 Public Communications

Each Party shall receive the prior consent, not to be unreasonably withheld, of the other Parties prior to issuing or permitting any director, officer, employee or agent to issue, any press release or other written statement with respect to this Agreement or the transactions contemplated hereby. Notwithstanding the foregoing, if either Party is required by Applicable Law to make any disclosure relating to the transactions contemplated herein, such disclosure may be made, but that Party will use reasonable commercial efforts to consult with the other Parties as to the wording of such disclosure prior to its being made.

2.13 Treatment of Samoth Options

- (a) The holders, date of issuance, date of expiry, strike price and number of the Samoth Options outstanding as at the date hereof have been fully disclosed in writing by Samoth to Chronos.
- (b) In accordance with the terms of the Samoth Option Plan, the Samoth Board has elected to terminate all Samoth Options at, and conditional on the occurrence of, the Closing.
- (c) The Samoth Board shall approve, and Samoth shall use all reasonable commercial efforts to obtain, Samoth Exercise and Cancellation Agreements from each holder of Samoth Options providing for the exercise or cancellation of all outstanding Samoth Options held by such holder effective immediately before the Closing.
- (d) Any exercise or surrender of Samoth Options shall be subject to any applicable withholding requirements and any payments made in respect of the exercise and/or

surrender of Samoth Options shall be made net of any withholdings or deductions required or permitted by applicable Tax laws and administrative policy of the Canada Revenue Agency in such manner as may be determined by Samoth.

2.14 Employees and Directors

- (a) All directors of Samoth shall resign effective as of Closing, and all Samoth executives, officers, and employees shall be terminated at the Closing and shall receive the Samoth Change of Control Payments, subject to the terms of Section 2.14(c). Samoth shall use commercially reasonable efforts to obtain an executed Mutual Release from each director of Samoth and each executive or officer of Samoth. Such Samoth Change of Control Payments, less all withholding Taxes, shall be paid by Samoth at the Closing or as soon as practicable thereafter.
- (b) All Samoth employees shall be terminated at the Closing, and shall receive the Samoth Change of Control Payments, subject to providing Samoth with a full and final release of Samoth, Chronos and their affiliates, such release in a form acceptable to Chronos, acting reasonably. Samoth shall use commercially reasonable efforts to obtain an executed release from each Samoth employee. Such Samoth Change of Control Payments, less all withholding Taxes, shall be paid by Samoth at the Closing or as soon as practicable thereafter.
- (c) The resignations of the Samoth directors and the releases from the Samoth officers shall be received in consideration for Chronos and Samoth executing mutual releases (the "**Mutual Releases**"), which Mutual Releases shall contain exceptions for amounts or obligations owing to such individuals for payments due pursuant to the transactions contemplated by this Agreement as a Samoth Shareholder or pursuant to indemnity by statute, the provisions of any constating documents or bylaws of Samoth, contract or directors' and officers' insurance arrangements. The Samoth Change of Control Payments, less all withholding taxes, shall be paid by Chronos at the Closing Time or as soon as practicable thereafter concurrent with, and subject to, the execution of a Mutual Release from each payee.

2.15 Indemnities and Directors' and Officers' Insurance

- (a) Samoth agrees that Samoth, Chronos and its successors shall fulfill its obligations pursuant to indemnities provided or available to past and present officers and directors of Samoth pursuant to the provisions of the constating documents of Samoth, applicable corporate legislation and any written indemnity agreements which have been entered into between Samoth and its officers and directors effective on or prior to the date hereof nor take any action to amend any such indemnities in a manner that would adversely affect the rights of such officers and directors to such indemnities or the nature of such indemnities.
- (b) Prior to the Closing Date, Samoth shall be entitled to secure "run off" directors' and officers' liability insurance for its officers and directors covering Claims made prior to or within two (2) years after the Closing Date and Samoth agrees to not take or permit any action to be taken by or on behalf of Samoth to terminate or adversely affect such directors' and officers' insurance.

2.16 Tax Withholdings

Samoth shall be entitled to deduct and withhold from any consideration otherwise payable to any Samoth Shareholder or holder of Samoth Options who surrender or exercise their options pursuant to Section 2.13 such amounts as Samoth is required or permitted to deduct and withhold from such consideration in accordance with applicable Tax Laws. Any such amounts will be deducted and withheld from the consideration payable pursuant to the Amalgamation and shall be treated for all purposes as having been paid to the Chronos Shareholder in respect of which such deduction and withholding was made, provided that such amounts deducted or withheld are actually remitted to the appropriate taxing authority.

ARTICLE 3 COVENANTS

3.1 Covenants of Chronos

From the date hereof until the earlier of the completion of the transactions contemplated hereby and the termination of this Agreement in accordance with Article 8, except with the prior written consent of Samoth, and except as otherwise expressly permitted or specifically contemplated by this Agreement or as otherwise required by Applicable Laws:

- (a) Chronos shall conduct its business only in the usual and ordinary course of business consistent with past practice (for greater certainty, where it is an operator of any property, it shall operate and maintain such property in a proper and prudent manner in accordance with good industry practice and in compliance with the agreements governing the ownership and operation of such property);
- (b) Chronos shall not directly or indirectly do or permit to occur any of the following:
 - (i) amend its constating documents;
 - (ii) split, combine or reclassify any of its securities;
 - (iii) declare, set aside or pay any dividend or other distribution or payment (whether in cash, shares or property) in respect of the outstanding Chronos Shares;
 - (iv) adopt a plan of liquidation or resolutions providing for the liquidation, dissolution or reorganization of Chronos;
 - (v) reduce the stated capital of Chronos or any of its outstanding Chronos Shares;
 - (vi) take any action, refrain from taking any action, permit any action to be taken or not taken by it, inconsistent with this Agreement, which might, directly or indirectly, interfere with or adversely affect the consummation of the transactions contemplated by this Agreement;
 - (vii) enter into or modify any contract, agreement, commitment or arrangement with respect to any of the foregoing; or
 - (viii) make any changes to its existing accounting policies other than as required by Applicable Laws or IFRS;

- (c) Chronos shall not take any action that would render, or may reasonably be expected to render, any representation or warranty made by Chronos in this Agreement untrue in any material respect at any time prior to completion of the transactions contemplated by this Agreement or termination of this Agreement, whichever first occurs;
- (d) Chronos shall promptly notify Samoth in writing of any material change (actual, anticipated, contemplated or, to the knowledge of Chronos threatened, financial or otherwise) in its business, operations, affairs, assets, capitalization, financial condition, Permits, rights, privileges or liabilities, whether contractual or otherwise, or of any change in any representation or warranty provided by Chronos in this Agreement which change is or may be of such a nature to render any representation or warranty misleading or untrue in any material respect and Chronos shall in good faith discuss with Samoth any change in circumstances (actual, anticipated, contemplated, or to the knowledge of Chronos threatened) which is of such a nature that there may be a reasonable question as to whether notice needs to be given to Samoth pursuant to this provision;
- (e) Chronos will use its reasonable commercial efforts to satisfy or cause the satisfaction of the conditions set forth in Section 5.1 and Section 5.3 as soon as reasonably practicable, to the extent the satisfaction of the same is within the control of Chronos;
- (f) other than non-substantive communications, Chronos shall furnish promptly to Samoth or Samoth's counsel, a copy of each notice, report, schedule or other document delivered, filed or received by Chronos from Governmental Authorities in connection with: (i) any filings under Applicable Laws in connection with the transactions contemplated hereby; and (ii) any dealings with any Governmental Authority in connection with the transactions contemplated by this Agreement; and
- (g) Chronos shall use its reasonable commercial efforts to obtain all necessary consents, approvals, authorizations and filings as are required to be obtained or made by Chronos under any Applicable Laws and to satisfy any condition provided for under this Agreement.

3.2 Covenants of Samoth

From the date hereof until the earlier of the completion of the transactions contemplated hereby and the termination of this Agreement in accordance with Article 8, except with the prior written consent of Chronos, and except as otherwise expressly permitted or specifically contemplated by this Agreement, disclosed in writing by Samoth to Chronos, or as required by Applicable Laws, Samoth covenants and agrees that:

- (a) Samoth shall conduct its business only in the usual and ordinary course of business consistent with past practice (for greater certainty, where it is an operator of any property, it shall operate and maintain such property in a proper and prudent manner in accordance with good industry practice and in compliance with the agreements governing the ownership and operation of such property) and Samoth shall:
 - (i) consult with Chronos in respect of its ongoing business and affairs and keep Chronos apprised of all material developments relating thereto;
 - (ii) consult with Chronos, and obtain Chronos' prior consent, with regard to all operations and operational decisions and expenditures in respect of the Samoth Assets, including, without limitation, prior approval with regard to

all drilling, development, equipping and completion techniques and activities;

- (iii) pay or cause to be paid all costs and expenses relating to the Samoth Assets which become due; and
- (iv) perform and comply in all material respects with its obligations related to the Samoth Assets,

for greater certainty, Samoth shall not enter into or perform any contract, agreement, commitment or arrangement with respect to the acquisition or disposition of, or resolve to acquire or dispose of, any oil and/or natural gas assets, properties or related assets or of securities of any person engaged in the oil and/or natural gas and/or related business in any manner, or conduct any financing activities in any manner, or take any action that is not in the usual and ordinary course or that is not consistent with past practices which would have a Material Adverse Effect on Samoth;

- (b) Samoth shall carry out its capital spending program only in relation to capital expenditures agreed to by the Parties prior to the date hereof and, except for expenditures considered necessary by Samoth, acting reasonably, to preserve or protect the health or safety of individuals or to preserve or protect property or the Environment or as permitted herein, shall not amend or modify the capital spending program to increase spending, in whole or in part (provided that nothing herein shall require Samoth to make or incur any such expenditures);
- (c) Samoth shall not, directly or indirectly, do or permit to occur any of the following:
 - (i) amend its constating documents;
 - (ii) split, combine or reclassify any of its securities;
 - (iii) declare, set aside or pay any dividend or other distribution or payment (whether in cash, shares or property) in respect of the outstanding Samoth Shares;
 - (iv) issue (other than pursuant to the exercise of Samoth Options), grant, sell or pledge or agree to issue, grant, sell or pledge any Samoth Shares, or securities convertible into or exchangeable or exercisable for, or otherwise evidencing a right to acquire, Samoth Shares;
 - (v) other than pursuant to the Samoth Exercise and Cancellation Agreements, redeem, purchase or otherwise acquire any of the outstanding Samoth Shares or other securities, including under any normal course issuer bid;
 - (vi) adopt a plan of liquidation or resolutions providing for the liquidation, dissolution, merger, consolidation or reorganization of Samoth;
 - (vii) pursue, complete or agree to complete any corporate acquisition or disposition, amalgamation, merger, arrangement, make any investment therein either by purchase of shares or securities, contributions of capital or property transfer or make any material change to the business, capital or affairs of Samoth;

- (viii) reduce the stated capital of Samoth or any of its outstanding Samoth Shares;
 - (ix) pay, discharge or satisfy any material Claims, liabilities or obligations, other than in the ordinary course of business consistent with past practice;
 - (x) take any action, refrain from taking any action, permit any action to be taken or not taken, inconsistent with this Agreement, which might directly or indirectly interfere with or adversely affect the consummation of the transactions contemplated by this Agreement;
 - (xi) enter into or modify any contract, agreement, commitment or arrangement with respect to any of the foregoing; or
 - (xii) make any changes to its existing accounting policies other than as required by Applicable Laws or IFRS;
- (d) Samoth shall not, directly or indirectly, except for expenditures considered necessary by Samoth, acting reasonably, to preserve or protect the health or safety of individuals or to preserve or protect property or the Environment and except in relation to such capital expenditures agreed to by the Parties prior to the date hereof:
- (i) sell, pledge, dispose of or encumber any assets, other than production in the ordinary course of business;
 - (ii) expend or commit to expend any amount with respect to any capital expenditures, including Crown lease purchases and freehold lease acquisitions;
 - (iii) acquire any assets;
 - (iv) except in the usual and ordinary course of business, incur any amount of indebtedness for borrowed money or any other material liability or obligation or issue any debt securities or assume, guarantee, endorse or otherwise become responsible for, the obligations of any other person, or make any loans or advances, except:
 - (A) in respect of fees payable to legal, financial and other advisors in the ordinary course of business or in respect of the transactions contemplated hereunder;
 - (B) the amounts contemplated in relation to the payment of Samoth Transaction Costs;
 - (C) the amounts required to secure any "run off" directors' and officers' liability insurance in the manner contemplated by Section 2.15(b); or
 - (D) in relation to such capital expenditures agreed to by the Parties prior to the date hereof;
 - (v) authorize, recommend or propose any release or relinquishment or any material contract right;

- (vi) waive, release, grant or transfer any material rights of value or modify or change in any material respect any existing material license, lease, contract, production sharing agreement, government land concession or other material document;
 - (vii) abandon or fail to diligently pursue any application for any material leases or Permits or take any action or, fail to take any action, that could lead to termination of such leases or Permits;
 - (viii) enter into or terminate any hedges, swaps or other financial instruments or like transactions;
 - (ix) enter into any agreement or understanding with regards to any lease for real property;
 - (x) enter into any agreements for the sale of production having a term of more than 31 days;
 - (xi) enter into any consulting or contract operating agreement that cannot be terminated on 31 days' or less notice without penalty or farm-in agreement; or
 - (xii) authorize or propose any of the foregoing, or enter into or modify any contract, agreement, commitment or arrangement to do any of the foregoing;
- (e) Except as will not result in (A) the condition in Section 5.2(g) not being satisfied at the Closing Date, or (B) Chronos or Samoth having any obligations or liabilities following Closing with respect to the following matters, Samoth shall not:
- (i) hire or retain, or terminate the services of any director, executive officer, or employee, other than as disclosed in writing by Samoth to Chronos;
 - (ii) increase the compensation or benefits in any form of any employee or director of Samoth, including the award of bonuses;
 - (iii) take any action with respect to the amendment of any "change of control", separation payments, severance or termination pay policies or arrangements for any employee or director of Samoth;
 - (iv) grant any advance or any loan to any officer, employee or director or any other party; or
 - (v) except in connection with the directors' and officers' "run-off" insurance in accordance with Section 2.15(b), adopt or amend or make any contribution to any employee plan of Samoth, or any employee benefit, profit sharing, deferred compensation, insurance or other similar plan, agreement, fund or arrangement for the benefit of officers or directors;
- (f) Samoth shall, on the Closing Date, provide its transfer agent with an irrevocable direction authorizing and directing such transfer agent to issue the Samoth Shares issuable pursuant to this Agreement and shall irrevocably direct its transfer agent to distribute the Samoth Shares in accordance with the terms of this Agreement and the Samoth Exercise and Cancellation Agreements;

- (g) Samoth shall promptly apply to the Exchange for the Exchange Approval and shall take all necessary corporate action to allot and reserve for issuance the Samoth Shares to be issued in accordance with this Agreement;
- (h) Samoth shall use its reasonable commercial efforts to maintain its status as a "reporting issuer" (or similar designation) in all provinces of Canada where it is a reporting issuer at the date of this Agreement, maintain the listing of the Samoth Shares on the Exchange and remain in material compliance with Applicable Laws related thereto;
- (i) Samoth shall cause its current insurance (or re-insurance) policies not to be cancelled or terminated or any of the coverage thereunder to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance or re-insurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect and shall pay all premiums in respect of such insurance policies that become due prior to the Closing Date and Samoth shall consult with Chronos with respect to all such matters prior to taking any action in respect thereof;
- (j) Samoth shall withhold from any payment made to any of its present or former consultants, employees, officers and directors in respect of any payments contemplated by this Agreement including, without limitation, in connection with the Samoth Options, including pursuant to the Samoth Exercise and Cancellation Agreements, all amounts required by law or administrative practice to be withheld by it on account of any Taxes and other applicable source deductions;
- (k) Samoth shall not take any action, refrain from taking any action, permit any action to be taken or not taken by it, inconsistent with this Agreement, which would affect the consummation of the transactions contemplated hereby, or that would render, or may reasonably be expected to render, any representation or warranty made by Samoth in this Agreement untrue in any material respect at any time prior to completion of the transactions contemplated hereby or termination of this Agreement, whichever first occurs;
- (l) Samoth shall promptly notify Chronos in writing of any material change (actual, anticipated, contemplated or, to the knowledge of Samoth threatened, financial or otherwise) in its business, operations, affairs, assets, capitalization, financial condition, Permits, rights, privileges or liabilities, whether contractual or otherwise, or of any change in any representation or warranty provided by Samoth in this Agreement which change is or may be of such a nature to render any representation or warranty misleading or untrue in any material respect and Samoth shall in good faith discuss with Chronos any change in circumstances (actual, anticipated, contemplated, or to the knowledge of Samoth threatened) which is of such a nature that there may be a reasonable question as to whether notice needs to be given to Chronos pursuant to this provision;
- (m) Samoth shall deliver to Chronos on or prior to the Closing Date, from each person who is a director and/or officer of Samoth, an executed Mutual Release.
- (n) Samoth shall not, directly or indirectly, incur any amounts in respect of Samoth Transaction Costs which would cause the Samoth Transaction Costs to exceed, in the aggregate, \$220,000.00.

- (o) Samoth will use its reasonable commercial efforts to satisfy or cause the satisfaction of the conditions set forth in Sections 5.1 and 5.2 as soon as reasonably practicable, to the extent the satisfaction of the same is within the control of Samoth;
- (p) Samoth shall use its reasonable commercial efforts to obtain all necessary consents, approvals, authorizations and filings as are required to be obtained or made by Samoth under any Applicable Laws and to satisfy any condition provided for under this Agreement (including, without limitation, assisting Chronos with obtaining the Exchange Approval);
- (q) Except for non-substantive communications with the holders of Samoth securities, and communications that Samoth is required to keep confidential pursuant to Applicable Laws, Samoth shall furnish promptly to Chronos or Chronos' counsel, a copy of each notice, report, schedule or other document delivered, filed or received by Samoth from holders of Samoth securities or Governmental Authorities in connection with: (i) the Amalgamation; (ii) any filings under Applicable Laws; and (iii) any dealings with Governmental Authorities in connection with the transactions contemplated by this Agreement;
- (r) Samoth shall:
 - (i) subject to subsection (ii),
 - (A) duly and timely file all Returns required to be filed by it on or after the date hereof but prior to the Closing (including, without limitation, all applicable Returns for its most recent financial year end) and ensure that all such Returns are true, complete and correct in all material respects;
 - (B) timely pay all Taxes that are due and payable prior to the Closing within the time required by Applicable Laws (other than those that are being contested in good faith and in respect of which reserves have been provided in the Samoth Financial Statements);
 - (C) not make a request for a Tax ruling or enter into any agreement with any taxing authorities;
 - (D) not settle or compromise any Claim, audit or controversy relating to a material amount of Taxes;
 - (E) not, and shall not permit any steps to be taken, which would result in Samoth ceasing, or being deemed to cease, to be a "public corporation" for purposes of the Tax Act;
 - (F) not change in any material respect any of its methods of reporting income, deductions or accounting for income tax purposes from those employed in the preparation of its Returns for the taxation year ending October 31, 2021 and prior to the date hereof, except as may be required by Applicable Laws;
 - (G) properly reserve (and reflect such reserves in its books and records and financial statements) in accordance with past practice and in the ordinary course of business, for all Taxes accruing in respect of Samoth which are not due or payable prior to the Closing Date;

- (H) not, directly or indirectly, reduce the amount or amend the characterization of any of its individual categories of Tax Pools or any other tax attributes other than in the ordinary course of business or as may be required by Applicable Laws; and
- (I) not make any Tax filings outside the ordinary course of business, including making, amending or rescinding any Return, election or designation; and
- (ii) consult with Chronos in respect of all actions contemplated in Subsections 3.2(r)(i)(A), 3.2(r)(i)(B), 3.2(r)(i)(G), and 3.2(r)(i)(H) and shall not complete any such action without the prior written consent of Chronos, such consent not to be unreasonably withheld.

3.3 Mutual Covenants Regarding the Amalgamation

- (a) Each of Chronos, Samoth and AcquisitionCo shall use its commercially reasonable efforts to take, or cause to be taken, all actions and to do or cause to be done all things required or advisable under Applicable Laws to consummate and make effective, as soon as reasonably practicable, the Amalgamation, including:
 - (i) using reasonable commercial efforts to complete the transactions contemplated by this Agreement on December 12, 2022 or as soon thereafter as reasonably practicable and, in any event, by no later than the Outside Date; and
 - (ii) using reasonable commercial efforts to satisfy, or cause the satisfaction of, all conditions precedent to its obligations hereunder, and to take or cause to be taken, all other action and to do, or cause to be done, all other things necessary, proper or advisable under Applicable Laws to complete the transactions contemplated by this Agreement, including using its reasonable commercial efforts to:
 - (A) obtain all necessary waivers, consents and approvals required to be obtained by it from other parties to loan agreements, leases and other contracts;
 - (B) obtain all necessary consents, assignments, waivers and amendments to or terminations of any instruments and take such measures as may be appropriate to fulfill its obligations hereunder and to carry out the transactions contemplated by this Agreement; and
 - (C) upon reasonable consultation with the other Parties, oppose, lift or rescind any injunction, restraining or other order, decree or ruling seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the transactions contemplated by this Agreement.
- (b) Each Party shall promptly notify the other Parties of:
 - (i) any Material Adverse Effect with respect to such Party;
 - (ii) any notice or other communication from any Person alleging that the consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such Person is required in connection with this Agreement;

- (iii) any notice or other communication from any Person to the effect that such Person is terminating or otherwise materially adversely modifying its relationship with Samoth or Chronos, as applicable, as a result of this Agreement;
 - (iv) any notice or other communication from any Governmental Entity in connection with this Agreement (and such Party shall contemporaneously provide a copy of any such written notice or communication to the other Parties); or
 - (v) any filing, actions, suits, claims, investigations or proceedings commenced or, to its knowledge, threatened against, relating to or involving or otherwise affecting such Party.
- (c) Each of the parties shall use its reasonable commercial efforts to cooperate and coordinate with the other in connection with the performance by the other of their obligations under this Section 3.3 including, without limitation: (i) to maintain ongoing communications as between representatives of the Parties, subject in all cases to the Confidentiality Agreement; (ii) to provide each Party with advance draft copies and reasonable opportunity to comment on all draft notices, filings, submissions and information to be supplied to or filed with any Governmental Authority, considering in good faith any comments provided by the other Party, and to provide final copies of such notices, filings, submissions and information supplied to or filed with any Governmental Authority (including notices, filings, submissions and information which a Party, acting reasonably, considers highly confidential and sensitive which shall be provided on a confidential and privileged external legal counsel only basis to external legal counsel of the other Party); (iii) to promptly inform each Party of any communication with any Governmental Authority; (iv) to provide to each Party all notices and correspondence received from any Governmental Authority; and (v) where not prohibited by the Governmental Authority, provide each Party with the opportunity to participate in all communications (whether in writing, by telephone, videoconference or otherwise) with any Governmental Authority in connection with the transactions contemplated by this Agreement.

3.4 Covenants of Regarding Non-Solicitation

- (a) From and after the date hereof until the earlier of the Closing or the termination of this Agreement, each of the Parties shall immediately cease and cause to be terminated all existing solicitations, discussions and negotiations (including, without limitation, through any of its Representatives), if any, with any third parties other than each other, initiated on or before the date of this Agreement with respect to any actual or potential Acquisition Proposal. Each Party shall immediately discontinue, and shall cause its Representatives to discontinue, access to any of their confidential information and not allow or establish access to any of their confidential information, or any data room, virtual or otherwise and shall promptly request the return or destruction of all confidential information regarding such Party provided to any Third Party in connection with a potential or actual Acquisition Proposal to the extent that such information has not previously been returned or destroyed, and shall use all reasonable commercial efforts to ensure that such requests are honored in accordance with the terms of any confidentiality agreement governing such information. Each Party agrees that it shall not terminate, waive, release, amend, modify or otherwise forbear from the enforcement of, and agrees to take all necessary actions to actively prosecute and enforce, any agreement containing standstill provisions and any

provision of any existing confidentiality agreement or any standstill agreement to which it is a party.

- (b) Neither Chronos nor Samoth shall, directly or indirectly, do or authorize or permit any of its Representatives to do, any of the following until this Agreement is terminated in accordance with its terms:
- (i) solicit, initiate, encourage or facilitate any inquiries, proposals or offers, whether publicly or otherwise, regarding an actual or potential Acquisition Proposal;
 - (ii) in the case of Chronos only, withdraw, amend, modify or qualify, or propose to withdraw, amend, modify or qualify, in any manner adverse to the other Parties, the approval of the transactions contemplated by this Agreement by the Chronos Board or the recommendation of the Chronos Board that the Chronos Shareholders vote in favour of the Amalgamation Resolution;
 - (iii) encourage or participate in any negotiations or discussions with any other person regarding an actual or potential Acquisition Proposal, or furnish information or provide access to any other person any information with respect to such Party's securities, business, properties, operations or condition (financial or otherwise) in connection with, or in furtherance of, an actual or potential Acquisition Proposal; or
 - (iv) accept, recommend, approve, agree to endorse or propose to accept, recommend, approve, agree to endorse or enter into an agreement to implement any Acquisition Proposal.
- (c) Each Party shall ensure that its Representatives are aware of the provisions of this Section 3.4, and any violation of or the taking of any action which is inconsistent with any of the restrictions set forth in this Section 3.4 by any Representative shall be deemed to constitute a breach of this Section 3.4 by its Representatives.

3.5 Access to Information

- (a) From and after the date hereof until the earlier of the Closing or the termination of this Agreement, each of Samoth and Chronos shall, as the disclosing Party, subject to compliance with Applicable Laws and the terms of any contracts, upon reasonable prior notice, provide the receiving Party and its Representatives access, during normal business hours, to its premises, books, contracts, records, computer systems, properties, employees and management personnel, and the disclosing Party shall use its reasonable commercial efforts to furnish to the receiving Party such information concerning its business, properties and personnel as the receiving Party may reasonably request, which information shall remain subject to the Confidentiality Agreement. Each Party shall continue to afford the other Parties and their Representatives access to the due diligence materials. Without limiting the foregoing, and subject to the terms of any existing contracts, each Party shall, upon the request of another Party, facilitate discussions between the inquiring Party and any third party from whom consent may be required.
- (b) Each of the Parties agrees to endeavour to not knowingly withhold any information which would make anything contained in the information delivered erroneous or misleading.

- (c) Nothing in the foregoing shall require the Parties to disclose information which they are prohibited from disclosing pursuant to a written confidentiality agreement or confidentiality provision of an agreement with a third party or information which, in the opinion of such Party, acting reasonably, is competitively sensitive.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties of Chronos

Chronos hereby makes the representations and warranties set forth in this Section 4.1 to and in favour of Samoth and AcquisitionCo and acknowledges that Samoth and AcquisitionCo are relying upon such representations and warranties in connection with the matters contemplated by this Agreement.

- (a) **Organization.** Chronos is a corporation duly organized and validly subsisting under the Applicable Laws of its jurisdiction of incorporation and Chronos has the requisite power and authority to carry on its business as it is now being conducted and to own, lease and operate its properties and assets.
- (b) **Qualification.** Chronos is duly registered to do business and is in good standing in each jurisdiction in which the character of its properties, owned, leased, operated, licensed or otherwise held, or the nature of its activities make such registration necessary under Applicable Laws, except where the failure to be so registered or in good standing would not, individually or in the aggregate, have a Material Adverse Effect on Chronos.
- (c) **Subsidiaries.** Chronos does not have any direct or indirect subsidiaries, other than the Chronos Subsidiaries. All of the outstanding securities and other ownership interests in each of the Chronos Subsidiaries are duly authorized, validly issued, fully paid and where the concept exists, non-assessable, and all such securities and ownership interests are held directly or indirectly by Chronos. There are no agreements, warrants or options, or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement for, the purchase, allotment or issuance of, or subscription for, any securities or other ownership interests in the Chronos Subsidiaries, or any securities that are convertible into, or exchangeable or exercisable for, or otherwise evidencing a right to acquire, any securities or other ownership interests in any of the Chronos Subsidiaries. There are no outstanding contracts of any of the Chronos Subsidiaries to: (A) repurchase, redeem or otherwise acquire any of its securities or other ownership interests, or with respect to the voting or disposition of any outstanding securities or other ownership interests of the Chronos Subsidiaries; (B) make any investment in or provide any funds to (whether in the form of a loan, capital contribution or otherwise) any person, other than the Chronos Subsidiaries; or (C) provide any guarantee with respect to any person (other than the Chronos Subsidiaries). Neither Chronos nor any of the Chronos Subsidiaries own, directly or indirectly, any capital stock of, or other equity, joint venture or voting interests of any Person.
- (d) **Authority Relative to this Agreement.** Chronos has the requisite corporate power and authority to enter into this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement and the consummation by Chronos of the transactions contemplated by this Agreement have been duly authorized by the Chronos Board and, other than Chronos Shareholder Approval, no other corporate proceedings on

the part of Chronos are or shall be necessary to consummate the transactions contemplated by this Agreement. This Agreement has been duly executed and delivered by Chronos and constitutes a legal, valid and binding obligation of Chronos enforceable against Chronos in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other Applicable Laws relating to or affecting creditors' rights generally and to general principles of equity.

(e) **No Violation; Absence of Defaults and Conflicts.**

- (i) Subject to the receipt of Exchange Approval, Chronos Shareholder Approval, and compliance with applicable anti-trust laws, neither the execution and delivery of this Agreement by Chronos, the consummation by Chronos of the transactions contemplated by this Agreement nor compliance by Chronos with any of the provisions hereof will:
- (A) violate, conflict with, or result in breach of any provision of, require any consent, approval or notice under, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) or result in a right of termination or acceleration under, result in a payment under, or result in the creation of any Lien, claim, trust, royalty or carried, participation, net profits or other third party interest, option, right of first refusal, right or privilege and any agreement or arrangement (whether by law, contract or otherwise) capable of becoming any of the foregoing, upon any of the properties or assets of Chronos under, any of the terms, conditions or provisions of:
- (1) the articles, bylaws or other constating documents of Chronos; or
- (2) any note, bond, mortgage, indenture, loan agreement, deed of trust, agreement, lien, contract or other instrument or obligation to which Chronos is a party or to which it, or its properties or assets, may be subject or by which Chronos is bound; or
- (B) violate any judgment, ruling, order, writ, injunction, determination, award, decree, statute, ordinance, rule or regulation in Canada applicable to Chronos; or
- (C) cause a suspension or revocation of any authorization, consent, approval or license currently in effect which would have a Material Adverse Effect on Chronos.
- (ii) Other than in connection with or in compliance with the provisions of Applicable Laws in relation to the completion of the Amalgamation or which are required to be fulfilled post-Amalgamation, and except for Chronos Shareholder Approval and Exchange Approval:
- (A) there is no legal impediment to Chronos' consummation of the Amalgamation; and
- (B) no filing or registration with, or authorization, consent or approval of, any domestic or foreign public body or authority is required of Chronos in

connection with the consummation of the Amalgamation, except for such filings or registration which, if not made, or for such authorizations, consents or approvals which, if not received, would not, individually or in the aggregate, have a Material Adverse Effect on Chronos or significantly impede the ability of Chronos to consummate the transactions described herein.

- (f) **Litigation.** There are no claims, actions, suits, proceedings, investigations, arbitrations, audits, grievances, assessments in existence or pending or, to the knowledge of Chronos, threatened or for which there is a reasonable basis, affecting or what would reasonably be expected to affect Chronos or affecting or that would reasonably be expected to affect any of its properties or assets at law or in equity or before or by any court or Governmental Authority which claim, action, suit, proceeding, investigation, arbitration, audit, grievance, assessment or reassessment involves a possibility of any judgment against or liability of Chronos.
- (g) **Capitalization.** Chronos is authorized to issue an unlimited number of Chronos Shares and an unlimited number of Chronos preferred shares. As of the date of this Agreement, 31,399,439 Chronos Shares and nil Chronos preferred shares are issued and outstanding. Except as set forth in the preceding sentence, as of the date of this Agreement, there are no other outstanding securities of Chronos or options, warrants, rights of conversion or exchange privileges or other securities entitling anyone to acquire any securities of Chronos or any other rights, agreements or commitments of any character whatsoever requiring the issuance, sale or transfer by Chronos of any securities. All outstanding Chronos Shares have been duly authorized and are validly issued as fully paid and non-assessable shares and are not subject to, nor have they been issued in violation of, any pre-emptive rights.
- (h) **Reporting Issuer Status.** Chronos is not a reporting issuer (or equivalent thereof) in any of the provinces of Canada.
- (i) **Chronos Private Placements.** Chronos (i) has executed a letter of intent with National Bank Financial Inc. in respect of the Chronos Subscription Receipt Private Placement, and (ii) intends to complete the Chronos Unit Private Placement.
- (j) **Chronos Shares.** Chronos has reserved and allotted or will reserve and allot prior to the Closing Date a sufficient number of Chronos Shares as are issuable pursuant to the Chronos Private Placements and this Agreement, and such Chronos Shares when issued, will be duly authorized, validly issued and fully paid and non-assessable.
- (k) **Shareholder Agreements.** Other than as disclosed in writing by Chronos to Samoth, Chronos is not a party to any unanimous shareholders agreement, pooling agreement, voting trust or other similar type of arrangement that affects in any manner the voting or control of any of their outstanding securities.
- (l) **No Restrictions.** Chronos is not a party to any shareholder rights plan or any other form of plan, agreement, contract or instrument that shall trigger any rights to acquire Chronos Shares or other securities of Chronos or rights, entitlements or privileges in favour of any person upon the entering into of this Agreement or completing the transactions contemplated by this Agreement.

(m) **Chronos Financial Statements.**

- (i) Except: (i) as disclosed or reflected in the Chronos Financial Statements; and (ii) for liabilities and obligations: (A) incurred in the ordinary course of business and consistent with past practice since January 1, 2022; or (B) pursuant to the terms of this Agreement or any other agreement or instrument to which Samoth is a party, Chronos has not incurred any material liabilities of any nature, whether accrued, contingent or otherwise, whether or not such liabilities would be required by IFRS to be reflected on a balance sheet of Chronos as of the date hereof and has not been a party to any off-balance sheet arrangements, as that term is understood under IFRS.
- (ii) The Chronos Financial Statements fairly present, in accordance with IFRS, consistently applied, the consolidated financial position and condition of Chronos at the dates thereof and the results of the operations of Chronos for the periods then ended and reflect, in accordance with IFRS, consistently applied, all material assets, liabilities or obligations (absolute, accrued, contingent or otherwise) of Chronos, as at the dates thereof.
- (iii) Chronos has a system of internal accounting controls sufficient to provide reasonable assurances that:
 - (A) transactions are executed in accordance with management's general or specific authorization; and
 - (B) transactions are recorded as necessary to permit preparation of financial statements in conformity with IFRS, and to maintain accountability for assets.

(n) **Chronos Reserves Report.** The Chronos Reserves Report complies with the requirements of National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities*. Chronos has no reason to believe that the Chronos Reserves Report was not accurate in all material respects as at the date of such report and, except for any impact of changes in commodity prices and production since the date of the Chronos Reserves Report, Chronos has no knowledge of a Material Adverse Change in the production, costs, price, reserves or estimates of future net production revenues from that disclosed in the Chronos Reserves Report. Chronos has provided to Sproule all material information concerning land descriptions, well data, facilities and infrastructure, ownership and operations, future development plans and historical technical and operating data respecting the principal oil and natural gas assets of Chronos, as at the effective date of such report, and, in particular, all material information respecting the interests of Chronos in its principal oil and natural gas assets and royalty burdens and net profits interest burdens thereon and such information was accurate and correct in all material respects as at the respective dates thereof and did not omit any information necessary to make any such information provided not misleading as at the respective dates thereof and there has been no Material Adverse Change in any of the material information so provided since the date thereof.

(o) **Books and Records.** The financial books, records and accounts of Chronos, in all material respects: (i) have been maintained in accordance with all applicable statutory requirements and good business practices on a basis consistent with prior years; (ii) are

stated in reasonable detail and accurately and fairly reflect the material transactions of Chronos; and (iii) accurately and fairly reflect the basis for the Chronos Financial Statements. The corporate records and minute books of Chronos have been maintained substantially in compliance with Applicable Laws and are complete and accurate in all material respects, and full access thereto has been provided to Samoth.

(p) **Absence of Certain Changes or Events.** Since January 1, 2022, other than the Amalgamation and the transactions contemplated herein:

- (i) there has not been any Material Adverse Change respecting Chronos;
- (ii) there has not been any material facts, transactions, events or occurrences which, to the knowledge of Chronos, could reasonably be expected to result in a Material Adverse Change respecting Chronos;
- (iii) Chronos has conducted its business only in the ordinary and normal course, consistent with past practice and in compliance in all material respects with all Applicable Laws in each jurisdiction in which it carries on business; and
- (iv) no liability or obligation of any nature (whether absolute, accrued, contingent or otherwise), whether or not such liabilities would be required by IFRS to be reflected on a balance sheet of Chronos, material to Chronos has been incurred other than in the ordinary and normal course of business, consistent with past practice.

(q) **No Impediments.** Other than receipt of Exchange Approval and Chronos Shareholder Approval, the receipt of any required approvals:

- (i) there is no legal impediment to Chronos' consummation of the transactions contemplated by this Agreement; and
- (ii) no filing or registration with, or authorization, consent or approval of, any Governmental Authority is necessary by Chronos in connection with the consummation of the transactions contemplated by this Agreement, except for such filings or registrations which, if not made, or for such authorizations, consents or approvals, which, if not received, would not materially impede the ability of Chronos to consummate the transactions contemplated by this Agreement.

(r) **Compliance with Laws.**

- (i) Chronos has complied with all Applicable Laws in all material respects and is not in violation of any Applicable Laws in any material respects, there is no court, administrative, regulatory or similar proceeding (whether civil, quasi-criminal or criminal), arbitration or other dispute settlement procedure, investigation or inquiry by any Governmental Authority, or any Claim, charge, indictment, hearing or other similar civil, quasi-criminal or criminal, administrative or investigative material matter or proceeding (collectively, "**proceedings**") against or involving Chronos, or in respect of the businesses, properties or assets of Chronos (whether in progress or, to the knowledge of Chronos, threatened), that (i) involves a Claim for damages, exclusive of interest and costs; or (ii) if adversely determined, would reasonably be expected to have a Material Adverse Effect on Chronos, and, to the

knowledge of Chronos, no event has occurred which might reasonably be expected to give rise to any proceeding.

- (ii) There is no judgment, writ, decree, injunction, rule, award or order of any Governmental Authority outstanding against Chronos in respect of its business, properties or assets that has had or would reasonably be expected to have a Material Adverse Effect on Chronos.
- (iii) The operations of Chronos are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any Governmental Authority to which Chronos is subject (collectively, the "**Money Laundering Laws**") and no action, suit or proceeding by or before any Governmental Authority or arbitrator involving Chronos with respect to Money Laundering Laws is pending, or, to the knowledge of Chronos, threatened.
- (iv) Neither Chronos nor its directors or officers nor, to the knowledge of Chronos, any agent, employee or affiliate of Chronos is aware of or has taken any action, directly or indirectly, that could result in a violation by such Persons of the *Corruption of Foreign Public Officials Act* (Canada), the Foreign Corrupt Practices Act of 1977 (U.S.), or any other anticorruption law to which Chronos may be subject (collectively, the "**Anti-Corruption Laws**"), including, without limitation, making any bribe, rebate, payoff, influence payment, kickback or other unlawful payment or making use of the mails or any means or instrumentality of interstate commerce in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value or benefit to any "foreign official" or "public official" (as such terms are defined in the applicable Anti-Corruption Laws) or any foreign political party or official thereof or any candidate for foreign political office, or any third party or any other Person to the benefit of the foregoing, in contravention of the Anti-Corruption Laws, and Samoth and its affiliates have conducted their businesses in compliance with the Anti-Corruption Laws.
- (v) Neither Chronos nor its directors or officers nor, to the knowledge of Chronos, any agent, employee or affiliate of Chronos (i) is, or is controlled by or is acting on behalf of, any Person that is currently the subject of any sanctions administered or enforced by the United States (including any sanctions administered or enforced by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State or the Bureau of Industry and Security of the U.S. Department of Commerce, and including, without limitation, the designation as a "specially designated national" or "blocked person") or Canada (including sanctions administered or enforced by Global Affairs Canada and the Royal Canadian Mounted Police or other relevant sanctions authority) (collectively, "Sanctions") or (ii) is located, organized or resident in a country or territory that is, or whose government is, the subject of Sanctions that broadly prohibit dealings with that country or territory, including, without limitation, Crimea, Sudan, Syria, Iran, Russia and North Korea, and neither Chronos nor its directors or officers nor, to the knowledge of Chronos, any agent, employee or affiliate of Chronos were knowingly engaged in, are now knowingly engaged in, or will knowingly engage in,

any dealings or transactions with any Person, or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions. Neither Chronos nor its directors or officers nor, to the knowledge of Chronos, any agent, employee or affiliate of Chronos has received any notice alleging they have violated any Sanctions, and, to the knowledge of Chronos, no condition or circumstances exist that would form the basis of any such allegations.

(s) **Insolvency Proceedings.**

(i) No action or proceeding has been commenced or filed by or against Chronos which seeks or would reasonably be expected to lead to:

- (A) receivership, bankruptcy, a commercial proposal or similar proceeding of Chronos;
- (B) the adjustment or compromise of Claims against Chronos;
- (C) the appointment of a trustee, receiver, liquidator, custodian or other similar officer for Chronos or any portion of their assets, and no such action or proceeding has been authorized or is being considered by or on behalf of Chronos; or

(ii) Chronos has not:

- (A) made, or is considering making, an assignment for the benefit of their respective creditors; or
- (B) requested, or is considering requesting, a meeting of its respective creditors to seek a reduction, compromise, composition or other accommodation with respect to its respective indebtedness.

(t) **No Indemnity.** Chronos has not guaranteed, endorsed, assumed, indemnified or accepted any responsibility for, and does not and will not guarantee, endorse, assume, indemnify or accept any responsibility for, contingently or otherwise, any indebtedness or the performance of any obligation of any other Person, other than the indemnification of directors and officers in accordance with the by-laws of Chronos and other than indemnification agreements or covenants that are entered into in the ordinary course of business, including operating and similar agreements and credit borrowing agreements.

(u) **Commitments.** Except for as contemplated by this Agreement or in respect of indemnity agreements with its directors and officers as contemplated by the by-laws of Chronos and Applicable Laws, and other than standard indemnity provisions in financial services agreements, underwriting and agency agreements, asset purchase and sale agreements, joint operating agreements and title documents and in the ordinary course provided to service providers, transfer agents and industry partners, Chronos is not a party to or bound by any agreement, guarantee, indemnification or endorsement or like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any person.

(v) **Related Party Transactions.**

- (i) No director, officer, insider or other non-arm's length party to Chronos (or any associate or affiliate thereof) has any right, title or interest in (or the right to acquire any right, title or interest in) any royalty interest, carried interest, participation interest or any other interest whatsoever which are based on production from or in respect of any properties of Chronos.
- (ii) No director, officer, insider or other non-arm's length party of Chronos is indebted to Chronos.

(w) **Insurance.** Policies of insurance are in force as of the date hereof naming Chronos as an insured, that adequately cover all risks as are customarily covered by oil and gas producers in the industry in which Chronos operates and such policies remain in full force and effect and shall not be cancelled or otherwise terminated as a result of the transactions contemplated by this Agreement.

(x) **Financial Advisor.** Other than National Bank Financial Inc., DeltaCap Partners Inc., and Everleaf Capital Corp., Chronos has not retained any financial advisor, broker, agent or finder, or paid or agreed to pay or have Samoth pay any financial advisor, broker, agent or finder on account of this Agreement, any transaction contemplated hereby or thereby or any transaction presently ongoing or contemplated.

(y) **Chronos Net Surplus.** The Chronos Net Surplus was not less than \$250,000.00 as at September 30, 2022 and the particulars of the Chronos Net Surplus as of the date hereof have been provided in writing to Samoth.

4.2 **Representations and Warranties of Samoth and AcquisitionCo**

Each of Samoth and AcquisitionCo, as applicable, hereby make the representations and warranties set forth in this Section 4.2 to and in favour of Chronos and acknowledge that Chronos is relying upon such representations and warranties in connection with the matters contemplated by this Agreement.

- (a) **Organization.** Each of Samoth and AcquisitionCo is a corporation duly organized and validly subsisting under the Applicable Laws of its jurisdiction of incorporation and each of Samoth and AcquisitionCo has the requisite power and authority to carry on its business as it is now being conducted and to own, lease and operate its properties and assets.
- (b) **Qualification.** Each of Samoth and AcquisitionCo is duly registered to do business and is in good standing in each jurisdiction in which the character of its properties, owned, leased, operated, licensed or otherwise held, or the nature of its activities make such registration necessary under Applicable Laws.
- (c) **Subsidiaries.** Samoth has no direct or indirect subsidiaries other than AcquisitionCo. Other than AcquisitionCo, Samoth has no interest in any partnership, corporation or other business or organization. AcquisitionCo has no direct or indirect subsidiaries, and no interest in any partnership, corporation or other business or organization.
- (d) **Authority Relative to this Agreement.** Each of Samoth and AcquisitionCo has the requisite corporate power and authority to enter into this Agreement and to carry out its

obligations hereunder. The execution and delivery of this Agreement and the consummation by each of Samoth and AcquisitionCo of the transactions contemplated by this Agreement have been duly authorized by the Samoth Board. This Agreement has been duly executed and delivered by each of Samoth and AcquisitionCo and constitutes a legal, valid and binding obligation of each of Samoth and AcquisitionCo, enforceable against Samoth and/or AcquisitionCo, as applicable, in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other Applicable Laws relating to or affecting creditors' rights generally and to general principles of equity.

(e) **No Violation; Absence of Defaults and Conflicts.**

- (i) Neither the authorization, execution and delivery of this Agreement by Samoth, AcquisitionCo, nor the completion of the Amalgamation, nor the performance of its obligations hereunder, nor compliance by Samoth or AcquisitionCo with any of the provisions hereof, will:
 - (A) violate, conflict with, or result in breach of any provision of, require any consent, approval or notice under, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) or result in a right of termination or acceleration under, or result in the creation of any Lien, claim, trust, royalty or carried, participation, net profits or other third party interest, option, right of first refusal, right or privilege and any agreement or arrangement (whether by law, contract or otherwise) capable of becoming any of the foregoing, upon any of the properties or assets of Samoth or AcquisitionCo, as applicable, under, any of the terms, conditions or provisions of:
 - (1) the articles, bylaws or other constating documents of Samoth or AcquisitionCo, respectively; or
 - (2) any note, bond, mortgage, indenture, loan agreement, deed of trust, agreement, lien, contract or other instrument or obligation to which Samoth is a party or to which it, or its properties or assets, may be subject or by which Samoth is bound; or
 - (B) violate any judgment, ruling, order, writ, injunction, determination, award, decree, statute, ordinance, rule or regulation in Canada applicable to Samoth or AcquisitionCo, as applicable; or
 - (C) cause a suspension or revocation of any authorization, consent, approval or license currently in effect which would have a Material Adverse Effect on Samoth or AcquisitionCo, as applicable.
- (ii) Other than in connection with or in compliance with the provisions of Applicable Laws in relation to the completion of the Amalgamation or which are required to be fulfilled post-Amalgamation, and except for Chronos Shareholder Approval and Exchange Approval:
 - (A) there is no legal impediment to Samoth's consummation of the Amalgamation; and

- (B) no filing or registration with, or authorization, consent or approval of, any domestic or foreign public body or authority is required of Samoth in connection with the consummation of the Amalgamation, except for such filings or registration which, if not made, or for such authorizations, consents or approvals which, if not received, would not, individually or in the aggregate, have a Material Adverse Effect on Samoth or significantly impede the ability of Samoth to consummate the transactions described herein.
- (f) **Litigation.** There are no claims, actions, suits, proceedings, investigations, arbitrations, audits, grievances, assessments in existence or pending or, to the knowledge of Samoth, threatened or for which there is a reasonable basis, affecting or what would reasonably be expected to affect Samoth or affecting or that would reasonably be expected to affect any of its properties or assets at law or in equity or before or by any court or Governmental Authority which claim, action, suit, proceeding, investigation, arbitration, audit, grievance, assessment or reassessment involves a possibility of any judgment against or liability of Samoth.
- (g) **Capitalization.** Samoth is authorized to issue an unlimited number of Samoth Shares and an unlimited number of Samoth preferred shares. As at the date of this Agreement, 34,312,055 Samoth Shares, nil Samoth preferred shares and 3,395,000 Samoth Options are issued and outstanding. AcquisitionCo is authorized to issue an unlimited number of AcquisitionCo Shares. As at the date of this Agreement, 100 AcquisitionCo Shares are issued and outstanding. Other than as described in the preceding sentence, there are no other outstanding securities of Samoth or AcquisitionCo or options, warrants, rights of conversion or exchange privileges or other securities entitling anyone to acquire any securities of Samoth or AcquisitionCo or any other rights, agreements or commitments of any character whatsoever requiring the issuance, sale or transfer by Samoth or AcquisitionCo of any securities. All outstanding Samoth Shares and AcquisitionCo Shares have been duly authorized and are validly issued as fully paid and non-assessable shares and are not subject to, nor have they been issued in violation of, any pre-emptive rights.
- (h) **Reporting Issuer Status.** Samoth is a reporting issuer (where such concept exists) in each of the provinces of British Columbia, Alberta, and Saskatchewan, and is in material compliance with all Applicable Laws therein. The Samoth Shares are listed and posted for trading on the Exchange and Samoth is in material compliance with the policies and rules of Samoth. The documents and information comprising the Samoth Public Record did not at the respective times they were filed with the relevant Securities Authorities, contain any misrepresentation, unless such document or information was subsequently corrected or superseded in the Samoth Public Record prior to the date hereof. There are no material facts or material changes with respect to Samoth that have not been publicly disclosed. Samoth has not filed any confidential material change reports that at the date hereof remain confidential. Samoth has timely filed with the Securities Authorities all material forms, reports, schedules, statements and other documents required to be filed by Samoth with the Securities Authorities since becoming a "reporting issuer". To the knowledge of Samoth, neither it nor any of its directors or officers (in their capacities as directors and/or officers of Samoth) are presently subject to investigation by any Securities Authorities or the Exchange and, to the knowledge of Samoth, no such review is pending or to the knowledge of Samoth threatened. AcquisitionCo is not a reporting issuer (or equivalent thereof) in any of the Provinces of Canada.

- (i) **Trading of Samoth Shares.** No Securities Authority, other competent authority or stock exchange in Canada or the United States has issued any order which is currently outstanding preventing or suspending trading in any securities of Samoth, no such proceeding is, to the knowledge of Samoth, pending, contemplated or threatened and Samoth is not, to its knowledge, in default of any material requirement of any Applicable Laws.
- (j) **Samoth Shares.** Samoth has reserved and allotted or will reserve and allot prior to the Closing Date a sufficient number of Samoth Shares as are issuable pursuant to this Agreement, and pursuant to and in accordance with the terms of the Samoth Exercise and Cancellation Agreements, and such Samoth Shares when issued, will be duly authorized, validly issued and fully paid and non-assessable.
- (k) **Shareholder Agreements.** Samoth is not a party to any unanimous shareholders agreement, pooling agreement, voting trust or other similar type of arrangement that affects in any manner the voting or control of any of their outstanding securities.
- (l) **No Restrictions.** Other than the Samoth Option Plan, Samoth is not a party to any shareholder rights plan or any other form of plan, agreement, contract or instrument that shall trigger any rights to acquire Samoth Shares or other securities of Samoth or rights, entitlements or privileges in favour of any person upon the entering into of this Agreement or completing the transactions contemplated by this Agreement.
- (m) **Samoth Financial Statements.**
 - (i) Except: (A) as disclosed or reflected in the Samoth Financial Statements; and (B) for liabilities and obligations: (A) incurred in the ordinary course of business and consistent with past practice since October 15, 2022; or (B) pursuant to the terms of this Agreement, any other agreement or instrument to which Chronos is a party or as specifically disclosed in writing by Samoth to Chronos, Samoth has not incurred any material liabilities of any nature, whether accrued, contingent or otherwise, whether or not such liabilities would be required by IFRS to be reflected on a balance sheet of Samoth as of the date hereof and has not been a party to any off-balance sheet arrangements, as that term is understood under IFRS.
 - (ii) The Samoth Financial Statements fairly present, in accordance with IFRS, consistently applied, the consolidated financial position and condition of Samoth at the dates thereof and the results of the operations of Samoth for the periods then ended and reflect, in accordance with IFRS, consistently applied, all material assets, liabilities or obligations (absolute, accrued, contingent or otherwise) of Samoth, as at the dates thereof.
 - (iii) Samoth maintains:
 - (A) a system of "internal control over financial reporting" (as such term is defined in National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*). Such system of internal control over financial reporting and procedures is effective and there is no material weakness (as such term is defined in National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filing*) relating to the design or operating effectiveness of its internal control over financial

reporting or, to Samoth's knowledge, fraud involving any of management or other employees, consultants or independent contractors of Samoth who have a significant role in Samoth's internal control over financial reporting. To the knowledge of Samoth, Samoth has not received or otherwise obtained knowledge of any proceeding regarding accounting, internal accounting controls or auditing matters, including any proceeding alleging that Samoth has engaged in questionable accounting or auditing practices, or any expression of concern from its auditors regarding questionable accounting or auditing matters; and

- (B) "disclosure controls and procedures" (as such term is defined in National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*) and such disclosure controls and procedures are effective.
- (n) **Samoth Reserves Report.** The Samoth Reserves Report complies with the requirements of National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities*. Samoth has no reason to believe that the Samoth Reserves Report was not accurate in all material respects as at the date of such report and, except for any impact of changes in commodity prices and production since the date of the Samoth Reserves Report, Samoth has no knowledge of a Material Adverse Change in the production, costs, price, reserves or estimates of future net production revenues from that disclosed in the Samoth Reserves Report. Samoth has provided to Deloitte all material information concerning land descriptions, well data, facilities and infrastructure, ownership and operations, future development plans and historical technical and operating data respecting the principal oil and natural gas assets of Samoth, as at the effective date of such report, and, in particular, all material information respecting the interests of Samoth in its principal oil and natural gas assets and royalty burdens and net profits interest burdens thereon and such information was accurate and correct in all material respects as at the respective dates thereof and did not omit any information necessary to make any such information provided not misleading as at the respective dates thereof and there has been no Material Adverse Change in any of the material information so provided since the date thereof.
- (o) **Books and Records.** The financial books, records and accounts of Samoth, in all material respects: (i) have been maintained in accordance with all applicable statutory requirements and good business practices on a basis consistent with prior years; (ii) are stated in reasonable detail and accurately and fairly reflect the material transactions of Samoth; and (iii) accurately and fairly reflect the basis for the Samoth Financial Statements. The corporate records and minute books of Samoth have been maintained substantially in compliance with Applicable Laws and are complete and accurate in all material respects, and full access thereto has been provided to Chronos.
- (p) **Absence of Certain Changes or Events.** Except as disclosed in the Samoth Public Record, since October 15, 2022, other than the Amalgamation and the transactions contemplated herein:
- (i) there has not been any Material Adverse Change respecting Samoth;
 - (ii) there has not been any material facts, transactions, events or occurrences which, to the knowledge of Samoth, could reasonably be expected to result in a Material Adverse Change respecting Samoth;

- (iii) Samoth has conducted its business only in the ordinary and normal course, consistent with past practice and in compliance in all material respects with all Applicable Laws in each jurisdiction in which it carries on business; and
 - (iv) no liability or obligation of any nature (whether absolute, accrued, contingent or otherwise), whether or not such liabilities would be required by IFRS to be reflected on a balance sheet of Samoth, material to Samoth has been incurred other than in the ordinary and normal course of business, consistent with past practice.
- (q) **Material Contracts.** Except as set forth in the Samoth Public Record and as disclosed in writing by Samoth to Chronos, there are no material contracts to which Samoth is a party or by which it is bound; for the purpose of this Section, "material contracts" shall include any contract, agreement or commitment, whether oral or written, to which Samoth is a party or by which it is bound that is out of the ordinary course of business of Samoth.
- (r) **No Impediments.** Other than receipt of Exchange Approval and Chronos Shareholder Approval, the receipt of any required approvals:
- (i) there is no legal impediment to Samoth's consummation of the transactions contemplated by this Agreement; and
 - (ii) no filing or registration with, or authorization, consent or approval of, any Governmental Authority is necessary by Samoth in connection with the consummation of the transactions contemplated by this Agreement, except for such filings or registrations which, if not made, or for such authorizations, consents or approvals, which, if not received, would not materially impede the ability of Samoth to consummate the transactions contemplated by this Agreement.
- (s) **Compliance with Laws.**
- (i) Samoth has complied with all Applicable Laws in all material respects and is not in violation of any Applicable Laws in any material respects, there is no court, administrative, regulatory or similar proceeding (whether civil, quasi-criminal or criminal), arbitration or other dispute settlement procedure, investigation or inquiry by any Governmental Authority, or any Claim, charge, indictment, hearing or other similar civil, quasi-criminal or criminal, administrative or investigative material matter or proceeding (collectively, "**proceedings**") against or involving Samoth, or in respect of the businesses, properties or assets of Samoth (whether in progress or, to the knowledge of Chronos, threatened), that (i) involves a Claim for damages, exclusive of interest and costs; or (ii) if adversely determined, would reasonably be expected to have a Material Adverse Effect on Samoth, and, to the knowledge of Samoth, no event has occurred which might reasonably be expected to give rise to any proceeding.
 - (ii) There is no judgment, writ, decree, injunction, rule, award or order of any Governmental Authority outstanding against Samoth in respect of its business, properties or assets that has had or would reasonably be expected to have a Material Adverse Effect on Samoth.
 - (iii) The operations of Samoth are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the money

laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any Governmental Authority to which Samoth is subject (collectively, the "**Money Laundering Laws**") and no action, suit or proceeding by or before any Governmental Authority or arbitrator involving Samoth with respect to Money Laundering Laws is pending, or, to the knowledge of Samoth, threatened.

- (iv) Neither Samoth nor its directors or officers nor, to the knowledge of Samoth, any agent, employee or affiliate of Samoth is aware of or has taken any action, directly or indirectly, that could result in a violation by such Persons of the *Corruption of Foreign Public Officials Act* (Canada), the Foreign Corrupt Practices Act of 1977 (U.S.), or any other anticorruption law to which Samoth may be subject (collectively, the "**Anti-Corruption Laws**"), including, without limitation, making any bribe, rebate, payoff, influence payment, kickback or other unlawful payment or making use of the mails or any means or instrumentality of interstate commerce in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value or benefit to any "foreign official" or "public official" (as such terms are defined in the applicable Anti-Corruption Laws) or any foreign political party or official thereof or any candidate for foreign political office, or any third party or any other Person to the benefit of the foregoing, in contravention of the Anti-Corruption Laws, and Samoth and its affiliates have conducted their businesses in compliance with the Anti-Corruption Laws.
- (v) Neither Samoth nor its directors or officers nor, to the knowledge of Samoth, any agent, employee or affiliate of Samoth (i) is, or is controlled by or is acting on behalf of, any Person that is currently the subject of any sanctions administered or enforced by the United States (including any sanctions administered or enforced by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State or the Bureau of Industry and Security of the U.S. Department of Commerce, and including, without limitation, the designation as a "specially designated national" or "blocked person") or Canada (including sanctions administered or enforced by Global Affairs Canada and the Royal Canadian Mounted Police or other relevant sanctions authority) (collectively, "Sanctions") or (ii) is located, organized or resident in a country or territory that is, or whose government is, the subject of Sanctions that broadly prohibit dealings with that country or territory, including, without limitation, Crimea, Sudan, Syria, Iran, Russia and North Korea, and neither Samoth nor its directors or officers nor, to the knowledge of Samoth, any agent, employee or affiliate of Samoth were knowingly engaged in, are now knowingly engaged in, or will knowingly engage in, any dealings or transactions with any Person, or in any country or territory, that at the time of the dealing or transaction is or was the subject of Sanctions. Neither Samoth nor its directors or officers nor, to the knowledge of Samoth, any agent, employee or affiliate of Samoth has received any notice alleging they have violated any Sanctions, and, to the knowledge of Samoth, no condition or circumstances exist that would form the basis of any such allegations.

(t) **Insolvency Proceedings.**

(i) No action or proceeding has been commenced or filed by or against Samoth which seeks or would reasonably be expected to lead to:

- (A) receivership, bankruptcy, a commercial proposal or similar proceeding of Samoth;
- (B) the adjustment or compromise of Claims against Samoth;
- (C) the appointment of a trustee, receiver, liquidator, custodian or other similar officer for Samoth or any portion of their assets, and no such action or proceeding has been authorized or is being considered by or on behalf of Samoth; or

(ii) Samoth has not:

- (A) made, or is considering making, an assignment for the benefit of their respective creditors; or
- (B) requested, or is considering requesting, a meeting of its respective creditors to seek a reduction, compromise, composition or other accommodation with respect to its respective indebtedness.

(u) **Employee Benefit Plans:** Samoth does not have any employee benefits plans covering active, former or retired employees of Samoth.

(v) **Employees:**

- (i) Samoth has disclosed in writing by Samoth to Chronos all material details in respect of all employees and consultants of Samoth, including the Samoth Change of Control Payments payable to such employees.
- (ii) No trade union, council of trade unions, employee bargaining agency or affiliated bargaining agent holds bargaining rights with respect to any employees of Samoth by way of certification, interim certification, voluntary recognition, designation or successor rights or has applied to have Samoth declared a related employer or successor employer pursuant to applicable labour legislation. Samoth has not engaged in any unfair labour practices and, no strike, lock-out, work stoppage, or other labour dispute is occurring. There are no threatened or pending strikes, work stoppages, picketing, lock-outs, hand-billings, boycotts, slowdowns or similar labour related disputes pertaining to Samoth. Samoth has not engaged in any closing or lay-off activities within the past two years that would violate or in any way subject Samoth to the group termination or lay-off requirements of Applicable Laws.
- (iii) Samoth has not recognized any trade union or has any staff association, staff council, works council or other organisation formed for or arrangements having a similar purpose and no notification to any trade union, staff association, staff council, works council or other organisation formed for or in respect of any

arrangements having a similar purpose is required by Samoth for the purpose of consummating the transactions contemplated by this Agreement.

(w) **Employment Agreements:** Except as disclosed in writing by Samoth to Chronos:

- (i) Samoth is not a party to any written contracts of employment or consultancy which may not be terminated on one month's notice, or which provide for payments occurring on a change of control of Samoth; and
- (ii) Samoth is not a party to any employment agreement, consultancy agreement, or to any written or oral policy, agreement, obligation or understanding which contains any specific agreement as to notice of termination or severance pay in lieu thereof or which cannot be terminated without cause upon giving reasonable notice as may be implied by Applicable Law, or which creates rights in respect of loss or termination of office or employment or consultancy in relation to the transactions contemplated herein or which contains any specific agreement as to obligations arising on a change of control or as to notice of termination or severance pay in lieu thereof.

(x) **Title to Assets.**

Except as disclosed in writing by Samoth to Chronos, although it does not warrant title to the Samoth Assets, Samoth does not have reason to believe that it does not have title to or the irrevocable right to produce and sell its oil and natural gas that comprise a part of the Samoth Assets, and does represent and warrant that except for the Permitted Liens and, except as would not have a Material Adverse Effect on Samoth:

- (i) the Samoth Assets are free and clear of Liens;
- (ii) it has not assigned, mortgaged or in any way alienated or encumbered any of its interests in the Samoth Assets;
- (iii) it holds the Samoth Assets under valid and subsisting leases, Permits, concessions, concession agreements, contracts, subleases, reservations or other agreements;
- (iv) it has not received notice from (and is not otherwise aware of) any third party claiming an interest in and to any of the Samoth Assets adverse to the interest of Samoth;
- (v) none of the Samoth Assets are subject to reduction by reference to payout of or production penalty on any well or otherwise or to change to an interest of any other size or nature by virtue of or through any right or interest granted by, through or under Samoth;
- (vi) subject to the rents, covenants, conditions and stipulations in the applicable title and operating documents, Samoth is entitled to continue to hold and enjoy its oil and gas assets for the residue of the terms of the applicable leases and licenses and all renewals or extensions thereof for its own use and benefit, without any lawful interruption by any person claiming or to claim by, through or under Samoth; and

- (vii) there are no transportation, processing or marketing agreements to which Samoth is a party, except for agreements terminable by Samoth without bonus, penalty or other costs on not more than 31 days' notice.
- (y) **Samoth Assets.**
- (i) Samoth has not received notice of (nor is it aware of) any material violation of or investigation relating to any Applicable Law with respect to the Samoth Assets, its business or its operations and Samoth holds all Permits, licenses and other authorizations which are required under Applicable Law relating to the Samoth Assets, its business or its operations of Samoth except as would not have a Material Adverse Effect on Samoth. From and after the dates the Samoth Assets were acquired by Samoth, the Samoth Assets have at all times been (and currently are) operated and maintained by it in compliance with all terms and conditions of Applicable Laws, Permits, licenses and authorizations except as would not have a Material Adverse Effect on Samoth.
 - (ii) The liability management ratio of Samoth is 0.79.
 - (iii) Samoth's average production (field estimated average production) for the period January to June, 2022 was 6 boe/day of natural gas.
 - (iv) Samoth's net developed and undeveloped land position, as at the date hereof, is not less than 390 hectares.
 - (v) Samoth has disclosed in writing by Samoth to Chronos a materially complete and accurate description of the Samoth Assets (including the wells, facilities and lands of Samoth), as at the date hereof.
 - (vi) Except to the extent that any matter referenced to in this subparagraph does not, and would not, reasonably be expected to have a Material Adverse Effect on Samoth, all rentals, royalties, overriding royalty interests, production payments, net profits, interest burdens, payments and obligations due and payable, or performable, as the case may be, on or prior to the date hereof under, with respect to, or on account of, any of the Samoth Assets, in all material respects have been: (i) duly paid; (ii) duly performed; or (iii) provided for prior to the date hereof and all costs, expenses and liabilities payable on or prior to the date hereof under the terms of any contracts and agreements to which Samoth is bound have been properly and timely paid, except for such expenses that are being currently paid prior to delinquency in the ordinary course of business.
 - (vii) Any and all operations of Samoth (and to its knowledge, all operations of third parties) on or in respect of the Samoth Assets have been conducted in compliance with good oilfield practices in all material respects.
 - (viii) As of the date hereof, Samoth has not received any written notices pertaining to any of the Samoth Assets in respect of, and none of the Samoth Assets are subject to, any offset obligations (including obligations to drill wells, surrender rights or pay compensatory royalty) which have not been satisfied.

- (ix) Samoth has not received notice of (nor is it aware of) any default in respect of any of the Samoth Assets or under any title or operating documents or any other agreement or instrument pertaining to its oil and natural gas assets to which it is a party or by which it or any such assets are bound or subject.
- (x) Samoth has not received notice of any production penalty or similar production restriction of any nature imposed by any Governmental Authority and none of the wells in which it holds an interest are subject to any such penalty or restriction.
- (xi) To the knowledge, information and belief of Samoth, all wells located on any lands in which Samoth has an interest, or lands with which such lands have been pooled or unitized, which have been abandoned have been abandoned in all material respects in accordance with all Applicable Laws regarding the abandonment of wells.
- (xii) None of the wells in which Samoth holds an interest is being produced in excess of applicable production allowables imposed by any Applicable Law or any Governmental Authority and Samoth does not have any knowledge of any impending change in production allowables imposed by any Applicable Law or any Governmental Authority that may be applicable to any of the wells in which any of them holds an interest, other than changes of general application in the jurisdiction in which such wells are situate.
- (xiii) There are no outstanding Samoth AFEs or any other commitments, approvals or authorizations pursuant to which an expenditure may be required to be made in respect of such Samoth Assets and, as of the date hereof, the estimated outstanding portion of such Samoth AFEs, in an aggregate amount, does not exceed \$nil.
- (xiv) The tangible depreciable property used or intended for use in connection with (and comprising part of) the Samoth Assets:
 - (A) for which Samoth was or is operator, was or has been constructed, operated and maintained materially in accordance with good and prudent oil and natural gas industry practices in Canada and all Applicable Laws during all periods in which Samoth was operator thereof;
 - (B) for which Samoth was not or is not operator, to the knowledge of Samoth, was or has been constructed, operated and maintained in accordance with good and prudent oil and natural gas industry practices in Canada and all Applicable Laws during all periods in which Samoth had an interest therein;
 - (C) is not subject to any sale-leaseback arrangements; and
 - (D) is not leased or rented.
- (xv) Samoth has not, at the date of this Agreement received any advance payments for petroleum or services not already delivered or provided prior to receipt of payment; and Samoth is not obligated by virtue of a prepayment, gas balancing, take or pay, or other arrangement under any contract to make any production payment, refund of production payment or delivery of petroleum and natural gas substances

produced from the Samoth Assets to any person at some future time without receiving in due course (and being entitled to retain) full payment therefor at current market prices or contract prices.

- (z) **No Indemnity.** Samoth has not guaranteed, endorsed, assumed, indemnified or accepted any responsibility for, and does not and will not guarantee, endorse, assume, indemnify or accept any responsibility for, contingently or otherwise, any indebtedness or the performance of any obligation of any other Person, other than the indemnification of directors and officers in accordance with the by-laws of Samoth and other than indemnification agreements or covenants that are entered into in the ordinary course of business, including operating and similar agreements and credit borrowing agreements.
- (aa) **Commitments.** Except for as contemplated by this Agreement or in respect of indemnity agreements with its directors and officers as contemplated by the by-laws of Samoth and Applicable Laws, and other than standard indemnity provisions in financial services agreements, underwriting and agency agreements, asset purchase and sale agreements, joint operating agreements and title documents and in the ordinary course provided to service providers, transfer agents and industry partners, Samoth is not a party to or bound by any agreement, guarantee, indemnification or endorsement or like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any person.
- (bb) **Related Party Transactions.**
 - (i) No director, officer, insider or other non-arm's length party to Samoth (or any associate or affiliate thereof) has any right, title or interest in (or the right to acquire any right, title or interest in) any royalty interest, carried interest, participation interest or any other interest whatsoever which are based on production from or in respect of any properties of Samoth.
 - (ii) No director, officer, insider or other non-arm's length party of Samoth is indebted to Samoth.
- (cc) **Insurance.** Policies of insurance are in force as of the date hereof naming Samoth as an insured, that adequately cover all risks as are customarily covered by oil and gas producers in the industry in which Samoth operates and such policies remain in full force and effect and shall not be cancelled or otherwise terminated as a result of the transactions contemplated by this Agreement.
- (dd) **Superior Acquisition Proposal.** Samoth has not negotiated or engaged in any discussions in respect of any proposal of the nature described in the definition of Acquisition Proposal with any Person that has not entered into a confidentiality agreement with Samoth that includes customary standstill provisions, which provisions do not provide for any waiver or release thereof other than with Chronos' consent.
- (ee) **Environmental.** Except to the extent that any violation or other matter referred to in this subparagraph does not have a Material Adverse Effect on Samoth:
 - (i) Samoth is not in violation of any Environmental Laws;

- (ii) Samoth has operated its business at all times and has received, handled, used, stored, treated, shipped and disposed of all Hazardous Substances in compliance with of Environmental Laws;
 - (iii) there have been no spills, releases, deposits or discharges of Hazardous Substances into the Environment by Samoth that have not been remedied;
 - (iv) no orders, directives, demands or notices have been received by Samoth and remain outstanding pursuant to any Environmental Laws relating to Samoth's business or the Samoth Assets and Samoth is not aware of any fact or circumstance which, if known to any Governmental Authority, could reasonably be expected to lead to such orders, directives, demands or notices;
 - (v) Samoth has not failed to report to the proper Governmental Authorities, the occurrence of any event which is required to be so reported by any Environmental Law;
 - (vi) Samoth holds all Permits required under any Environmental Laws in connection with the operation of their business and the ownership and use of the Samoth Assets, all such Permits are in full force and effect, and except for notifications and conditions of general application to assets of reclamation obligations under any jurisdiction in which it conducts its business, Samoth has not received any notification pursuant to any Environmental Laws that any work, repairs, constructions or capital expenditures are required to be made by it as a condition of continued compliance with any Environmental Laws, or any license, Permit or approval issued pursuant thereto, or that any license, Permit or approval referred to above is about to be reviewed, made subject to limitation or conditions, revoked, withdrawn or terminated; and
 - (vii) full and accurate particulars of or, in the case of a document, a copy of all environmental or health and safety assessments, audits, reviews or investigations, whether in draft or final form, which concern in whole or in part (directly or indirectly) the current or previous operations of Samoth and which are in the possession or control of Samoth as of the date hereof have been made available to Chronos.
- (ff) **Tax Matters.**
- (i) Samoth is a "taxable Canadian corporation" and a "public corporation", each within the meaning of the Tax Act.
 - (ii) Samoth is not a "non-resident" for purposes of the Tax Act.
 - (iii) Samoth has duly and timely filed all Tax Returns required to be filed prior to the date hereof with the appropriate Governmental Authorities and all such Tax Returns are true, complete and correct in all material respects. All such Tax Returns, including any material correspondence with any Governmental Authority relating thereto, has been provided or made available to Chronos.
 - (iv) Samoth has never been required to file any Tax Return with any Governmental Authority outside of Canada. To Samoth's knowledge, no proceedings,

investigations, audits or claims have been commenced or made by any Governmental Authority in a jurisdiction where Samoth has not filed Tax Returns that would render Samoth liable to taxation by that jurisdiction.

- (v) Samoth has duly and timely paid all Taxes, including all instalments on account of Taxes that are due and payable by it whether or not assessed by the appropriate Governmental Authority and no other material Taxes are payable by Samoth and where payment for Taxes is not yet due, Samoth has established adequate accrual in conformity with IFRS in its books and records, including the Samoth Financial Statements, for such Taxes, including income taxes and related future taxes, if applicable in a manner consistent with past practice and in accordance with the provisions of the Tax Act and other applicable Laws.
- (vi) Samoth has duly and timely collected or withheld all Taxes required to be collected or withheld (including, without limiting the generality of the foregoing, Taxes and other amounts required to be withheld by it in respect of any amount paid or credited or deemed to be paid or credited by it or for the account of any person, including any employees, officers or directors and any non-resident Person) and has duly and timely paid and remitted all such Taxes withheld or collected to the appropriate Governmental Authority, whether or not shown as being due on any Tax Return and including any instalments or prepayments of Taxes.
- (vii) Samoth has duly and timely collected or caused to be collected any and all sales or transfer Taxes, including goods and services Taxes, required by Applicable Laws to be collected by it and duly and timely remitted to the appropriate Governmental Authority any such amounts required by Applicable Laws to be remitted by it, whether or not shown as being due on any Tax Return.
- (viii) Samoth has complied with all registration, reporting, collection and remittance requirements in respect of all federal and provincial sales tax legislation including, but not limited, to the *Excise Tax Act* (Canada).
- (ix) All ad valorem, property, production, severance and similar Taxes and assessments based on or measured by the ownership or property or the production of Samoth's hydrocarbon substances, or the receipt of proceeds therefrom, payable in respect of Samoth's Assets prior to the date hereof have been properly and fully paid and discharged in all material respects, and there are no unpaid Taxes or assessments which could result in a Lien or charge on Samoth's Assets.
- (x) There are no material Liens for Taxes in respect of Samoth or any of the Samoth Assets except for Permitted Liens.
- (xi) No facts, circumstances or events exist or have existed that have resulted in or may result in the application of any of sections 15, 17, 67, 78, 79, 79.1 or 80 to 80.04 of the Tax Act to Samoth.
- (xii) Samoth has not acquired property from a non-arm's length person, within the meaning of the Tax Act, for consideration, the value of which is less than the fair market value of the property acquired in circumstances which would subject it to a

liability under section 69 or section 160 of the Tax Act or under any equivalent provisions of any applicable legislation.

- (xiii) There are no proceedings, investigations, audits or claims now pending against Samoth in respect of any Taxes and no Governmental Authority has asserted in writing or, to the knowledge of Samoth, has threatened to assert against Samoth any deficiency or claim for Taxes or interest thereon or penalties in connection therewith.
 - (xiv) Samoth is not a party to any action or proceeding for assessment or collection of a material amount of Taxes, nor,
 - (xv) Samoth is not a party to any sharing, indemnity or allocation agreement or arrangement relating to Taxes, and Samoth has not, nor could it have, any liabilities or obligations in respect of Taxes under any sharing, indemnity or allocation agreement.
 - (xvi) Samoth has never issued any flow-through shares (for purposes of the Tax Act).
 - (xvii) Samoth's Tax Pools are as disclosed in writing by Samoth to Chronos, and Samoth has not take any action, or entered into any transaction, outside of the ordinary course of business that would have the effect of reducing any amount set forth therein.
 - (xviii) Samoth has not had a "loss restriction event" as defined in subsection 251.2(2) of the Tax Act.
 - (xix) Samoth has not claimed any amount under the Canada emergency wage subsidy, temporary wage subsidy, Canada emergency rent subsidy or any other COVID-19 related assistance or subsidies that it was not otherwise entitled to claim in respect of any period (or portion thereof) ending on or prior to the Closing Date. To the extent that Samoth has claimed any such amount, it was not used to fund dividends or pay executive bonuses.
 - (xx) Records or documents that meets the requirements of subsections 247(4)(a) to (c) of the Tax Act have been made and obtained by Samoth with respect to all material transactions between Samoth and any non-resident person with whom Samoth was not dealing at arm's length within the meaning of the Tax Act.
 - (xxi) There are no deficiencies, litigation, proposed adjustments or matters in controversy with respect to any amount of Taxes which have been asserted or have been raised by any Governmental Authority and no action or proceeding for assessment or collection of any amount of Taxes has been taken, asserted, or, to the knowledge of Samoth, threatened, against Samoth or any Samoth Assets.
- (gg) **Financial Advisor.** Samoth has not retained any financial advisor, broker, agent or finder, or paid or agreed to pay or have Chronos pay any financial advisor, broker, agent or finder on account of this Agreement, any transaction contemplated hereby or thereby or any transaction presently ongoing or contemplated.

- (hh) **Samoth Transaction Costs.** The particulars of the estimated Samoth Transaction Costs have been provided in writing to Chronos.
- (ii) **Samoth Net Surplus.** The Samoth Net Surplus was not less than negative \$55,000 as at October 31, 2022 and the particulars of the Samoth Net Surplus as of the date hereof have been provided in writing to Chronos.

In respect of any information provided to Chronos or requested by Chronos, Samoth did not knowingly omit any material data or information necessary to make any data or information provided not misleading as at the respective dates thereof in any material respect.

4.3 Privacy Issues

- (a) For the purposes of this Section 4.3, "**Transferred Information**" means the personal information (namely, information about an identifiable individual other than their business contact information when used or disclosed for the purpose of contacting such individual in that individual's capacity as a representative of an organization and for no other purpose) to be disclosed or conveyed to one Party or any of its Representatives or agents (for purposes of this Section 4.3, "**Recipient**") by or on behalf of the other Party (for purposes of this Section 4.3, "**Disclosing Party**") as a result of or in conjunction with the transactions contemplated herein, and includes all such personal information disclosed to the Recipient prior to the execution of this Agreement.
- (b) Each Disclosing Party covenants and agrees to, upon request, use its reasonable commercial efforts to advise the Recipient of the purposes for which the Transferred Information was initially collected from or in respect of the individual to which such Transferred Information relates and the additional purposes where the Disclosing Party has notified the individual of such additional purpose, and where required by law, obtained the consent of such individual to such use or disclosure.
- (c) In addition to its other obligations hereunder, each Recipient covenants and agrees to:
 - (i) prior to the completion of the transactions contemplated herein, collect, use and disclose the Transferred Information solely for the purpose of reviewing and completing the transactions contemplated herein, including for the purpose of determining to complete such transactions;
 - (ii) after the completion of the transactions contemplated herein,
 - (A) collect, use and disclose the Transferred Information only for those purposes for which the Transferred Information was initially collected from or in respect of the individual to which such Transferred Information relates or for the completion of the transactions contemplated herein, unless (i) the Disclosing Party or Recipient has first notified such individual of such additional purpose, and where required by law, obtained the consent of such individual to such additional purpose, or (ii) such use or disclosure is permitted or authorized by Applicable Law, without notice to, or consent from, such individual; and
 - (B) where required by Applicable Law, promptly notify the individuals to whom the Transferred Information relates that the transactions contemplated

herein have taken place and that the Transferred Information has been disclosed to Recipient;

- (iii) return or destroy the Transferred Information, at the option of the Disclosing Party, and to not thereafter use or disclose any of the Transferred Information, should the transactions contemplated herein not be completed; and
- (iv) notwithstanding any other provision herein, where the disclosure or transfer of Transferred Information to Recipient requires the consent of, or the provision of notice to, the individual to which such Transferred Information relates, to not require or accept the disclosure or transfer of such Transferred Information until the Disclosing Party has first notified such individual of such disclosure or transfer and the purpose for same, and where required by Applicable Law, obtained the individual's consent to same and to only collect, use and disclose such information to the extent necessary to complete the transactions contemplated herein and as authorized or permitted by Applicable Laws.

ARTICLE 5 CONDITIONS PRECEDENT

5.1 Mutual Conditions Precedent of Samoth and Chronos

The respective obligations of the Parties to consummate the transactions contemplated by this Agreement are subject to the satisfaction, on or before the Closing Date or such other time specified, of the following conditions, any of which may be waived by the mutual written consent of such Parties without prejudice to their right to rely on any other of such conditions:

- (a) the Chronos Private Placements shall have been completed;
- (b) the Amalgamation Resolution shall have been approved by Chronos Shareholders at the Chronos Meeting, in accordance with Applicable Laws;
- (c) the number of Chronos Shares that are the subject of a notice of Dissent Rights that has not been withdrawn shall not exceed 5% of the total number of Chronos Shares issued and outstanding prior to the Closing Time;
- (d) the Closing Date shall have occurred on or before December 31, 2022 (the "**Outside Date**");
- (e) Exchange Approval shall have been obtained; and
- (f) no Governmental Authority shall have enacted, issued, promulgated, applied for (or advised any of the Parties in writing that it has determined to make such application), enforced or entered any Applicable Law (whether temporary, preliminary or permanent) that makes illegal, restrains, enjoins or otherwise prohibits consummation of, or dissolves the transactions contemplated by this Agreement.

The foregoing conditions are for the mutual benefit of the Parties and may be asserted by any Party regardless of the circumstances and may be waived by any Party (with respect to such Party) in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which such Party may have.

5.2 Additional Conditions Precedent to Obligations of Chronos

The obligations of Chronos to consummate the transactions contemplated by this Agreement are subject to the satisfaction of the following conditions precedent:

- (a) **Performance of Covenants.** All covenants of Samoth and AcquisitionCo under this Agreement to be performed on or before the Closing (without giving effect to, applying or taking into consideration any Material Adverse Effect, Material Adverse Change or other materiality qualifications already contained in such covenants) shall have been duly performed by Samoth and AcquisitionCo, in all material respects; and Chronos shall have received a certificate of Samoth addressed to Chronos dated the Closing Date, signed on behalf of Samoth by two senior executive officers of Samoth (on Samoth's behalf and without personal liability), confirming the same as at the Closing.
- (b) **Representations and Warranties.** The representations and warranties of Samoth and AcquisitionCo set forth in this Agreement shall be true and correct (for representations and warranties qualified as to Material Adverse Effect, Material Adverse Change or other materiality qualification, true and correct in all respects), except to the extent that the failure or failures of such representations and warranties to be so true and correct, individually or in the aggregate, would not have a Material Adverse Effect on Samoth as of the date of this Agreement and as of the Closing, as though made on and as of the Closing (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date); provided that the representations in Section 4.2(g) shall be true and correct in all but *de minimis* respects as of the applicable dates referred to above (other than the issuance of Samoth Shares in connection with the exercise and/or cancellation of the Samoth Options pursuant to the Samoth Exercise and Cancellation Agreements). Chronos shall have received a certificate of Samoth addressed to Chronos and dated the Closing Date, signed on behalf of Samoth by two senior executive officers or directors of Samoth (on Samoth's behalf and without personal liability), confirming the above as at the Closing.
- (c) **Material Adverse Effect.** No Material Adverse Change respecting Samoth or AcquisitionCo shall have occurred after the date hereof.
- (d) **No Legal Action.** No Claims, enquiries, charges, indictments, hearings or other civil, criminal, administrative or investigative proceedings, or other investigations or examinations (whether, for greater certainty, by a Governmental Authority or any other person) shall be commenced, pending or threatened, and no Applicable Law shall have been proposed, enacted, promulgated or applied, in either case:
 - (i) seeking to cease trade, restrict, enjoin, prohibit, materially delay or impose material conditions on the transactions contemplated herein or any of the material terms and conditions of any transaction contemplated by this Agreement or seeking to obtain from Samoth any material damages directly or indirectly in connection with the transactions contemplated by this Agreement; or
 - (ii) seeking to prohibit or restrict the completion of the transactions contemplated by this Agreement in accordance with the terms hereof or otherwise relating to the transactions contemplated by this Agreement;

that would, if successful, in the judgment of Chronos, be reasonably likely to have a Material Adverse Effect on Samoth.

- (e) **Samoth Options.** Chronos shall be satisfied, acting reasonably, that all Samoth Options shall have been exercised in full or shall terminate upon the occurrence of Closing in accordance with the Samoth Exercise and Cancellation Agreement.
- (f) **Mutual Releases.** Samoth shall have delivered Mutual Releases duly executed by each director and/or executive officer of Samoth prior to the Closing.
- (g) **Samoth Transaction Costs.** The Samoth Transaction Costs do not exceed, in the aggregate, \$220,000.00 on the Closing Date and Chronos shall have received a certificate of Samoth addressed to Chronos and dated the Closing Date, signed on behalf of Samoth by two senior executive officers or directors of Samoth (on Samoth's behalf and without personal liability), confirming the above as at the Closing.

The conditions in this Section 5.2 are for the exclusive benefit of Chronos and may be asserted by Chronos regardless of the circumstances or may be waived by Chronos in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Chronos may have.

5.3 Additional Conditions Precedent to Obligations of Samoth

The obligations of Samoth hereunder are subject to the satisfaction of the following conditions precedent:

- (a) **Performance of Covenants.** All covenants of Chronos under this Agreement to be performed on or before the Closing (without giving effect to, applying or taking into consideration any Material Adverse Effect, Material Adverse Change or other materiality qualifications already contained in such covenants) shall have been duly performed by Chronos in all material respects; and Samoth shall have received a certificate of Chronos addressed to Samoth dated the Closing Date, signed on behalf of Chronos by two senior executive officers of Chronos (on Chronos' behalf and without personal liability), confirming the same as at the Closing.
- (b) **Representations and Warranties.** The representations and warranties of Chronos set forth in this Agreement shall be true and correct (for representations and warranties qualified as to Material Adverse Effect, Material Adverse Change or other materiality qualification, true and correct in all respects) except to the extent that the failure or failures of such representations and warranties to be so true and correct, individually or in the aggregate, would not have a Material Adverse Effect on Chronos as of the date of this Agreement and as of the Closing, as though made on and as of the Closing (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date); provided that the representations in Section 4.1(g) shall be true and correct in all but *de minimis* respects as of the applicable dates referred to above (other than the issuance of Chronos Shares in connection with the Chronos Private Placements). Samoth shall have received a certificate of Chronos addressed to Samoth and dated the Closing Date, signed on behalf of Chronos by two senior executive officers of Chronos (on Chronos' behalf and without personal liability), confirming the above as at the Closing.

- (c) **Material Adverse Effect.** No Material Adverse Change respecting Chronos shall have occurred after the date hereof.
- (d) **No Legal Action.** No Claims, enquiries, charges, indictments, hearings or other civil, criminal, administrative or investigative proceedings, or other investigations or examinations (whether, for greater certainty, by a Governmental Authority or any other person) shall be commenced, pending or threatened, and no Applicable Law shall have been proposed, enacted, promulgated or applied, in either case:
- (i) seeking to cease trade, restrict, enjoin, prohibit, materially delay or impose material conditions on the transactions contemplated herein or any of the material terms and conditions of any transaction contemplated by this Agreement or seeking to obtain from Chronos any material damages directly or indirectly in connection with the transactions contemplated by this Agreement; or
 - (ii) seeking to prohibit or restrict the completion of the transactions contemplated by this Agreement in accordance with the terms hereof or otherwise relating to the transactions contemplated by this Agreement;

that would, if successful, in the judgment of Samoth, be reasonably likely to have a Material Adverse Effect on Chronos.

The conditions in this Section 5.3 are for the exclusive benefit of Samoth and may be asserted by Samoth regardless of the circumstances or may be waived by Samoth its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Samoth may have.

5.4 Notice and Effect of Failure to Comply with Conditions

- (a) Each Party shall give prompt notice to the other of the occurrence, or failure to occur, at any time from the date hereof until the earlier to occur of the termination of this Agreement and the Closing, of any event or state of facts which occurrence or failure would, or would be likely to:
- (i) cause any of the representations or warranties of such Party contained herein to be untrue or inaccurate in any material respect on the date hereof or at the Closing; or
 - (ii) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by any Party hereunder prior to the Closing.
- (b) Chronos may not exercise its right to terminate this Agreement pursuant to Section 8.2(c)(i), and Samoth may not exercise its right to terminate this Agreement pursuant to Section 8.2(d)(i), unless the Party seeking to terminate the Agreement (the "**Terminating Party**") has delivered a written notice (the "**Termination Notice**") to the other Party (the "**Breaching Party**") specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which the Terminating Party asserts as the basis for the termination right. If any such notice is delivered, provided that the Breaching Party is proceeding diligently to cure such matter and such matter is capable of being cured prior to the Outside Date (it being agreed that matters arising out of breach of this Agreement that is a consequence of either of the following are not capable of being

cured: (i) a fraudulent act; or (ii) an act undertaken by the breaching Party with the actual knowledge that the taking of such act would, or would be reasonably expected to, cause a breach of this Agreement), the Party seeking to terminate may not exercise such termination right until the earlier of (A) the Outside Date, and (B) the date that is 10 Business Days following receipt of such Termination Notice by the Breaching Party, if such matter has not been cured by such date.

ARTICLE 6 AGREEMENT AS TO REMEDIES

6.1 Injunctive Relief and Remedies

Each Party agrees that irreparable harm would occur for which money damages would not be an adequate remedy at law in the event that any of the provisions of this Agreement were not performed by the other Party in accordance with their specific terms or were otherwise breached. It is accordingly agreed that each Party shall be entitled to seek injunctive relief to restrain any breach or threatened breach by the other Party of the covenants or agreements set forth in this Agreement or otherwise to obtain specific performance of any of such act, covenants or agreements, without the necessity of posting bond or security in connection therewith, this being in addition to any other remedy to which such Party may be entitled at law or in equity.

ARTICLE 7 AMENDMENT

7.1 Amendment

- (a) This Agreement supersedes all previous agreements and states the entire agreement between the Parties concerning the Amalgamation.
- (b) This Agreement may be amended by mutual agreement between the Parties. This Agreement may not be amended except by an instrument in writing signed by the appropriate officers on behalf of each of the Parties.

7.2 Waiver

Samoth, on the one hand, and Chronos, on the other hand, may:

- (a) extend the time for the performance of any of the obligations or acts of the other;
- (b) waive compliance with any of the other's agreements or the fulfillment of any conditions to its own obligations contained herein; or
- (c) waive inaccuracies in any of the other's representations or warranties contained herein or in any document delivered by the other;

provided, however, that any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such Party and, unless otherwise provided in the written waiver, will be limited to the specific breach, covenant or condition waived.

ARTICLE 8 TERM AND TERMINATION

8.1 Term

This Agreement shall be effective from the date hereof until the earlier of the Closing Date and the termination of this Agreement in accordance with its terms.

8.2 Termination

This Agreement may be terminated at any time prior to the Closing by:

- (a) mutual written agreement of the Parties;
- (b) by either Samoth or Chronos if:
 - (i) the Closing has not occurred on or prior to the Outside Date, except that the right to terminate this Agreement under this clause shall not be available to either Party whose failure to fulfill any of its obligations in this Agreement has been the cause of, or resulted in, the failure of the Closing to occur on or prior to such date; or
 - (ii) any Applicable Law makes the consummation of the transactions contemplated by this Agreement or the transactions contemplated by this Agreement illegal or otherwise prohibited, and such Applicable Law has become final and non-appealable.
- (c) by Chronos if:
 - (i) subject to Section 5.4, Samoth breaches any of its representations, warranties, covenants or agreements contained in this Agreement, which breach or breaches would, individually or in the aggregate, give rise to the failure of a condition set forth in Section 5.2(a) or Section 5.2(b), except that the right to terminate this Agreement under this clause shall not be available to Chronos if its failure to fulfill any of its obligations in this Agreement has been the cause of, or resulted in, the failure of any of the conditions in Section 5.2(a) or Section 5.2(b);
 - (ii) Samoth breaches any of its covenants or agreements in any material respect in Section 3.4; or
 - (iii) a Material Adverse Effect in respect of Samoth occurs.
- (d) by Samoth if:
 - (i) subject to Section 5.4, Chronos breaches any of its representations, warranties, covenants or agreements contained in this Agreement, which breach or breaches would, individually or in the aggregate, give rise to the failure of a condition set forth in Section 5.3(a) or Section 5.3(b), except that the right to terminate this Agreement under this clause shall not be available to Samoth if its failure to fulfill any of its obligations in this Agreement has been the cause of, or resulted in, the failure of any of the conditions in Section 5.3(a) or Section 5.3(b);

- (ii) Chronos breaches any of its covenants or agreements in any material respect in Section 3.4; or
- (iii) a Material Adverse Effect in respect of Chronos occurs.

8.3 Survival and Right to Pursue Legal Remedies

- (a) In the event of the termination of this Agreement in the circumstances set forth in Section 8.2, this Agreement shall forthwith become void and of no further force and effect and no Party shall have any liability or further obligation to the other hereunder, except that the obligations set forth in or as otherwise specified in Sections 1.5, 1.12, 4.3, 8.2, 9.1, 10.1, 10.2, 10.3, 10.4 and 10.6 and each Party's obligations under the Confidentiality Agreement, shall survive such termination.
- (b) Except as set forth above, the exercise by any Party of any right of termination hereunder shall be without prejudice to any other remedy available to such Party (including the terminating Party's right to pursue all legal remedies, which shall survive the termination of the Agreement unimpaired) and for greater certainty nothing in this Section 8.3(b) shall relieve any Party from liability for any breach by it of this Agreement that occurred prior to the date of termination.

**ARTICLE 9
NOTICES**

9.1 Notices

All notices which may or are required to be given pursuant to any provision of this Agreement are to be given or made in writing and served personally or sent by email transmission and in the case of:

- (a) Samoth and/or AcquisitionCo, addressed to:

Samoth Oilfield Inc.
#2, 64 Riel Drive
St. Albert, Alberta T8N 5B3

Attention: Leonard D. Jaroszuk, Chief Executive Officer
E-mail: [REDACTED]

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

and to:

Borden Ladner Gervais LLP
Suite 1900, 520 3rd Avenue SW
Calgary, Alberta T2P 0R3

Attention: Lloyd McLellan
Email: [REDACTED]

(b) Chronos, addressed to:

Chronos Resources Ltd.
Suite 2600, 333 – 7th Avenue SW
Calgary, Alberta T2P 2Z1

Attention: David Burton, President & Chief Executive Officer
E-mail: [REDACTED]

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

Stikeman Elliott LLP
Suite 4300, 888 - 3rd Street SW
Calgary, Alberta T2P 5C5

Attention: Sony Gill
Email: [REDACTED]

or such other address as the Parties may, from time to time, advise to the other Party by notice in writing. The date or time of receipt of any such notice shall be deemed to be the date of delivery or the time such email transmission is received.

ARTICLE 10 GENERAL

10.1 Assignment and Enurement

This Agreement shall be binding upon and enure to the benefit of the Parties and their respective successors and assigns. This Agreement may not be assigned by Chronos, Samoth or AcquisitionCo without the prior written consent of the other Parties, except that Chronos may assign all or a portion of its rights under this Agreement to any subsidiary of Chronos, but no assignment shall relieve Chronos of any of its obligations hereunder.

10.2 Costs

Except as contemplated herein, each Party covenants and agrees to bear its own fees, costs and expenses in connection with the transactions contemplated by this Agreement.

10.3 Severability

If any term or provision of this Agreement should be or become invalid, illegal or unenforceable in any respect in any jurisdiction, the remaining terms and provisions contained herein shall remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

10.4 Further Assurances

Each Party shall, from time to time and at all times hereafter, at the request of the other Party, but without further consideration, do all such further acts and things, and execute and deliver all such further documents and instruments and provide all such further assurances as may be reasonably required in order to fully perform and carry out the terms and intent hereof.

10.5 Time of Essence

Time shall be of the essence of this Agreement.

10.6 Governing Law

- (a) This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.
- (b) Each Party irrevocably attorns and submits to the jurisdiction of the courts of the Province of Alberta situated in the City of Calgary and waives objection to the venue of any proceeding in such court or that such court provides an inconvenient forum.

10.7 Third Party Beneficiaries

The provisions of Section 2.14 and Section 10.2 are: (i) intended for the benefit of the third persons mentioned therein, as and to the extent applicable in accordance with their terms, and shall be enforceable by each of such persons and their respective heirs, executors, administrators and other legal representatives (collectively, the "**Third Party Beneficiaries**") and Samoth shall hold the rights and benefits of Section 2.14 and Section 10.2 in trust for and on behalf of the Third Party Beneficiaries, as applicable, and each of Samoth and Chronos hereby accepts such trust and agrees to hold the benefit of and enforce performance of such covenants on behalf of the applicable Third Party Beneficiaries; and (ii) in addition to, and not in substitution for, any other rights that the Third Party Beneficiaries may have by contract or otherwise.

10.8 Counterparts

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and all of which together constitute one and the same instrument. The Parties shall be entitled to rely upon the delivery of an executed DocuSign, facsimile or similar executed electronic copy of this Agreement, and such DocuSign, facsimile or similar executed electronic document shall be legally effective to create a valid and binding agreement between the Parties.

[Remainder of page intentionally left blank – signature page to follow.]

IN WITNESS WHEREOF the Parties have caused this Agreement to be executed as of the date first above written by their respective officers thereunto duly authorized.

SAMOTH OILFIELD INC.

Per: Signed ("Leonard D. Jaroszuk")
Leonard D. Jaroszuk
Chief Executive Officer

CHRONOS RESOURCES LTD.

Per: Signed ("David Burton")
David Burton
President and Chief Executive Officer

IN WITNESS WHEREOF the Parties have caused this Agreement to be executed as of the date first above written by their respective officers thereunto duly authorized.

2470638 ALBERTA LTD.

Per: Signed ("Leonard D. Jaroszuk")
Leonard D. Jaroszuk
Director

SCHEDULE "A"

Chronos Amalgamation Resolution

BE IT RESOLVED AS A SPECIAL RESOLUTION OF THE HOLDERS OF COMMON SHARES OF CHRONOS RESOURCES LTD. ("**CHRONOS**") THAT:

- 1) the business combination agreement between Chronos, Samoth Oilfield Inc. ("**Samoth**") and 2470638 Alberta Ltd. ("**AcquisitionCo**") dated November 7, 2022 (the "**Business Combination Agreement**"), a copy of which is attached as Appendix [●] to the Information Circular, with such amendments or variations thereto made in accordance with the terms of the Business Combination Agreement as may be approved by any one officer or director of Chronos, such approval to be evidenced conclusively by their execution and delivery of any such amendments or variations, is hereby authorized, approved, ratified and confirmed;
- 2) the amalgamation under the *Business Corporations Act* (Alberta) of Chronos and AcquisitionCo, substantially as set forth in the Business Combination Agreement, as the same may be modified or amended, is authorized, approved, ratified and confirmed;
- 3) any officer or director of Chronos is hereby authorized, for and on behalf of Chronos, to execute and deliver articles of amalgamation and to execute, with or without the corporate seal, and, if appropriate, deliver all other documents and instruments and to do all other things as in the opinion of such director or officer may be necessary or desirable to implement these resolutions and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such document or instrument, and the taking of any such action; and
- 4) all actions heretofore taken by or on behalf of Chronos in connection with any matter referred to in any of the foregoing resolutions which were in furtherance of the transactions contemplated under the Business Combination Agreement are hereby approved, ratified and confirmed in all respects.

SCHEDULE "B"

Articles of Amalgamation

(Please see attached.)

Articles of Amalgamation

Business Corporations Act
Section 185

1. **Name of Amalgamated Corporation**

Chronos Resources Ltd.

2. **The classes of shares, and any maximum number of shares that the corporation is authorized to issue:**

The attached Schedule of Share Capital is incorporated into and forms part of this form.

3. **Restrictions on share transfers (if any):**

None.

4. **Number, or minimum and maximum number, of directors that the corporation may have:**

The Corporation shall have a minimum of 3 and a maximum of 15 directors.

5. **If the corporation is restricted FROM carrying on a certain business, or restricted TO carrying on a certain business, specify the restriction(s):**

None.

6. **Other rules or provisions (if any):**

The attached Schedule of Other Provisions is incorporated into and forms part of this form.

7. **Name of Amalgamating Corporations**

Corporate Access Number

Chronos Resources Ltd.

2470638 Alberta Ltd.

8. **Date Authorized:**

Month / Day / Year

Name & Title of Person Authorizing (please print)	Address: (including postal code)	Authorized Signature
<p>Dave Burton President and Chief Executive Officer</p>	<p>333 7 Ave SW, Calgary, AB T2P 2Z1</p>	<p>_____</p>