

FORM 62-103F3

**REQUIRED DISCLOSURE BY AN ELIGIBLE INSTITUTIONAL INVESTOR UNDER
PART 4**

State if the report is filed to amend information disclosed in an earlier report. Indicate the date of the report that is being amended.

Not applicable. This is the initial report being filed by Cyrus Capital Partners, L.P. (“**CCP**”) in respect of High Arctic Overseas Holdings Corp. (“**High Arctic Overseas**” or the “**Issuer**”) under Part 4 of National Instrument 62-103 — *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues* for and on behalf of CCP, Cyrus Opportunities Master Fund II, Ltd. (“**COMF**”), Crescent 1, L.P. (“**C1**”), CRS Master Fund, Ltd. (“**CRSF**”), Cyrus Europe Master Fund, Ltd. (“**CEMF**”), Cyrus Select Opportunities Master Fund, Ltd. (“**CSMF**”), and FBC Holdings S.à.r.l. (“**FBC**”).

In this report, for purposes of calculating percentages of Common Shares (as defined herein) beneficially owned or over which control or direction is exercised, directly or indirectly, CCP has assumed that there are 12,448,166 Common Shares issued and outstanding as at the date hereof, as reported by High Arctic Overseas in its Material Change Report dated August 21, 2024 filed on SEDAR+ on August 21, 2024 and available at www.sedarplus.ca.

Item 1 Security and Reporting Issuer

1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.

High Arctic Overseas Holdings Corp.

Suite 2350, 330 – 5th Ave SW
Calgary, AB, Canada T2P 0L4

Common shares of the Issuer (“**Common Shares**”).

1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.

On August 12, 2024, High Arctic Energy Services Inc. (“**High Arctic**”) completed a reorganization to separate High Arctic’s North American and Papua New Guinea businesses, by way of a court-approved plan of arrangement (the “**Arrangement**”) between High Arctic and High Arctic Overseas.

Pursuant to the Arrangement, among other things:

- each shareholder of High Arctic received as consideration, one-quarter of one (1/4) Common Share of the Issuer and one-quarter of one (1/4) common share of post-Arrangement High Arctic for each common share of High Arctic previously held; and
- FBC received as consideration 5,479,158 Common Shares.

The Common Shares represent approximately 44.0% of the Issuer's issued and outstanding Common Shares.

Item 2 Identity of the Eligible Institutional Investor

2.1 State the name and address of the eligible institutional investor.

Cyrus Capital Partners, L.P.

65 East 55th Street, 35th Fl.
New York, NY 10022

CCP is the investment manager of each of COMF, C1, CRSF, CSMF and CEMF and exercises sole investment discretion over all securities of High Arctic Overseas held by each of them. COMF, C1, CRSF, CEMF and CSMF (collectively, the "**Funds**") are the sole shareholders of FBC.

As the investment manager of the Funds, CCP is solely responsible for exercising investment discretion with respect to FBC and High Arctic Overseas securities held by FBC, including the Common Shares.

This report is being filed by CCP, as investment manager, for and on behalf of itself, the Funds and FBC.

2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.

On August 12, 2024, High Arctic completed a reorganization to separate High Arctic's North American and Papua New Guinea businesses, by way of the Arrangement.

Pursuant to the Arrangement, among other things:

- each shareholder of High Arctic received as consideration, one-quarter of one (1/4) Common Share of the Issuer and one-quarter of one (1/4) common share of post-Arrangement High Arctic for each common share of High Arctic previously held; and
- FBC received as consideration 5,479,158 Common Shares.

The Common Shares represent approximately 44.0% of the Issuer's issued and outstanding Common Shares.

2.3 State the name of any joint actors.

As the investment manager of the Funds, CCP is solely responsible for exercising investment discretion with respect to FBC and High Arctic Overseas securities held by FBC, including the Common Shares.

2.4 State that the eligible institutional investor is eligible to file reports under Part 4 in respect of the reporting issuer.

CCP is eligible to file reports under Part 4 in respect of the Issuer. CCP is an investment manager in relation to the Common Shares over which CCP exercises discretion to vote, acquire or dispose without the express consent of the beneficial owners of such Common Shares, subject to applicable legal requirements, general investment policies, guidelines, objectives or restrictions.

Item 3 Interest in Securities of the Reporting Issuer

3.1 State the designation and the net increase or decrease in the number or principal amount of securities, and in the eligible institutional investor's securityholding percentage in the class of securities, since the last report filed by the eligible institutional investor under Part 4 or the early warning requirements.

Prior to the Arrangement, neither CCP, the Funds nor FBC had control or direction, direct or indirect, or beneficial ownership of any Common Shares.

Pursuant to the Arrangement, among other things:

- each shareholder of High Arctic received as consideration, one-quarter of one (1/4) Common Share of the Issuer and one-quarter of one (1/4) common share of post-Arrangement High Arctic for each common share of High Arctic previously held; and
- FBC received as consideration 5,479,158 Common Shares, representing approximately 44.0% of the Common Shares outstanding.

3.2 State the designation and number or principal amount of securities and the eligible institutional investor's securityholding percentage in the class of securities at the end of the month for which the report is made.

As at August 31, 2024, CCP exercised control or direction over, direct or indirect, and FBC, and the Funds as the sole shareholders of FBC, beneficially owned 5,479,158 Common Shares, representing approximately 44.0% of the outstanding Common Shares.

3.3 If the transaction involved a securities lending arrangement, state that fact.

Not applicable.

3.4 State the designation and number or principal amount of securities and the percentage of outstanding securities of the class of securities to which this report relates and over which:

(a) the eligible institutional investor, either alone or together with any joint actors, has ownership and control:

See Item 2.1, Item 2.2 and Item 3.1.

(b) the eligible institutional investor, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the eligible institutional investor or any joint actor:

Not applicable.

- (c) **the eligible institutional investor, either alone or together with any joint actors, has exclusive or shared control but does not have ownership:**

See Item 3.1 and Item 3.2.

- 3.5 If the eligible institutional investor or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the eligible institutional investor's securityholdings.**

Not applicable.

- 3.6 If the eligible institutional investor or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.**

State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.

Not applicable.

- 3.7 If the eligible institutional investor or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the eligible institutional investor's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.**

Not applicable.

Item 4 Purpose of the Transaction

State the purpose or purposes of the eligible institutional investor and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the eligible institutional investor and any joint actors may have which relate to or would result in any of the following:

- (a) **the acquisition of additional securities of the reporting issuer, or the disposition of securities of the issuer;**
- (b) **a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;**
- (c) **a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;**

- (d) a material change in the present capitalization or dividend policy of the reporting issuer;
- (e) a material change in the reporting issuer's business or corporate structure;
- (f) a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person;
- (g) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;
- (h) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;
- (i) a solicitation of proxies from securityholders;
- (j) an action similar to any of those enumerated above.

The acquisition of control or direction over the Common Shares to which this report relates was the result of the Arrangement undertaken by the Issuer and High Arctic. The Common Shares are held for investment purposes.

In connection with the investment by FBC in the Common Shares, CCP has no present intention to but may engage in communications with members of management and the board of directors of High Arctic Overseas, other current or prospective shareholders, industry analysts, existing or potential strategic partners or competitors, investment and financing professionals, sources of credit and other investors with respect to High Arctic Overseas. CCP intends to review the investment in High Arctic Overseas on a continuing basis. Depending on various factors including, without limitation, High Arctic Overseas' financial position, the price levels of the Common Shares, conditions in the securities markets and general economic and industry conditions, CCP's, the Funds' or FBC's business or financial condition and other factors and conditions CCP deems appropriate, CCP may in the future take such actions with respect to the investment in High Arctic Overseas as CCP deems appropriate including, without limitation, seeking board representation, making proposals to High Arctic Overseas concerning changes to the capitalization, ownership structure or operations of High Arctic Overseas, acquiring Common Shares, selling or otherwise disposing of some or all of the Common Shares. In addition, CCP may in the future formulate other purposes, plans or proposals regarding High Arctic Overseas or any of its securities to the extent deemed advisable in light of general investment and trading policies, market conditions or other factors or may change its intention with respect to any and all matters referred to in this Item 4.

Item 5 Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer

Describe the material terms of any agreements, arrangements, commitments or understandings between the eligible institutional investor and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to

a contingency, the occurrence of which would give another person voting power or investment power over such securities except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

Not applicable.

Item 6 Change in Material Fact

If applicable, describe any change in a material fact set out in a previous report filed by the eligible institutional investor under the early warning requirements or Part 4 in respect of the reporting issuer's securities.

Not applicable.

Item 7 Certification

Certificate

I, as the eligible institutional investor, certify, or I, as the agent filing the report on behalf of the eligible institutional investor, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

Dated _____ September 9, 2024.

Cyrus Capital Partners, L.P.

/s/ Jennifer M. Pulick

Signature

Jennifer M. Pulick/General Counsel

Name/Title