



**NOTICE OF THE ANNUAL GENERAL AND SPECIAL
MEETING OF SHAREHOLDERS
TO BE HELD ON THURSDAY, AUGUST 28, 2025**

and

MANAGEMENT PROXY AND INFORMATION CIRCULAR

THIS NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF HIGH ARCTIC OVERSEAS HOLDINGS CORP. OF PROXIES TO BE VOTED AT THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS OF HIGH ARCTIC OVERSEAS HOLDINGS CORP.

TO HELD AT:

**DLA Piper (Canada) LLP,
Suite 1000, Livingston Place West, 250 2nd Street SW
Calgary, Alberta
Thursday, August 28, 2025
At 4:00 p.m.**

DATED July 18, 2025



High Arctic Overseas Holdings Corp.

NOTICE OF THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT AN ANNUAL GENERAL AND SPECIAL MEETING (the “**Meeting**”) of holders (“**Shareholders**”) of common shares (“**Common Shares**”) of High Arctic Overseas Holdings Corp. (“**High Arctic**” or the “**Corporation**”) will be held in the offices of DLA Piper (Canada) LLP, Suite 1000, Livingston Place West, 250 2nd Street SW, Calgary, Alberta T2P 0C1 on Thursday, August 28, 2025 at 4:00 p.m. for the following purposes:

1. to receive and consider the audited financial statements of the Corporation for the financial year ended December 31, 2024 and the report of the auditors thereon;
2. to fix the number of directors of the Corporation to be elected at the Meeting at three (3);
3. to elect the Board of Directors of the Corporation for the ensuing year;
4. to appoint the auditors of the Corporation for the ensuing year and to authorize the Board of Directors to fix the auditors’ remuneration;
5. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution, reapproving the omnibus incentive plan of the Corporation, which provides that the maximum number of Common Shares that may be reserved for issuance under the omnibus incentive plan from time to time shall not exceed 10% of the aggregate number of Common Shares issued and outstanding from time to time, as more particularly set forth in the accompanying Information Circular – Proxy Statement (“**Information Circular**”) accompanying this Notice of Meeting.; and
6. to transact such other business as may be properly brought before the meeting or any adjournment thereof.

DATED this 18th day of July, 2025.

If you do not expect to attend the Meeting and would like your shares represented, please complete the enclosed instrument of proxy and return it as soon as possible through one of the following channels:

- Online: Visit the following website <https://vote.odysseytrust.com> or
- By Mail: Please complete and sign the form of proxy enclosed and return it, in the envelope provided, to the Corporation’s transfer agent addressed;

Odyssey Trust Company
Trader’s Bank Building,
Suite 702, 67 Yonge St.
Toronto, ON M5E 1J8

Attn: Proxy Department

All votes must be received by 4:00 p.m. (Calgary time) on Tuesday August 26, 2025 (or at least 48 hours prior to the commencement of any reconvened Meeting in the event of any adjournment(s) or postponement(s) thereof).

If you hold your Common Shares in a brokerage account, you are a non-registered Shareholder or beneficial Shareholder. Beneficial Shareholders who hold their Common Shares through a bank, broker or other financial intermediary should carefully follow the instructions found on the form of proxy or voting instruction form provided to them by their intermediary, in order to cast their vote.

The Corporation reserves the right to take any additional pre-cautionary measures deemed to be appropriate, necessary or advisable in relation to the Meeting in response to future unforeseen developments, including: (i) making any changes at the Meeting as are required to meet any bylaws, public health edicts or advisories that are in place at the time; (ii) holding the Meeting virtually or by providing a webcast of the Meeting; (iii) hosting the Meeting solely by means of remote communication; (iv) changing the Meeting date and/or changing the means of holding the Meeting; and (v) such other measures as may be recommended by local authorities in connection with gatherings of persons for the Meeting.

Should any such changes to the Meeting format occur, the Corporation will announce any and all of these changes by way of news release, which will be filed under the Corporation's profile on SEDAR+ as well as on the Corporation's website at www.higharctic.com. The Corporation strongly recommends that Shareholders check the Corporation's website prior to the Meeting for the most current information. In the event of any changes to the Meeting format, the Corporation will not prepare or mail amended Meeting Proxy Materials.

Your participation as a Shareholder is very important to the Corporation. Please ensure your Common Shares are represented at the Meeting.

**BY ORDER OF THE BOARD OF
DIRECTORS**

(Signed) "Michael J. Maguire"

**Michael J. Maguire
Chief Executive Officer**

GENERAL PROXY MATTERS

Solicitation of Proxies

This management proxy and information circular ("**Circular**") is furnished in connection with the solicitation of proxies by the management of High Arctic Overseas Holdings Corp. ("**High Arctic**" or the "**Corporation**") for use at the annual general and special meeting (the "**Meeting**") of the holders of common shares of the Corporation (the "**Common Shares**") to be held at the offices of DLA Piper (Canada) LLP, Suite 1000, Livingston Place West, 250 2nd Street SW, Calgary, Alberta T2P 0C1 on Thursday, August 28, 2025 at 4:00 p.m. and at any adjournment thereof for the purposes set forth in the accompanying notice of meeting ("**Notice of Meeting**"). The cost of such solicitation will be borne by the Corporation.

Appointment of Proxies

The persons named (the "Management Designees") in the enclosed instrument of proxy ("Instrument of Proxy") have been selected by the directors of the Corporation and have indicated their willingness to represent as proxy the shareholder who appoints them. A shareholder has the right to designate a person (whom need not be a shareholder) other than the Management Designees to represent him or her at the Meeting. Such right may be exercised by inserting in the space provided for that purpose on the Instrument of Proxy the name of the person to be designated and by deleting there from the names of the Management Designees, or by completing another proper form of proxy and delivering the same to the transfer agent of the Corporation. Such shareholder should notify the nominee of the appointment, obtain the nominee's consent to act as proxy and should provide instructions on how the shareholder's shares are to be voted. The nominee should bring personal identification with him/her to the Meeting. In any case, the form of proxy should be dated and executed by the shareholder or an attorney authorized in writing, with proof of such authorization attached (where an attorney executed the proxy form). In addition, a proxy may be revoked by a shareholder personally attending at the Meeting and voting his/her shares.

A form of proxy will not be valid for the Meeting or any adjournment thereof unless it is completed and delivered to the Corporation's transfer agent, Odyssey Trust Company, Attn: Proxy Department, Trader's Bank Building, Suite 702, 67 Yonge St., Toronto, Ontario, M5E 1J8 at least forty-eight (48) hours, excluding Saturdays, Sundays and holidays, before the Meeting or any adjournment thereof. Late proxies may be accepted or rejected by the Chair of the Meeting in his discretion, and the Chair is under no obligation to accept or reject any particular late proxy.

Revocation of Proxies

A shareholder who has submitted a proxy may revoke it at any time prior to the exercise thereof. If a person who has given a proxy attends at the Meeting in person at which such proxy is to be voted, such person may revoke the proxy and vote in person. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the shareholder or his attorney authorized in writing or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized and deposited either at the head office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or with the Chair of the Meeting on the day of the Meeting, or any adjournment thereof, and upon either of such deposits, the proxy is revoked. A shareholder who revokes his or her proxy and does not replace it with another that is deposited with the Corporation's transfer agent, Odyssey Trust Company, at least forty-eight (48) hours (excluding Saturdays, Sundays, and holidays) before the Meeting may not vote his or her shares in any manner at the Meeting.

Persons Making the Solicitation

The solicitation is made on behalf of the Corporation by its management. The costs incurred in the preparation and mailing of the Instrument of Proxy, Notice of Meeting and this Circular will be borne by the Corporation.

In addition to solicitation by mail, proxies may be solicited by personal interviews, telephone or other means of communication and by directors, officers and employees of the Corporation, who may be remunerated therefore.

In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*, arrangements may be made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the share held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The costs thereof will be borne by the Corporation.

Exercise of Discretion by Proxy

The shares represented by proxy in favour of the Management Designees shall be voted on any ballot at the Meeting and, where the shareholder specifies a choice with respect to any matter to be acted upon, the shares shall be voted on any ballot in accordance with the specification so made.

In the absence of such specification, the shares will be voted in favour of the matters to be acted upon. The persons appointed under the Instrument of Proxy furnished by the Corporation are conferred with discretionary authority with respect to amendments or variations of those matters specified in the Instrument of Proxy and Notice of Meeting. At the time of printing this Circular, management knows of no such amendment, variation, or other matter.

Notice to Beneficial Shareholders

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

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their shares are voted at the meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the Instrument of Proxy provided directly to registered shareholders by the Corporation. However, its purpose is limited to instructing the registered shareholder (i.e. the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now

delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. ("**Broadridge**") in Canada.

Broadridge typically prepares a machine-readable voting instruction form, mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example).

Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting.

Broadridge also provides an online proxy voting portal at <https://www.proxyvote.com> for certain brokerage firms. To determine if online proxy voting is available, Beneficial Shareholders should contact their broker and obtain a unique control number. Some brokers include the control number on postal and electronically mailed voting forms.

A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote shares of the Corporation directly at the Meeting. The voting instruction forms must be returned to Broadridge (or instructions respecting the voting of shares of the Corporation must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have shares of the Corporation voted. If you have any questions respecting the voting of shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.

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

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

All reference to monetary amounts in this Circular are to United States Dollars, unless specifically stated otherwise.

INFORMATION CONCERNING THE CORPORATION

2024 Corporate Establishment

The Corporation was founded in 2024 as part of a corporate reorganization of High Arctic Energy Services Inc. (“**HWO**”). The corporate reorganization, amongst other matters, resulted in the transfer of the legacy PNG business of HWO into the Corporation, with HWO’s legacy North American business remaining with HWO. The corporate reorganization, which was carried out by way of a Plan of Arrangement (the “**Arrangement**”) was approved by a vote of shareholders of HWO on June 17, 2024 and was completed on August 12, 2024.

On August 12, 2024, in conjunction with the completion of the Arrangement:

- HWO transferred all of the outstanding ordinary shares of High Arctic Energy Services Cyprus Limited (“**HAES-Cyprus**”), the subsidiary that owned and operated HWO’s Papua New Guinea energy services business, to the Corporation;
- Each shareholder of HWO received as consideration, one quarter (1/4) of one common share of the Corporation and one quarter (1/4) of one post-Arrangement common share of HWO, for each pre-Arrangement common share of HWO held; and
- The Corporation became a reporting issuer in Alberta, British Columbia, Manitoba, Ontario, and Saskatchewan and was listed on the TSX Venture Exchange (“**TSXV**”).

The common shares of the Corporation began trading on the TSXV on August 16, 2024, under the trading symbol HOH.

Voting Shares and Principal Holders of Voting Shares

The board of directors of the Corporation (the “**Board of Directors**” or “**Board**”) has fixed July 11, 2025 as the record date (the “**Record Date**”) for the Meeting. Shareholders at the close of business on the Record Date are entitled to receive notice of the Meeting and to vote thereat or at any adjournment or postponement thereof on the basis of one vote for each Common Share held, except to the extent that: (i) a registered shareholder has transferred the ownership of any Common Shares subsequent to the Record Date; and (ii) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he, she or it owns the Common Shares and demands, not later than ten (10) days before the Meeting, that the transferee’s name be included in the list of shareholders entitled to vote at the Meeting, in which case the transferee will be entitled to vote such Common Shares at the Meeting.

The Corporation is authorized to issue an unlimited number of Common Shares and an unlimited number of preferred shares (“**Preferred Shares**”), issuable in series. As at the effective date of this Circular, which is July 18, 2025 (the “**Effective Date**”), 12,448,166 Common Shares and nil Preferred Shares were issued and outstanding.

To the knowledge of the directors and officers of the Corporation, no person or company beneficially owns, directly or indirectly, or exercises direction or control over voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Corporation other than FBC Holdings Sàrl, which owns 5,479,158 Common Shares representing 44.0% of the outstanding Common Shares as of the Effective Date. The information as to the Common Shares beneficially owned or which control or direction is exercised over is not within the knowledge of the Corporation and has been derived from public sources available to the Corporation.

Quorum for Meeting

At the Meeting, a quorum shall consist of two or more persons either present in person or represented by proxy and representing in the aggregate not less than 5% of the outstanding Common Shares of the Corporation.

If a quorum is not present at the Meeting within one-half hour after the time fixed for the holding of the Meeting, it shall stand adjourned to such day being not less than fourteen (14) days later and to such place and time as may be determined by the Chair of the Meeting. At such Meeting, the shareholders present either personally or by proxy shall form a quorum.

Approval Requirements

All matters to be considered at the Meeting are ordinary resolutions requiring approval by more than 50% of the votes cast in respect of the resolution by or on behalf of shareholders present in person or represented by proxy at the Meeting.

MATTERS TO BE ACTED UPON AT THE MEETING

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

1. Report and Financial Statements

The Board has approved the audited financial statements of the Corporation for the year ended December 31, 2024 and the report of the auditors thereon.

2. Fix Number of Directors to be Elected at the Meeting

Shareholders of the Corporation will be asked to approve an ordinary resolution fixing the number of directors of the Corporation to be elected at the Meeting.

At the Meeting, it will be proposed that three (3) directors be elected to hold office until the next annual general meeting or until their successors are elected or appointed. **Unless otherwise directed, it is the intention of the Management Designees, if named as proxy, to vote in favour of the ordinary resolution fixing the number of directors to be elected at the Meeting at three (3).**

3. Election of Directors

The Corporation currently has three (3) directors, all of whom are being nominated for re-election. The following table sets forth the name of each of the persons proposed to be nominated for election as a director, all positions and offices in the Corporation presently held by such nominee, the nominee's municipality of residence, principal occupation at the present and during the preceding five (5) years, the period during which the nominee has served as a director, and the number and percentage of Common Shares that the nominee has advised are beneficially owned by the nominee, directly or indirectly, or over which control or direction is exercised, as of the Effective Date.

The Board has adopted a majority voting policy in director elections that will apply at any meeting of the Corporation's shareholders where an uncontested election of directors is held. Pursuant to this policy, if the number of proxy votes withheld for a particular director nominee is greater than the votes for such director, the director nominee will be required to submit his or her resignation to the Board promptly following the applicable shareholders' meeting, with the resignation to take effect upon acceptance of the Board. The Governance, Nominating and Remuneration Committee (the "**GNR Committee**") will consider the director nominee's offer to resign and will make a recommendation to the Board as to whether or not to accept the resignation. In considering whether or not to accept the resignation, the GNR Committee may consider the stated reasons why shareholders "withheld" votes from the election of that nominee, the existing board composition, the tenure and the qualifications of the director whose resignation has been tendered, the director's past meeting attendance and contributions to the Corporation, the Corporation's corporate governance policies and such other skills and qualities as the GNR Committee deems to be relevant.

The Board will act on the recommendation of the GNR Committee and make a decision as to whether to accept the director's offer to resign within 90 days of the Meeting. The Board of Directors will be expected to accept the director's offer of resignation unless it decides that there are exceptional circumstances which prevent the Board from accepting it and will publicly disclose its decision, including the reasons for the Board's decision if the director's resignation is not accepted.

No director who is required to tender his or her resignation shall participate in the deliberations or recommendations of the GNR Committee or the Board. If a director's offer of resignation is accepted, the Board may fill the vacancy through the appointment of a new director whom the Board considers appropriate.

Unless otherwise directed, it is the intention of the Management Designees, if named as proxy, to vote for the election of the persons named in the following table to the Board of Directors. Management does not contemplate that any of such nominees will be unable to serve as directors; however, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, proxies held by Management Designees will be voted for another nominee in their discretion unless the shareholder has specified in his form of proxy that his shares are to be withheld from voting in the election of directors. Each director elected will hold office until the next annual general meeting of shareholders or until his/her successor is duly elected, unless his/her office is earlier vacated in accordance with the by-laws of the Corporation or the provisions of the *Business Corporations Act* (Alberta) to which the Corporation is subject.

Name, Municipality of Residence and Office Held	Director Since	Present Occupation and Positions Held During the Last Five Years	Common Shares Beneficially Owned or Controlled as of the Effective Date ⁽⁴⁾
Michael R. Binnion ⁽¹⁾⁽²⁾⁽³⁾ Calgary, Alberta, Canada Director and Chairman	August 12, 2025	Mr. Binnion is the President and Chief Executive Officer of Questerre Energy Corporation, a position held since November 2000.	553,281 (Approximately 4.4%)
Michael J. (Mike) Maguire ⁽¹⁾⁽²⁾⁽³⁾ Brisbane, Queensland, Australia Director and CEO	August 12, 2025	Mr. Maguire was Chief Executive Officer of HWO from 2020 until August 2024. Mr. Maguire currently serves as CEO of the Corporation and Interim CEO of HWO. Prior to his appointment as CEO, Mr. Maguire was President of HWO's PNG business which as a result of the completion of the Arrangement is now the Corporation's business.	214,119 (Approximately 1.7%)
Bruce Apana ⁽¹⁾⁽²⁾⁽³⁾ Port Moresby, Papua New Guinea Director	August 12, 2025	Mr. Apana is a PNG citizen. He is a lawyer by profession, obtaining his degree and admission in the Australian Capital Territory and has practiced in Australia and Papua New Guinea, both in private and corporate practice. Mr. Apana is the Chief Operating Officer at MRL Capital Limited, the trustee of the Lihir Island landowner equity trust. Mr. Apana has served in executive, general counsel and advisory roles for various multinational energy companies in PNG. Mr. Apana has served as director and company secretary for High Arctic's PNG incorporated subsidiaries since High Arctic's initial establishment there in 2007.	Nil

(1) Member of Audit Committee.

(2) Member of Governance, Nominating and Remuneration Committee.

(3) Member of Quality, Health, Safety, Environmental and Security Committee.

(4) The information as to the number of Common Shares beneficially owned or controlled is based upon information furnished to the Corporation by the respective nominees.

Cease Trade Orders

No proposed director, within 10 years before the date of this Circular, has been a director, chief executive officer or chief financial officer of any company that:

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

- b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Bankruptcies

No proposed director, within 10 years before the date of this Circular, has been a director or executive officer of any company that, while the proposed director was acting in that capacity, or within a year of the proposed director ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Personal Bankruptcies

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

Penalties and Sanctions

No proposed director has been subject to:

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

4. Appointment and Remuneration of Auditors

The shareholders of the Corporation will be asked to pass an ordinary resolution appointing KPMG LLP, Chartered Professional Accountants (“**KPMG LLP**”), as auditors of the Corporation, to hold office until the next annual general meeting of shareholders or until the firm of KPMG LLP is removed from office or resigns as provided by the Corporation's by-laws or law and to authorize the Board of Directors to fix the remuneration to be paid thereto. The foregoing resolution must be approved by a simple majority of the votes cast at the Meeting by the Shareholders voting in person or by proxy.

Unless otherwise directed, it is the intention of the Management Designees, if named as proxy, to vote in favour of the ordinary resolution appointing KPMG LLP, Chartered Professional Accountants, as auditors of the Corporation for the next ensuing year and to authorize the Board to fix the remuneration of KPMG LLP.

5. Approval of Omnibus Equity Incentive Plan

The Corporation has a rolling security-based compensation plan (the “**Omnibus Plan**”), which provides that a maximum percentage of 10% of the issued and outstanding Common Shares may be reserved for issuance pursuant to awards granted under the Omnibus Plan. A copy of the Omnibus Plan is attached hereto as attached hereto as Exhibit II and summarized under the heading “Summary of Omnibus Plan.” Pursuant to the policies of the TSXV, a rolling security-based compensation plan, such as the Omnibus Plan, requires shareholder approval annually. The Omnibus Plan was approved in connection with the approval of the Plan of Arrangement, by the shareholders of High Arctic Energy Services Inc. on June 17, 2024.

The purposes of the Omnibus Plan are (a) to develop the interest of directors, officers, employees and other eligible service providers in the growth and development of the Corporation by providing them with the opportunity to acquire an increased proprietary interest in the Corporation; (b) to promote greater alignment of interests between directors, officers, employees and other eligible service providers and the shareholders of the Corporation; (c) to associate a portion of the compensation payable to officers, directors, employees and other eligible service providers with the returns achieved by shareholders of the Corporation; and (d) to attract and retain officers, directors, employees and other eligible service providers with the knowledge, experience and expertise required by the Corporation.

As of date of this Information Circular, a total of 569,816 Common Shares are reserved for issuance pursuant to Options, RSUs, DSUs, and PSUs outstanding under the Omnibus Plan, being approximately 4.58% of the issued and outstanding Common Shares (based on 12,448,166 Common Shares outstanding as at July 18, 2025).

At the Meeting, Shareholders will be asked to approve, with or without variation, the following ordinary resolution:

“BE IT HEREBY RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. the omnibus incentive plan of the High Arctic Overseas Holdings Corp. (the “**Corporation**”), in the form attached as Exhibit II to the management information circular of the Corporation dated July [], 2025 (the “**Omnibus Plan**”), be and the same is hereby authorized and approved as the omnibus incentive plan of the Corporation;
2. the Corporation is authorized to reserve and issue Common Shares in the capital of the Corporation for issuance upon exercise of awards granted pursuant to the Omnibus Incentive Plan; and
3. any one director or officer of the Corporation be and is hereby authorized and directed to do all things and to execute and deliver all documents and instruments as may be necessary or desirable to carry out the terms of this resolution.

The Board unanimously recommends that Shareholders ratify, confirm and approve the Omnibus Plan by voting in favour of the resolution to be submitted to the Meeting. A copy of the Omnibus Plan is attached as Exhibit II to this Information Circular.

Unless otherwise directed, it is the intention of the Management Designees, if named as proxy, to vote in favour of the ordinary resolution approving the Omnibus Plan.

Summary of Omnibus Plan

As part of the Corporation’s compensation program, the Corporation has adopted the Omnibus Plan, which was approved in connection with the approval of the Plan of Arrangement, by the shareholders of High Arctic Energy Services Inc. on June 17, 2024. The principal features of the Omnibus Plan, which provides for the issuance of stock options (“**Options**”), performance share units (“**PSUs**”), restricted share units (“**RSUs**”) and deferred share units (“**DSUs**”), and together with Options, PSUs, and RSUs are collectively referred to as “**Grants**” and each individually a “**Grant**”), are described below. This summary of the Omnibus Plan is qualified in its entirety by reference to the full text of the Omnibus Plan, a copy of which is attached hereto as Exhibit II.

The Omnibus Plan is a long-term incentive plan that permits the award of Grants to directors, officers and employees of, and consultants to, the Corporation. The purpose of the Omnibus Plan is to promote share ownership of the eligible individuals to align the interests of such individuals with the interest of the Corporation’s Shareholders. The Omnibus Plan streamlines the administration of long-term incentive Grants to eligible individuals as all Grants will be made under the Omnibus Plan (whether Options, RSUs, DSUs, or PSUs) and will be subject to the rules and restrictions of that plan.

As of the date of this Information Circular, an aggregate of 675,000 Options have been granted under the Omnibus Plan and all such Options are outstanding under the Omnibus Plan. No PSUs, DSUs or RSUs have been granted under the Omnibus Plan.

Limitations under the Omnibus Plan

The aggregate number of Common Shares that may be reserved for issuance at any time under the Omnibus Plan, together with any Common Shares reserved for issuance under any other security-based compensation plans of the Corporation, shall be equal to 10% of the outstanding Common Shares from time to time (on a non-diluted basis). Any Common Shares underlying Options under the Omnibus Plan that have been exercised, or disposed of or that have expired or been terminated for any reason (without being exercised), shall become available for subsequent issuance under the Omnibus Plan. Any Common Shares underlying DSUs, RSUs, or PSUs under the Omnibus Plan that have been settled, or disposed of or that have expired or been terminated for any reason (without being settled), shall become available for subsequent issuance under the Omnibus Plan. Accordingly, the Omnibus Plan is a “rolling plan” and as a result, any and all increases in the number of outstanding Common Shares will result in an increase to the number of Grants available for Grant under the Omnibus Plan.

In addition, any Grants shall be subject to the following restrictions:

- (1) the aggregate number of Common Shares reserved for issuance pursuant to Grants, together with awards under any other security-based compensation plan of the Corporation, granted to insiders (as a group) may not exceed 10% of the outstanding Common Shares (on a non-diluted basis) at any point in time;
- (2) the aggregate number of Common Shares reserved for issuance pursuant to Grants, together with awards under any other security-based compensation plan of the Corporation, granted to insiders (as a group) in any twelve (12) month period shall not exceed 10% of the outstanding Common Shares (on a non-diluted basis) determined at the time of the Grant; and
- (3) the aggregate number of Common Shares reserved for issuance pursuant to Grants, together with awards granted under any other security-based compensation plan of the Corporation, granted to any one person in any twelve (12) month period may not exceed 5% of the outstanding Common Shares (on a non-diluted basis) determined at the time of grant.

The following restrictions shall also apply:

- (4) the aggregate number of Common Shares issuable pursuant to Grants, together with awards under any other security-based compensation plan of the Corporation, granted to any consultant in any twelve (12) month period shall not exceed 2% of the outstanding Common Shares (on a non-diluted basis) determined at the time of grant;
- (5) Investor relations service providers shall only be entitled to Options under the Omnibus Plan and the aggregate number of Common Shares issuable pursuant to Options under the Omnibus Plan, together with Options under any other security-based compensation plan of the Corporation, granted to all such persons in any twelve (12) month period shall not exceed 2% of the outstanding Common Shares determined at the time of grant; and
- (6) if the Corporation issues Options to eligible charitable organizations, the aggregate number of Common Shares issuable pursuant to such Options must not at any time exceed 1% of the issued and outstanding Common Shares, calculated at the time of grant.

Except as permitted by the Board or a designated committee of the Board, and to the extent that certain rights may pass to a beneficiary or legal representative upon death of a participant by will or as required by applicable law, Grants are not assignable or transferable.

Description of Options issuable under the Omnibus Plan

All Options granted under the Omnibus Plan will have an exercise price fixed by the Board when the Option is granted. Such price shall not be less than the volume weighted average trading price per Common Share on the TSXV for the five (5) consecutive trading days ("**VWAP**") ending on the last trading day preceding the date that the Option is granted.

Pursuant to the rules of the TSXV: (i) the exercise price of Options shall be determined by the Board in accordance with the policies of the TSXV; (ii) Options can be exercisable for a maximum of 10 years from the Grant Date; and (iii) the Corporation must obtain disinterested shareholder approval when decreasing the exercise price or extending the term of Options granted to insiders.

Exercise of Options

Participants may exercise vested Options by providing payment in full of the exercise price for the Common Shares which are the subject of the exercise. Provided that the Common Shares are listed on a stock exchange, and that the Corporation is in compliance with applicable stock exchange requirements, the Corporation may permit a participant to elect that the Corporation satisfy any obligations to the participant in respect of any vested Options exercised by the participant by issuing such number of Common Shares that is equal in value to the difference between: (a) the VWAP of the Common Shares prior to the date of exercise; and (b) the aggregate exercise price of the vested Options being exercised (the "**Net Share Exercise Right**"). The Net Share Exercise Right is not available to any Investor Relations Service Providers in accordance with the policies of the TSXV.

In addition, the Corporation may permit a broker-assisted cashless exercise whereby the participant elects to receive: (a) an amount in cash equal to the cash proceeds realized upon the sale in the capital markets of the Common Shares underlying the vested Options by a securities dealer designated by the Corporation, less the aggregate exercise price, any applicable withholding taxes, and any transfer costs charged by the securities dealer to sell the Common Shares; (b) an aggregate number of Common Shares that is equal to the number of Common Shares underlying the vested Options minus the number of Common Shares sold in the capital markets by a securities dealer designated by the Corporation as required to realize cash proceeds equal to the aggregate exercise price, any applicable withholding taxes and any transfer costs charged by the securities dealer to sell the Common Shares; or (c) a combination of (a) and (b).

Description of RSUs, PSUs and DSUs issuable under the Omnibus Plan

An RSU is a right to receive a Common Share issued from treasury upon settlement, subject to the terms of the Omnibus Plan and the applicable award agreement, which generally becomes vested, if at all, following a period of continuous employment or engagement. If the Corporation is listed on the TSXV, RSUs are expected to typically vest as to one third on each of the first, second and third anniversaries of the date of grant unless otherwise determined by the Board at the time of grant.

A PSU is a right to receive a Common Share issued from treasury upon settlement, subject to the terms of the Omnibus Plan and the applicable award agreement, which generally becomes vested, if at all, subject to the attainment of performance criteria established by the Board in its discretion at the time of grant. The vesting period and performance criteria for any PSUs granted will be determined at the time of the grant.

DSUs are the only type of share unit issuable under the Omnibus Plan that may be issued to non-employee directors of the Corporation. A DSU is a right to receive a Share issued from treasury upon settlement, subject to the terms of the Omnibus Plan and the applicable award agreement. The vesting period of any DSUs granted will be determined at the time of the grant and are expected to typically vest either as to one

third on each of the first, second and third anniversaries of the date of grant or to cliff-vest on the third anniversary of the date of grant, provided that, vesting will typically accelerate on the date that the non-employee director ceases to be a director of the Corporation for any reason, including change of control, resignation, retirement, death or failure to obtain re-election as a director.

Settlement of RSUs, PSUs and DSUs

Vested RSUs, PSUs and DSUs may be settled by a participant at any time prior to their expiry date by the Corporation issuing to the participant such number of Common Shares that is equal to the number of vested RSUs, PSUs or DSUs (and related Dividend Equivalents, if any) being settled. Notwithstanding, the Corporation may, in its discretion, permit applicable participants to elect to receive an amount in cash (net of applicable withholding taxes) equal to all or a portion of the vested RSUs, PSUs or DSUs (and related dividend equivalents, if any) being settled by the participant multiplied by the VWAP prior to the applicable settlement date.

Dividend Equivalents

On any date on which a cash dividend is paid on the Common Shares, a Participant's Account will be credited with a dividend equivalent in the form of a number of RSUs, PSUs or DSUs (including fractional Share Units, computed to three digits) calculated by multiplying the amount of the dividend per Share by the aggregate number of RSUs, PSUs or DSUs that were credited to the Participant's Account as of the record date for payment of the dividend, and dividing by the Fair Market Value on the date on which the dividend is paid.

The "**Fair Market Value**" of a Common Share for the purposes of the Omnibus Plan means, where the Common Shares are listed on the TSXV (or such other exchange on which the Common Shares are then listed and posted for trading), the volume weighted average trading price of the Common Shares on the TSXV for the five trading days immediately preceding a particular date. If the Common Shares are not listed on any stock exchange, the "Fair Market Value" of a Common Share on a particular date shall be determined by the Board in its sole discretion.

Expiry

The expiry date of Grants granted pursuant to the Omnibus Plan is set by the Board and must not be later than ten (10) years from the date of grant. The Omnibus Plan contains provisions that address expiring Grants during, or within nine (9) business days after, a self-imposed blackout period on trading securities of the Corporation. In such a case, the expiry date will be deemed to be extended to the tenth (10th) business day following the end of the blackout period.

Termination of Employment of Participant

Except in cases of termination of employment without cause as detailed in the paragraph below, upon the termination of the employment of a Participant (as a result of the Participant ceasing to be actively employed by, or provide services as a consultant to the Corporation), any Grants standing to the credit of such Participant which have not become vested on or before the date of the Participant's termination (the "**Termination Date**"), shall immediately terminate and become null and void as of such date. For greater certainty, no Grants shall vest during any reasonable notice period.

Subject to any provisions to the contrary in the employment or consulting agreement of any particular Participant, upon the termination of employment without cause of such Participant, unless otherwise determined by the Board in its sole discretion, those Grants awarded to such Participant that have not yet become vested Grants, but would be eligible for vesting and issuance during the notice period specified in such Participant's employment or consulting agreement, shall vest on the Termination Date.

Death of Participant

Where the Participant's Termination Date occurs as a result of the Participant's death, any Grants standing to the credit of such Participant shall continue to vest (and be paid out) in the normal course for a period of twelve (12) months extending from the Participant's Termination Date. Any Grants awarded to such Participant which have not become vested on or before the date that is the first anniversary of the Participant's Termination Date shall terminate and become null and void as of such date.

Change of Control

In the event of a Change of Control (as such term is defined in the Omnibus Plan) or a determination by the Board that a Change of Control is expected to occur, the Board shall have the authority to take all necessary steps so as to ensure the preservation of the economic interests of the Participants in, and to prevent the dilution or enlargement of any Grants, including, without limitation, adjusting: (i) the number of Common Shares issuable pursuant to the Grant Agreement; (ii) the securities into which the Common Shares are changed or are convertible or exchangeable; (iii) any Options then outstanding; (iv) the exercise price, as appropriate in respect of such Options; and/or (v) with respect to the number of RSUs, PSUs and/or DSUs outstanding under the Omnibus Plan, and any such adjustment shall be final, binding and conclusive for all purposes of the Omnibus Plan.

Amendment, Suspension and Termination

The Board may, without notice and without shareholder approval, amend, modify, change, suspend or terminate the Omnibus Plan or any Awards as it determines appropriate, provided, however, that no such amendment, modification, change, suspension or termination of the Omnibus Plan or any Awards may materially impair any outstanding rights of a participant without the consent of the participant, unless the Board determines such adjustment is required or desirable in order to comply with any applicable securities laws or the policies of the TSXV. Without limiting the generality of the foregoing, the Board may by resolution, without shareholder approval, at any time or from time to time, amend the Omnibus Plan or award agreements for the purposes of:

- (i) changing the termination provisions of a Grant, provided that the change does not entail an extension beyond the original expiry date;
- (ii) determining the adjustment provisions pursuant to the Omnibus Plan;
- (iii) altering, extending or accelerating the terms of vesting or the conditions to vesting applicable to any Grant;
- (iv) ensure that Grants awarded under the Omnibus Plan will comply with any provisions respecting share units or other security based compensation arrangements in the Tax Act or other Applicable Law in force in any country or jurisdiction of which a Participant to whom a Share Unit has been granted may from time to time perform services or be resident;
- (v) make amendments of a procedural or "housekeeping" nature;
- (vi) amending or modifying the mechanics of exercising an entitlement pursuant to a Grant; and
- (vii) suspending or terminating the Omnibus Plan."

OTHER MATTERS COMING BEFORE THE MEETING

Management knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the securities represented by proxy solicited hereby will be voted on such matters in accordance with the best judgment of the person voting such proxy.

STATEMENT OF EXECUTIVE COMPENSATION FOR HIGH ARCTIC

COMPENSATION DISCUSSION AND ANALYSIS

I. Overview of Compensation Program, Compensation Philosophy and Objectives

The Corporation has designed an executive compensation program to attract, motivate, reward, and retain the knowledgeable and skilled executives that are required to achieve the Corporation's objectives and increase shareholder value. The compensation program is geared towards fostering a culture of ownership by providing long-term equity-based incentives as a portion of executive compensation. This approach assumes that the Corporation's share price performance over the long-term is an important indicator of long-term performance, aligning executive compensation with the generation of shareholder value.

The Corporation's executive compensation program is based on the following fundamental principles:

- the compensation program should result in the alignment of executive goals with shareholder interests, maximizing long-term shareholder value;
- compensation to executive officers should be performance sensitive, directly linking some elements of compensation to the Corporation's operating and market performance, both quantitatively and qualitatively; and
- total executive compensation should be in an amount that is competitive with other companies in the oilfield services industry and geographical area, consistent with the experience and responsibility level of the individual.

The main objectives of the Corporation's executive compensation program were developed based on the above-mentioned principles, with a goal to reward the contribution of executive officers based on evaluation of performance against key measurements selected by the Board and the GNR Committee that correlate with shareholder value and align with the Corporation's strategic plan.

The compensation program of the Corporation provides incentives to achieve both short and long-term objectives.

The short-term incentives include salary and annual bonus payments to Named Executive Officers (as defined herein) ("**NEOs**") based on the financial performance of the Corporation and achievement of certain individual performance targets.

The Corporation has provided long-term incentives to its executives and directors through grants of Options under the Corporation's Omnibus Plan. The Corporation's long-term incentive plans link the interests of the executive officers and directors to shareholders of the Corporation as increasing the value of the Corporation will increase the amounts received by the individual NEO.

II. Role and Composition of the Governance, Nominating and Remuneration Committee

The Corporation's executive compensation program is administered by the Governance, Nominating and Remuneration Committee (the "**GNR Committee**") of the Board. The GNR Committee is charged with reviewing and making recommendations to the Board in respect of the compensation matters relating to

the Corporation's executive officers, employees, and directors, including the NEOs who are identified in the "Summary Compensation Table", below.

The members of the GNR Committee are appointed by the Board. For the year ended December 31, 2024, the GNR Committee, due to the current size of the board was comprised of all directors, being Michael Binnion (Chair), Mike Maguire and Bruce Apana.

Although none of the members of the GNR Committee has a formal background or experience in executive compensation directly, all of the members of the GNR Committee are experienced participants in the business world and are well versed in the areas of corporate governance and compensation matters.

Mr. Binnion, the committee chair, is a seasoned entrepreneur with a history of starting, financing and managing companies and not-for-profits and has considerable experience with establishing and overseeing compensation programs. These skills and experiences help enable the GNR Committee to make decisions on the suitability of the Corporation's compensation policies and practices.

Mr. Maguire has over 30 years experience within the Oil and Gas Industry, in particular working with drilling and well servicing contractors of varying sizes and maturity and across a variety of markets. This in-depth knowledge of the industry provides key insight to the suitability of the Corporation's compensation policies and practices.

Mr. Apana is a lawyer by profession and has served in executive, general counsel and advisory roles for various multinational energy companies in PNG. This experience provides the GNR Committee direction on the suitability of compensation policies in practices with respect to the PNG market.

The GNR Committee operates under a written "Governance, Nominating and Remuneration Committee Terms of Reference" that details its composition, its duties and its reporting responsibilities. As they relate to compensation, the GNR Committee's primary duties and responsibilities are to:

- (1) Determine and agree with the Board framework or broad policy for the remuneration of the Corporation's Chief Executive Officer, Chair of the Board, Lead Director (if applicable), and such other members of the executive management as it is designated to consider (the "**Remuneration Policy**"). The GNR Committee shall also be responsible for making recommendations to the Board in regard to the remuneration of non-executive directors. No director or officer shall be involved in any decisions as to their own remuneration;
- (2) In determining the Remuneration Policy, take into account all factors which it deems necessary. The objective of the Remuneration Policy shall be to ensure that members of the executive management of the Corporation are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Corporation;
- (3) Review the ongoing appropriateness and relevance of the Remuneration Policy;
- (4) Approve the design of, and determine targets for, any performance-related pay arrangements operated by the Corporation and approve the total annual payments made under such arrangements;
- (5) Review the design of all securities-based compensation arrangements for approval by the Board and shareholders. For any such plans, determine each year whether awards will be made and, if so, the overall amount of such awards, the individual awards to directors, officers and other senior executives, the performance targets to be used and the form of agreement in respect of the grant of any securities-based compensation;
- (6) Review and recommend for approval, if the proposed remuneration is within the parameters of the Remuneration Policy, any written employment agreement of a member of the executive management;

- (7) Determine the policy for, and scope of, pension arrangements for each director, officer and other senior executives;
- (8) Review and recommend for approval any termination and severance arrangements in respect of officers of the Corporation;
- (9) Ensure that contractual terms on termination, and any payments made, are fair to the individual, and the Corporation, that failure is not rewarded and that the duty to mitigate loss is fully recognized;
- (10) Within the terms of the Remuneration Policy and in consultation with the Chair and/or Chief Executive Officer as appropriate, determine the total individual remuneration package of each director, officer and other senior executives including bonuses, incentive payments and share option or other share awards that comply with the legal requirements, the provisions and recommendations in National Policy 58-201 adopted by the Canadian Securities Administrators, the rules of the Toronto Stock Exchange and associated guidance;
- (11) Review and note annually the remuneration trends across the Corporation or group;
- (12) Oversee any major changes in employee benefits structures throughout the Corporation or group;
- (13) Review and recommend for approval the general terms of any annual bonus plans of for non-executive managers;
- (14) Determine the policy for authorizing claims for expenses from the Chief Executive Officer and Chairman;
- (15) Ensure that all provisions regarding disclosure of remuneration, including pensions, are fulfilled; (18) Review and recommend for approval disclosure provided in publicly circulated documents, including the Corporation's management information circular, in respect of executive compensation discussion and analysis;
- (16) Be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the committee; and
- (17) Obtain reliable, up-to-date information about remuneration in other comparable companies. The Committee shall have full authority to commission any reports or surveys which it deems necessary to help it fulfill its obligations.

The GNR Committee Chair is required to report to the Board on its proceedings after each meeting and to make whatever recommendations it deems appropriate on any area within its mandate where action or improvement is needed. In addition to attendance at formal meetings, individual committee members also periodically reviewed the Corporation's approach to executive compensation with the Chief Executive Officer.

In November 2024, the GNR Committee, recommended to the Board the granting of options to both NEOs and Directors as share-based compensation awards. No NEO compensation increases were considered in 2024.

The GNR Committee will continue to periodically review the Remuneration Policy, with a goal to ensuring the Corporation's compensation program and offering is effective and competitive and is aligned with the above-noted principles.

At the time of this review, the Corporation selected the following peer group as measured by market capitalization and operational sector:

Stampede Drilling Inc.

Total Energy Services Inc.

Ensign Energy Services Inc.

The Corporation believes the peer group list is comprised of companies that have characteristics in common with the Corporation and that would compete for similar executive talent and as such, provides a good basis for assessing the competitiveness of the Corporation's compensation.

Compensation Risks

While the GNR Committee does not formally consider the implications of the risks associated with the Corporation's compensation policies and practices, the GNR Committee does take into consideration the various components of the Corporation's compensation program when assessing whether the program supports the Corporation's principles and objectives and reviews the Corporation's compensation policies on a regular basis. The GNR Committee also considers the implication of the risks associated with the Corporation's compensation program, including: (i) the risk of executive officers taking inappropriate or excessive risks; (ii) the risk of inappropriate focus on achieving short-term goals at the expense of long-term return to shareholders; (iii) the risk of encouraging aggressive accounting practices; and (iv) the risk of excessive focus on financial returns and operational goals at the expense of regulatory, environmental and health and safety considerations.

The nature of the business in which the Corporation operates requires some level of risk-taking in order to achieve desired growth and outcomes in the best interests of the shareholders. While the Corporation recognizes that no compensation program can fully mitigate these risks, the GNR Committee and Board believe that many of these risks can be mitigated by: (i) weighting long-term incentives towards share ownership and vesting long-term incentives over a number of years; (ii) avoiding narrowly focused performance goals which may encourage loss of focus on providing long-term shareholder return; (iii) retaining adequate discretion over the application and implementation of the compensation program to insure that the GNR Committee and Board retain their business judgment in assessing actual performance; and (iv) discourage executive participation in transactions that are designed to hedge or offset a decrease in market value of securities of the Corporation as discussed below under the heading "Short Selling and Restrictions".

Short Selling and Restrictions

Executive officers and directors are prohibited from knowingly selling, directly or indirectly, any of the Corporation's securities that he or she does not own or has not fully paid for.

Although the NEOs are permitted to purchase financial instruments that are designed to hedge or offset a decrease in market value of equity securities granted as compensation, the Corporation is not aware of any market for such financial instruments or the acquisition of any such financial instruments by a NEO.

III. Compensation Plan and Policies

The GNR Committee has adopted a compensation program that covers the following key short-term and long-term elements: (i) a base fixed amount of salary and benefits; (ii) a performance-based cash bonus; and (iii) long-term equity incentive plans.

The Corporation's compensation policies are designed to recognize and reward individual performance as well as to provide a competitive level of compensation to executive officers.

A description of each element and its purpose is described below, following disclosure of the NEO of the Corporation as at December 31, 2024.

Named Executive Officers (“NEOs”)

Individuals who are acting in a capacity similar to a Chief Executive Officer (“**CEO**”), Chief Financial Officer (“**CFO**”) and the three most highly compensated executive officers or individuals whose total compensation exceeds \$150,000 per annum are the NEOs, which total five individuals. For the year ended December 31, 2024, the NEOs of the Corporation were Mike Maguire (CEO), Lonn Bate (Interim CFO), Matt Cocks (VP Finance / CFO), Stephen Lambert (COO), and Chris Fraser (VP Strategy & Growth).

On December 31, 2024 Chris Fraser departed as VP Strategy & Growth.

With the completion of transitionary services following the Arrangement, Mr. Bate resigned as Interim CFO of the Corporation on 24 June 2025, and Mr. Cocks was appointed CFO.

Base Salaries

The purpose of the base salary is to attract and retain NEOs by providing a competitive base compensation amount. The level of base salary for each NEO is determined by the level of responsibility and the importance of the position to the Corporation, within competitive industry ranges. The GNR Committee makes annual recommendations to the Board regarding base salaries for each of the NEO.

Annual Incentive Bonuses

Annual incentive bonuses are a short-term variable compensation element designed to reward executives on an annual basis for their assistance in achieving the Corporation’s business objectives for that year. Generally, such bonuses are of a discretionary nature based on a plan established at the start of each year. The Corporation’s financial objectives are reviewed each year after the Board has considered and approved the annual operating and capital expenditure budgets for that year. The amount of bonus awarded to NEOs is calculated as a percentage of a maximum bonus pool directly tied to the profitability of the Corporation and is awarded only if threshold performance levels are met.

The purpose of the annual incentive bonuses is to pay for performance, align the executive’s economic interest with the Corporation’s short-term business objectives and to motivate and retain the executives. As with other years, the terms of the incentive plan for all employees and executive for 2024 were established through discussions among management, the GNR Committee, and the Board.

Corporate Performance Bonuses

The Corporate Performance Bonus Plan was developed 2024 by HWO to provide certain executives and employees with a specified incentive to achieve key corporate milestones of legacy HWO and subsequent to the Arrangement, the Corporation’s Corporate Performance Bonus Plan for 2024. The Corporation had two NEOs participating, Mr. Maguire (CEO) and Mr. Bate (Interim CFO).

The Board awarded a Corporate Performance Bonus to Mr. Maguire of US\$32,000, and Mr. Bate of US\$18,000 representing approximately 12.0% of Mr. Maguire’s salary and 12.4% of Mr. Bate’s fees received in 2024 under this plan.

PNG Related Performance Bonuses

As in prior years under HWO, certain NEOs participated in a Papua New Guinea (“**PNG**”) Performance Bonus Plan, the purpose of which was to incentivize management and employees responsible for contributing to the Corporation’s business operations in PNG profitably with strong safety and operational performance. The Corporation had three NEOs participating, Mr. Lambert (COO), Mr. Fraser (VP Strategy & Growth) and Mr. Cocks (VP Finance).

The Board awarded a Performance Bonus to Mr. Lambert and Mr. Cocks of US\$25,000 representing approximately 11.5% and 13.5% of their salaries received in 2024 respectively under this plan.

Long-term Equity Incentive Plans

In addition to recognizing the achievement of the Corporation's immediate objectives through the Corporation's Annual Incentive Plans, the Corporation recognizes the need to also incentivize its executives, directors, and certain eligible employees to achieving sustained long-term performance that will lead to growth in shareholder value. The Corporation believes that tying a portion of an executive's, director's or employee's compensation to the growth in the Corporation's equity value is an effective way to achieving this focus on long-term shareholder value creation and uses the Omnibus Plan to achieve this. For further information on the Omnibus Plan see "*Matters to be Acted Upon at the Meeting – Approval of Omnibus Equity Incentive Plan - Summary of Omnibus Plan*".

As of the date of this Information Circular, an aggregate of 675,000 Options have been granted under the Omnibus Plan, being approximately 5.42% of the issued and outstanding Common Shares (based on 12,448,166 Common Shares outstanding as at July 18, 2025) and all such Options are outstanding under the Omnibus Plan. No PSUs, DSUs or RSUs have been granted under the Omnibus Plan.

Of the 675,000 Options granted, 525,000 were granted to NEO's as per the following table:

Named Executive Officer	Number of Options Granted	Date of Grant	Exercise Price – CAD\$
Mike Maguire, CEO	250,000	December 3, 2024	\$1.60
Lonn Bate, Interim CFO	25,000	December 3, 2024	\$1.60
Matt Cocks, VP Finance / CFO	125,000	December 3, 2024	\$1.60
Stephen Lambert, COO	125,000	December 3, 2024	\$1.60

The table below summarizes the total securities outstanding under the Corporation's Omnibus Plan as at December 31, 2024:

	Options to acquire Common Shares	RSU/PSU Units	DSU	Total
Total Outstanding	675,000	nil	nil	675,000
% of Common Shares	5.42%	nil%	nil%	5.42%

A further 569,816 Common Shares are reserved for issuance pursuant to Options, RSUs, DSUs, and PSUs outstanding under the Omnibus Plan, being approximately 4.58% of the issued and outstanding Common Shares (based on 12,448,166 Common Shares outstanding as at July 18, 2025). For a summary of the

Omnibus Plan see, “*Matters to be Acted Upon at the Meeting – Approval of Omnibus Equity Incentive Plan*”. The full text of the Omnibus Plan is attached hereto as Appendix II.

Other Elements of Compensation

Benefits and Perquisites

In addition to the compensation elements set out above, the NEOs also participate in the Corporation’s benefit plans that are available to all employees. The level of other perquisites depends on the employee’s position. The purpose of the benefits and perquisites is to attract, retain and motivate the employees.

At the discretion of the Board, certain NEOs may also be entitled to receive an automobile and parking allowance.

The NEOs residing in Australia participate in a statutory superannuation guarantee that is intended to provide pension benefits to Australian based employees at the cost of the Corporation. For Messrs. Maguire, Cocks and Lambert, this amounted to US\$18,928, US\$19,489 and US\$18,928 respectively in 2024. The Reserve Bank of Australia average AUD/USD exchange rate in 2024 was 1.0000 AUD to 0.6603 USD.

NEO 2024 Performance

In assessing the performance of each NEO for 2024, the CEO, as well as the GNR Committee considered the following performance criteria:

- NEO contributions to the development and execution of the Corporation’s business plans and strategies;
- Performance of the NEO’s regional business units / functional areas;
- Prioritization of safety as a critical focus area and key measure of success;
- Level and scope of responsibility;
- Tenure with the Corporation;
- Demonstrated leadership ability;
- Teamwork; and
- Work ethic.

IV. Summary Compensation Table of NEOs

The following table sets forth all annual and long-term compensation for the financial year ended December 31, 2024, with comparative information for years ended December 31, 2023 and December 31, 2022, for services in all capacities to the Corporation and its subsidiaries, if any, in respect of the NEOs. Compensation is inclusive of that received under HWO prior to the completion of the Arrangement.

SUMMARY COMPENSATION TABLE									
Name and Principal Position	Year Ended Dec. 31	Salary (US\$)	Share-Based Awards (US\$) ⁽¹⁾	Option-Based Awards (US\$) ⁽²⁾	Non-Equity Incentive Plan Compensation (US\$)		Pension Value (US\$)	All Other ⁽⁴⁾ Compensation (US\$)	Total Compensation (US\$) ⁽¹⁰⁾
					Annual Incentive Plans ⁽³⁾	Long-Term Incentive Plans			
Mike Maguire CEO	2024	265,771	-	5,551	32,000	-	18,928	-	322,249
	2023	284,907	-	-	56,377	-	18,271	-	359,555
	2022	279,549	253,762	-	58,384	-	17,566	-	609,261
Lonn Bate Interim CFO ⁽⁵⁾	2024	17,901	-	747	18,000	-	-	127,271	163,920
	2023	-	-	-	-	-	-	81,852	81,852
Matt Cocks VP Finance / CFO	2024	184,884	-	2,775	25,000	-	19,489	-	232,148
	2023	20,511	-	-	-	-	2,256	-	22,767
Stephen Lambert COO	2024	217,899	-	2,775	25,000	-	18,928	-	264,602
	2023	232,744	-	-	53,009	-	18,271	-	304,024
	2022	229,196	104,678	-	47,868	-	17,566	-	399,308
Chris Fraser VP Strategy & Growth ⁽⁸⁾	2024	230,110	-	-	-	-	18,928	-	249,038
	2023	78,408	-	-	20,015	-	11,640	-	110,063

Notes:

- (1) **"Share-Based Award"** means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units and stock.
High Arctic PSU Plan: No PSUs were granted in 2024 or 2023. All 2022 amounts reflect the grant date fair value of Units awarded determined by multiplying the number of Units granted by CAD\$1.65, the trading value of the Common Shares at the time of grant, which has then been converted to the reporting currency of USD.
- (2) **"Option-Based Award"** means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights and similar instruments that have option-like features. The reported amounts reflect options awarded under the Option Plan and were calculated using the Black-Scholes model based on a trading value at award equal to the exercise price. This method is the same as the methodology used by the Corporation in calculating stock option compensation in its audited financial statements.
- (3) Annual Incentive Plans are awarded and paid in the year following the period in which the performance took place.
- (4) Other compensation includes company RRSP contributions and vehicle and parking allowances except for Mr. Bate where other compensation also includes consulting fees invoiced from his consulting company 1545499 Alberta Ltd for services rendered as Interim CFO.
- (5) Mr. Bate was appointed Interim CFO of the HWO on August 17, 2023. Mr. Bate provided his services in 2023 and from January 1, 2024 to June 30, 2024 through his consulting company 1545499 Alberta Ltd. On July 1, 2024 Mr. Bate was appointed CFO and became a full time employee of HWO. With the Completion of the Arrangement on August 12, 2024, Mr. Bate was appointed Interim CFO of the Corporation and thereafter received no remuneration from the Corporation. Mr. Bate resigned from the Corporation on 24 June 2025. Mr. Bate has an ongoing consultancy arrangement with the Corporation with no retainer fee, enabling the Corporation to seek advice and guidance on matters pertaining to finance, financial reporting and corporate compliance.
- (6) The NEOs receive minimal perquisites/other benefits. However, none of the NEOs are entitled to perquisites or other personal benefits which in the aggregate, are worth over US\$50,000 or over 10% of their base salary.
- (7) Mr. Cocks transitioned from VP Finance to CFO on 24 June 2025.
- (8) Mr. Fraser resigned effective 31 December 2024.

V. Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth details of all awards outstanding for each Named Executive Officer of the Corporation as at December 31, 2024.

Name and Title	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (CAD\$)	Option Expiration Date	Value of Unexercised in-the-money Options ⁽¹⁾⁽²⁾ (US\$)	Number of Shares or Share Units that have not vested (#)	Market or Payout Value of Share-Based Awards that have not vested (US\$)	Market or Payout Value of vested Share-Based Awards not paid out or distributed (US\$)
Mike Maguire CEO	250,000	1.60	Dec 3, 2029	Nil	Nil	Nil	Nil
Lonn Bate Interim CFO	25,000	1.60	Dec 3, 2029	Nil	Nil	Nil	Nil
Matt Cocks VP Finance / CFO	125,000	1.60	Dec 3, 2029	Nil	Nil	Nil	Nil
Stephen Lambert COO	125,000	1.60	Dec 3, 2029	Nil	Nil	Nil	Nil

Notes:

- (1) Unexercised “in-the-money” options refer to the options in respect of which the market value of the underlying securities exceeded the exercise or base price of the option at the financial year end.
- (2) The aggregate of the excess, if any, between the market value of the Common Shares as at December 31, 2024 (the last day the Common Shares traded in the most recently completed financial year), being CAD\$1.47 Common Share, and the exercise price of the options.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the value of option-based awards, share-based awards and non-equity incentive plan compensation which vested or was earned during 2024 for each NEO.

Name and Title	Option-Based Awards - Value vested during the year (US\$)	Share-Based Awards - Value vested during the year (US\$)	Non-Equity Incentive Plan Compensation - Value earned during the year (US\$)
Mike Maguire CEO	Nil	Nil	32,000
Lonn Bate Interim CFO	Nil	Nil	18,000
Matt Cocks VP Finance / CFO	Nil	Nil	25,000
Stephen Lambert COO	Nil	Nil	25,000

VI. Termination and Change of Control Benefits

As at December 31, 2024, the Corporation has entered into an employment agreement with Messrs. Maguire, Cocks and Lambert (the “**Employment Agreements**”). Each of the Employment Agreements provides for the NEO’s annual base salary, vacation entitlement and benefits.

Certain Employment Agreements have entitlements on termination and change of control as follows:

Termination Event	Provisions in employment agreements of NEOs
Resignation	<ul style="list-style-type: none"> • three (3) months notice written notice required; • all salary and benefit programs end; • vested stock options must be exercised within 90 days of the termination date (per the Omnibus Plan); and • Units that are vested will be released on their respective Unit Release Date and Units that are not vested but would be eligible for vesting during the notice period specified in the employee's employment or consulting agreement, will vest on the Termination Date (per the Omnibus Plan).
Retirement	<ul style="list-style-type: none"> • all salary and benefit programs end; • vested stock options must be exercised within 90 days of the termination date (per the Omnibus Plan); and • Units that are vested will be released on their respective Unit Release Date and Units that are not vested but would be eligible for vesting during the notice period specified in the employee's employment or consulting agreement, will vest on the Termination Date (per the Omnibus Plan).
Death	<ul style="list-style-type: none"> • all salary and benefit programs end; • vested stock options must be exercised within one year (per the Omnibus Plan); and • Units that are vested will be released and Units will continue to vest and be released for a period of twelve (12) months extending from the Termination Date (per the Omnibus Plan) and Units that are not vested within the first anniversary of death will terminate.
Termination without cause	<ul style="list-style-type: none"> • pay in lieu of notice equal to three-months' salary and benefits to continue for three months. • for Mr. Maguire, within the first three years of employment, pay in lieu of notice equal to four months' salary. Thereafter, the notice period has increased by one month per year of service to a maximum of twelve months; • vested stock options must be exercised within 90 days of the termination date (per the Omnibus Plan); and • Units that are vested will be released on their respective Unit Release Date and Units that are not vested but would be eligible for vesting during the notice period specified in the employee's employment or consulting agreement, will vest on the Termination Date (per the Omnibus Plan).
Termination for cause	<ul style="list-style-type: none"> • all salary and benefit plans end on the date of termination; • all unvested and vested stock options that have not been exercised are cancelled as of the option holder's date of termination; and • Units that are vested will be released on their respective Unit Release Date and Units that are not vested shall immediately terminate (per the Omnibus Plan).
Change of Control	<ul style="list-style-type: none"> • For Mr. Maguire, payment equal to base salary and benefits for eighteen months;

Termination Event Provisions in employment agreements of NEOs

- For Mr. Cocks, payment equal to base salary and benefits for twelve months (effective upon appointment as CFO in 2025);
- vested stock options must be exercised within 90 days and unvested stock options may be deemed vested at the discretion of the Board of Directors (per the Omnibus Plan); and
- the Omnibus Plan provides the Board with the ability to preserve Unit benefits through the issuance of replacement units, which vest under similar terms and conditions of the existing Units or cause all Units to vest prior to the change of control, or any combination of these alternatives.

Change of Control

The Employment Agreements of Mr. Maguire and Mr. Cocks contains specific provisions relating to a “change of control”. Under the Employment Agreement, a “change of control” is defined as:

- (a) A change in the Corporation’s ownership or management that results in the decision-making capacity of the Corporation being exercised by a different group of majority shareholders and/or majority of directors; or
- (b) if the Corporation shall merge or amalgamate or reorganize with another corporation; or
- (c) if all or substantially all of the assets or undertakings of the Corporation are sold; or
- (d) if the Corporation completed a going private transaction whereby it ceases to be listed on the Toronto Stock Exchange (each a “**Trigger Event**”); and
- (e) as a result of the Trigger Event, that person is either demoted or the Corporation materially diminishes the person’s responsibility, authority, title, or office,

then he has sixty (60) days following the Trigger Event to exercise the discretion to resign by providing the Corporation written notice. The Corporation shall:

- (a) make payment of any and all base salary earned by the employee (but not previously paid) through to the date of written notice and reimburse all approved company expenses not previously reimbursed; and
- (b) pay the employee a severance payment equal to the aggregate of their base salary, insurance benefit program (based on employer contributions) and employer pension contributions based on the preceding 18 months and 12 months, respectively, which shall be paid as a retiring allowance if requested by the employee.

Specific Payments Upon Termination of Employment

The following table sets out the estimated payments that Named Executive Officer would be entitled to upon resignation, retirement, termination without cause, termination for cause and a change of control, based on the compensation payouts for the year ended December 31, 2024:

Name	Event	Severance Period (# of months)	Base Salary ⁽¹⁾⁽⁶⁾ (US\$)	Benefits Value ⁽²⁾ (US\$)	Options Value (US\$)	Share-based Awards Value (US\$)	Total incremental obligation (US\$)
Mike Maguire CEO	Resignation	-	-	-	- ⁽³⁾	- ⁽⁵⁾	-
	Retirement	-	-	-	- ⁽³⁾	- ⁽⁵⁾	-
	Termination without cause	12	250,234	50,047	- ⁽³⁾	- ⁽⁵⁾	300,281
	Termination for cause	-	-	-	- ⁽³⁾	- ⁽⁵⁾	-
	Change of Control	18	375,351	75,070	- ⁽⁴⁾	- ⁽⁵⁾	450,421
Matt Cocks CFO	Resignation	-	-	-	- ⁽³⁾	- ⁽⁵⁾	-
	Retirement	-	-	-	- ⁽³⁾	- ⁽⁵⁾	-
	Termination without cause	3	51,290	10,258	- ⁽³⁾	- ⁽⁵⁾	61,548
	Termination for cause	-	-	-	- ⁽³⁾	- ⁽⁵⁾	-
	Change of Control	12	205,161	41,032	- ⁽⁴⁾	- ⁽⁵⁾	246,193
Stephen Lambert COO	Resignation	-	-	-	- ⁽³⁾	- ⁽⁵⁾	-
	Retirement	-	-	-	- ⁽³⁾	- ⁽⁵⁾	-
	Termination without cause	3	51,290	10,258	- ⁽³⁾	- ⁽⁵⁾	61,548
	Termination for cause	-	-	-	- ⁽³⁾	- ⁽⁵⁾	-
	Change of Control	Nil	-	-	- ⁽⁴⁾	- ⁽⁵⁾	-

Notes:

- (1) The NEOs' monthly salary on December 31, 2024 multiplied by the number of months in the severance period.
- (2) The value of 20% of the NEOs' severance base salary to compensate for the loss of benefits.
- (3) The total value of vested unexercised stock options that are in-the-money, the closing price of the Common shares of the Corporation on the TSXV on December 31, 2024.
- (4) The total value of vested and unvested unexercised stock options that are in-the-money, the closing price of the Common shares of the Corporation on the TSXV on December 31, 2024.
- (5) The value of Units that had vested as at December 31, 2024, the closing price of the Common shares of the Corporation on the TSXV on December 31, 2024.
- (6) The total value of vested and unvested Units, the closing price of the Common shares of the Corporation on the TSXV on December 31, 2024.

VII. Executive Compensation Clawback

Each NEO shall repay or forfeit, to the extent permitted by law and as directed by the, any annual incentive or other performance-based compensation awards ("**Awards**") received by him or her on or after January 1, 2023 if all of the following conditions exist:

- the payment, grant or vesting of the Awards was based on the achievement of financial results that were subsequently the subject of a restatement of the Corporation or any of its subsidiaries financial statements (other than a restatement due to a change in accounting policy),
- the restatement occurs within thirty-six (36) months of the payment, grant or vesting of the Awards, and

- the amount of the compensation that would have been received by the executive officer had the financial results been properly reported would have been lower than the amount actually received, and
- the Board determines in its sole discretion that, as a direct result of the restatement of financial information and the impact on the amount of compensation previously paid, it is in the best interests of the Corporation and its shareholders for the executive officer to repay or forfeit all or any portion of the Awards.

Any of the Board's directors deemed not to be independent, as identified pursuant to applicable exchange listing standards, shall abstain from participation in the review of any Awards under the Compensation Claw back protocols.

Repayment can be made from the withholding of salary, proceeds of the sale of the Corporation's stock and the forfeiture of other outstanding awards. This remedy shall not be exclusive and shall be in addition to every other right or remedy at law or in equity that may be available to the Corporation.

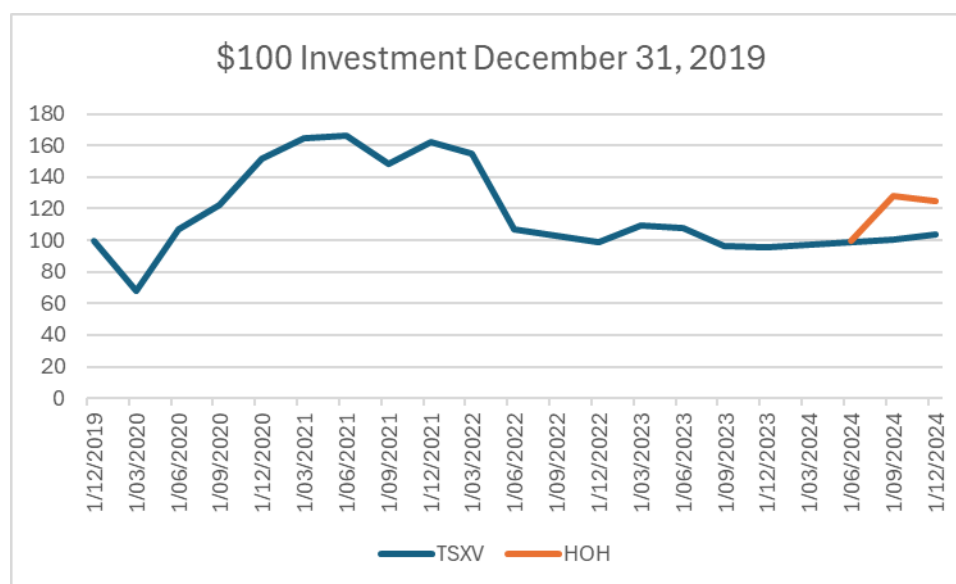
All determinations and decisions made by the Board's independent directors pursuant to the provisions of this policy shall be final, conclusive and binding on all persons, including the Corporation, its affiliates, its shareholders and employees.

VIII. Other Compensation

Other than as set forth herein, the Corporation did not pay any other compensation to NEOs (including personal benefits and securities or properties paid or distributed which compensation was not offered on the same terms to all full-time employees) during the last completed financial year other than benefits and perquisites which did not amount to greater than US\$50,000 or 10% of their base salary, per individual.

PERFORMANCE GRAPH

The following five-year graph compares the yearly change in cumulative shareholder return over the periods indicated (assuming a CAD\$100 investment was made on December 31, 2019) on the Common Shares of the Corporation, with the cumulative total return of the S&P/TSX Venture Composite Index from December 31, 2019 to December 31, 2024. Upon completion of the Arrangement, the common shares of the Corporation began trading on the TSXV on August 16, 2024, under the trading symbol HOH.



The trend in the performance graph does not directly correlate to the trend of the compensation paid to the NEOs.

The Corporation has concluded that management must be compensated based on competitive market conditions and the value of the services provided, irrespective of Common Share price movements. The trading price of the Common Shares directly impacts the benefits enjoyed by the NEOs as a result of the NEOs' participation in the equity-based incentive plans offered by the Corporation.

STATEMENT OF DIRECTOR COMPENSATION

On October 21, 2024, the directors' annual retainers and committee meeting fees were set as follows:

Director Fee	Fee Type	Fee
Chair of the Board ⁽¹⁾	Annual, paid quarterly	US\$25,000
Independent Director	Annual, paid quarterly	US\$18,500
Formal (minuted) Board of Directors meeting attendance	Per attended meeting	US\$720
Formal (minuted) Committee meeting attendance	Per attended meeting	US\$720

Notes:

(1) Chair of the Board compensation is inclusive of role as chair of all Board committees.

I. Director Compensation Table

The following table sets forth all compensation provided to directors of the Corporation in the financial year ended December 31, 2024.

Name of Director	Fees Earned ⁽¹⁾ (US\$)	Share-Based Awards ⁽²⁾ (US\$)	Option Based Awards ⁽³⁾ (US\$)	Non-Equity Incentive Plan Compensation (US\$)	Pension Value (US\$)	All Other Compensation (US\$)	Total (US\$)
Michael Binnion	16,820	nil	2,220	nil	nil	nil	19,040
Bruce Apana	14,760	nil	1,110	nil	nil	nil	15,870
TOTAL	31,580	nil	3,330	nil	nil	nil	34,910

Notes:

(1) "Fees Earned" means quarterly fees earned by Directors in 2024.

(2) "Share-Based Award" means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units and stock.

(3) "Option-Based Award" means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights and similar instruments that have option-like features.

II. Incentive Based Awards

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth details of all awards outstanding for each independent director of the Corporation as of the most recent financial year end, including awards granted before the most recently completed financial year.

Name of Director	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (CAD\$)	Option Expiration Date	Value of Unexercised in-the-money Options ⁽¹⁾⁽²⁾ (US\$)	Number of Shares or Units of Shares that have not vested (#)	Market or Payout Value of Share-Based Awards that have not vested (US\$)	Market or payout value of vested share-based awards not paid out or distributed ⁽³⁾ (US\$)
Michael Binnion	100,000	1.60	Dec 3, 2029	nil	nil	nil	nil
Bruce Apana	50,000	1.60	Dec 3, 2029	nil	nil	nil	nil

Notes:

- (1) Unexercised "in-the-money" options refer to the options in respect of which the market value of the underlying securities as at the financial year end exceeds the exercise or base price of the option.
- (2) The aggregate of the excess, if any, between the market value of the Common Shares as at December 31, 2024 (the last day the Common Shares traded in the most recently completed financial year), being \$1.41 per Common Share, and the exercise price of the options.
- (3) The total value of DSUs that had vested as at December 31, 2024 based on the closing price of the Common shares of the Corporation on the TSXV on December 31, 2024. The Corporation has not granted any DSUs as at December 31, 2024.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the value of share-based compensation awards which vested or were earned during the most recently completed financial year for independent directors of the Corporation.

Name of Director	Option-Based Awards - Value vested during the year ⁽¹⁾ (US\$)	Share-Based Awards – Value vested during the year ⁽²⁾ (US\$)	Non-Equity Incentive Plan Compensation – Value earned during the year (US\$)
Michael Binnion	nil	nil	nil
Bruce Apana	nil	nil	nil

Notes:

- (1) No option-based awards vested for directors during the year.
- (2) No Share-Based Awards were granted to, or vested for, directors during the year.

III. Other Compensation

Other than as set forth herein, the Corporation did not pay any other compensation to Directors (including personal benefits and securities or properties paid or distributed which compensation was not offered on the same terms to all full-time employees) during the last completed financial year other than benefits and perquisites which did not amount to US\$10,000 or greater per individual.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth securities of the Corporation that are authorized for issuance under equity compensation plans as at December 31, 2024.

Plan Category	Number of securities to be issued upon exercise or release of outstanding options and awards	Weighted average exercise price of outstanding options and awards	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column 1) ⁽¹⁾⁽²⁾
Equity compensation plans approved by security holders	675,000 Common Shares under the Omnibus Plan (5.4% of the issued and outstanding shares)	CAD\$1.60 per Common Share	569,816 Common Shares (4.6% of the issued and outstanding shares)
Equity compensation plans not approved by security holders	Nil	Nil	Nil
Total	675,0000 Common Shares (5.4% of the issued and outstanding Common Shares)	CAD\$1.60 per Common Share	569,816 Common Shares (4.6% of the issued and outstanding Common Shares)

Notes:

- (1) The total number of securities remaining available for future issuance under equity compensation plans is calculated as 10% of the issued and outstanding Common Shares at December 31, 2024, less the outstanding Options and Units awarded under the Omnibus Plan.

CORPORATE GOVERNANCE DISCLOSURE

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

National Instrument 58-101 – *Disclosure of Corporation Governance Practices* (“**NI 58-101**”) requires an issuer that solicits proxies from its security holders for the purpose of electing directors to include certain prescribed disclosure respecting corporate governance matters in its information circular. The prescribed corporate governance disclosure is set out below.

Board of Directors

As of December 31, 2024, the Board of Directors was composed of three (3) members, all of whom are independent directors based upon the Board's assessment of the meaning of independence provided in NI 58-101.

During 2024 and year to date 2025, the directors held no formal meetings where members of management were not in attendance. The Board ensures open and candid discussion among its directors by continuously monitoring situations where a conflict of interest or perceived conflict of interest with respect to a director may exist. In cases where such a conflict of interest or perceived conflict of interest is identified, it is addressed in accordance with the Business Corporations Act (Alberta). The Board may determine that it is appropriate to hold an *in camera* session excluding a director with a conflict of interest or perceived conflict of interest or such director may consider that it is appropriate to recuse himself/herself from considering and voting with respect to the matter under consideration.

Michael R. Binnion is the current Chairman of the Board. In accordance with the mandate of the Chairman, the Chairman presides at all meetings of the Board of Directors and, unless otherwise determined and at all meetings of shareholders. The Chairman's primary role is managing the affairs of the Board, including

ensuring the Board is organized properly, functions effectively and meets its obligations and responsibilities, including general governance standards.

Among other things, the Chairman is to ensure corporate strategy, annual operating plans and performance reports are presented to the Board, ensure the CEO presents management development and succession plans at least annually and implements them and foster a constructive and harmonious relationship between the Board and management.

The following table sets forth: (i) the name of each reporting issuer, other than the Corporation, of which a director of the Corporation is also a director; and (ii) the attendance record for each director for all meetings of the Board of Directors for 2024 and 2025.

Name of Director	Other Reporting Issuers	Attendance Record at the Corporation's 2024 and 2025 Board Meetings
Michael Binnion	Questerre Energy Corporation High Arctic Energy Services Inc.	2 of 2 meetings in 2024 2 of 2 meetings in 2025
Bruce Apana	Nil	2 of 2 meetings in 2024 2 of 2 meetings in 2025

Board Mandate

The principal mandate of the Board of Directors is to oversee the management of the business and affairs of the Corporation and monitor the performance of management. Attached as Exhibit I to this Circular is the complete text of the Mandate of the Board of Directors.

Position Descriptions

The Board of Directors have developed a written position description for the Chair.

The Board of Directors and the Chief Executive Officer have developed a written position description for the Chief Executive Officer. The Board of Directors currently sets the annual objectives of the Corporation, which become the objectives against which the Chief Executive Officer's performance is measured.

The Board of Directors have adopted written terms of reference for each of the Board committees, clearly delineating the roles and responsibilities attributed to each.

Orientation and Continuing Education

The Corporation has a formal orientation and training program in place. New members of the Board of Directors receive an information package and must attend a formal orientation session presented by the officers of the Corporation. All members of the Board of Directors are allowed unrestricted direct access to any of the senior management of the Corporation and their staff.

The GNR Committee reviews and provides ongoing guidance to management to ensure that an appropriate orientation and continuing education program for individual members of the Board of Directors, the Board as a whole, and new members of the Board of Directors is established and maintained. The GNR Committee is also responsible for monitoring changes to applicable laws, regulations, and industry practices in regard to corporate governance and ensures that the Board of Directors are kept informed of relevant aspects thereof.

Code of Business Ethics and Conduct

The Board of Directors has adopted a written code of business conduct (the "Code"). The Code was developed by the GNR Committee and reviewed and approved by the Board in November 2024 and includes 18 governance standards. The Code reflects the Corporation's commitment to maintain high standards of integrity and accountability in conducting its business while at the same time growing its business and value.

The Code requires directors and officers to disclose any potential conflicts of interest in writing to the Board of Directors for review in accordance with applicable law and in any event, on an annual basis.

The Board of Directors monitors and ensures compliance with the guidelines set out in the code of business conduct including compliance in all material respects, with all applicable financial reporting and accounting requirements applicable to the Corporation. Any concerns or complaints in this regard may be reported in accordance with the procedures outlined in the Corporation's Whistleblower Standard. The Whistleblower procedures by which representatives may make confidential and anonymous submissions regarding unethical or illegal behaviour, or questionable accounting, internal accounting controls or auditing related matters involving the Corporation and non-compliance with the code of business conduct are made available to all employees. An independent hotline complete with the ability to report via telephone or online is in place to maintain complete anonymity.

Waivers from the code of business conduct will generally only be granted in appropriate circumstances upon full review and consideration of a request from a waiver, on a case-by-case basis. Waivers granted for the benefit of senior officers or directors require approval from the Governance and Nominating Committee, which should ascertain whether a waiver is appropriate and seek to ensure that the waiver is accompanied by appropriate controls designed to protect the Corporation's interests.

Certain of the directors of the Corporation may also be directors and officers of other oil and gas companies and oilfield service companies, and conflicts of interest may arise between their duties.

Such conflicts must be disclosed in accordance with, and are subject to, such other procedures and remedies as applicable under the Business Corporations Act (Alberta).

Nomination of Directors

The Board of Directors has formed the GNR Committee and recognize that proper and effective corporate governance is a significant concern and a priority for investors and other stakeholders, and, accordingly, the Board of Directors have instituted a number of procedures and policies to improve the overall governance of the Corporation. The current members of the GNR Committee are Michael Binnion (Chair), Mike Maguire, and Bruce Apana.

The GNR Committee assists the Board of Directors with the nomination of directors of the Corporation. The GNR Committee follows written guidelines with respect to identifying, recruiting, appointing, re-appointing and providing ongoing development for members of the Board of Directors. The GNR Committee assesses potential candidates in relation to the competencies and skills necessary for the proper functioning of the Board of Directors.

The GNR Committee annually assesses the size, structure and composition of the Board of Directors, taking into consideration the current strengths, skills and experience of the Board of Directors, proposed retirements and the requirements and strategic direction of the Corporation. As required, the GNR Committee also develops and approves director eligibility criteria and recommends suitable candidates to the Board of Directors for consideration for the appointment to the office of Chairman, as well as members of the Board of Directors.

The GNR Committee operates under a written “Governance, Nominating and Remuneration Committee Terms of Reference” that details its composition, its duties and its reporting responsibilities which includes:

- (a) monitoring the appropriateness of the Corporation’s governance systems with regard to external governance standards, “best practices” guidelines and with an emphasis on “ongoing improvements”;
- (b) oversee the Corporation’s environmental, social and governance (“ESG”) framework;
- (c) reviewing the makeup and needs of the Board of Directors and developing criteria for adding new directors to the Board of Directors; and
- (d) evaluating and assessing the effectiveness of the Board of Directors, and its committees in meeting governance objectives and each individual’s own contributions.

Compensation

The GNR Committee is also charged with reviewing and making recommendations to the Board in respect of the compensation matters relating to the Corporation’s executive officers, employees and directors. As a part of this process, compensation levels are set by reviewing compensation paid for directors and officers of companies of similar size and stage of development. For more information regarding the GNR Committee including a complete description of the GNR Committee’s duties and responsibilities in respect of compensation, see the “*Statement of Executive Compensation for High Arctic – The Role and Composition of the Governance, Nominating and Remuneration Committee*” section of this Circular.

Other Board Committees

On the November 26, 2024, the Corporation approved the composition of an Audit Committee, a GNR Committee (discussed previously), a Quality, Health, Safety, Environmental and Security Committee and a Disclosure Committee to assist the Corporation and its subsidiaries in effectively carrying out its responsibilities.

Quality, Health, Safety, Environmental and Security Committee

The Quality, Health, Safety, Environmental and Security Committee is responsible for monitoring and making recommendations with respect to the quality, health, safety and environmental policies, practices and procedures of the Corporation and its subsidiaries. The Quality, Health, Safety and Environmental Committee operates under a written “Quality, Health, Safety and Environmental Committee Terms of Reference” that details its composition, its duties, and its reporting. The current members of the Quality, Health, Safety and Environmental Committee are Michael Binnion (Chair), Bruce Apana and Mike Maguire.

Assessments

Ensuring the effectiveness of the Board of Directors, its committees and individual directors is assigned to the GNR Committee. The GNR Committee annually reviews the mandate of the Board of Directors and the fulfilment of such mandate.

Director Term Limits and Other Mechanisms of Board Renewal

The Board believes that issues relating to board effectiveness, board renewal and board succession planning are best addressed by a strong chair, a thoughtful governance committee and independent-thinking board members. The Board is responsible for recommending to shareholders from time-to-time candidates for election to the Board that together contribute the right mix of skills and expertise, while respecting the limited resources of the Corporation and desire to keep the Board sized appropriately. To

assist in making those recommendations, the Board periodically conducts both formal and informal reviews of the effectiveness of the Board and individual Board members.

The Board is concerned that imposing arbitrary and inflexible director term limits may result in High Arctic losing valued directors at a time when High Arctic most needs their skills, qualities, and contributions, as well as their knowledge of the history and culture of the organization. Mandatory retirement ages pose the same risk and the Board does not want to risk the loss of key directors to retirement policies that seem unnecessarily arbitrary and inflexible when they force a high performing director off the Board. As a result the Board does not feel that it would be appropriate to set term limits for its directors but rather relies on the experience of its members to determine when Board renewals, Board removals and Board additions are appropriate.

Policies Regarding the Representation of Women on the Board

The Board supports the objectives of increasing diversity on boards of directors and at the executive levels of issuers and recognizes that diversity provides a depth and breadth of viewpoints and perspectives. However, the Board has not adopted a written policy relating to the identification and nomination of female directors nor does it have targets regarding the number of women on the Board.

The Board and the GNR Committee believes that director nominations should be made on the basis of the skills, knowledge, experience and character of individual candidates and the requirements of the Board at the time.

The Corporation is committed to a meritocracy and believes that considering the broadest group of individuals with the skills, knowledge, experience and character required to provide the leadership needed to achieve its business objectives is in the best interests of the Corporation and its stakeholders, without reference to their age, gender, race, ethnicity or religion.

Accordingly, a formal written policy has not been adopted as the Board and the GNR Committee are committed to a merit and qualifications-based method of selecting directors and believes that imposing quotas or targets would compromise its principle-based candidate selection system.

Consideration of the Representation of Women in the Director Identification and Selection Process

The GNR Committee and the Board go through a rigorous process when considering a nominee director including an evaluation of the skills and experience of the current directors, determining the gaps in skills and experience that exist and finding potential candidates to fill those gaps and round out the skills and experience of the Board of Directors as a whole. While gender has factored into recent director searches, the final recommendation for nomination has been based on the best combination of skills and experience for the position without placing a specific emphasis on gender as a factor.

Consideration given to the Representation of Women in Executive Officer Appointments

The Board does not specifically consider the level of female representation in executive officer positions when making such appointments nor does it have targets in respect of appointing women to these positions. Similar to the Board's approach in considering director nominations, in making appointments to executive officer positions, the Board considers each candidate's experience, knowledge, education, management capabilities and competency, as well as the effect of the appointment on the diversity of the Corporation's executive officers as a whole.

Corporation's Targets Regarding the Representation of Women on the Board and in Executive Officer Positions

The Board does not have specific targets in respect of appointing women to executive officer appointments, as a result of its commitment to a principle-based selection process, as discussed above.

Number of Women on the Board and in Executive Officer Positions

Presently, there are no women (nil%) serving on the Board and no women in executive officer positions (nil%). There are four women (36%) in senior management and head of department roles.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, executive officer, employee or former director, executive officer or employee of the Corporation nor any of their associates or affiliates, is, or has been at any time since the beginning of the last completed financial year, indebted to the Corporation or any of its subsidiaries, nor has any such person been indebted to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding, provided by the Corporation or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth herein, or as previously disclosed, no informed person or proposed director of the Corporation and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which in either such case has materially affected or would materially affect the Corporation or any of its subsidiaries.

MANAGEMENT CONTRACTS

During the most recently completed financial year, no management functions of the Corporation were to any substantial degree performed by a person or company other than the directors or executive officers of the Corporation.

Lonn Bate, former Interim CFO of the Corporation, and CFO of HWO has entered into an Independent Advisory Agreement (the “**IA Agreement**”) with the Corporation. The purpose of the IA Agreement is for Mr. Bate to provide management and advisory services to the Corporation as requested by management of the Corporation from time to time. The agreement was effective from June 24, 2025 and ends on December 31, 2029 unless terminated earlier. There is no retainer payable to Mr. Bate under the IA Agreement, and as of the date of this Circular, no fees have been paid to Mr. Bate for any services under the IA Agreement.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as set out herein, no person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year, no proposed nominee of management of the Corporation for election as a director of the Corporation and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting.

NORMAL COURSE ISSUER BIDS

On June 17, 2025, the Corporation received approval from the TSXV to acquire, through the facilities of the TSXV, for cancellation up to 622,408 Common Shares, representing approximately five percent of the Corporation's issued and outstanding common shares at the date of approval, under a Normal Course Issuer Bid (“**NCIB**”). The Corporation will pay the market price for the Common Shares at the time of

acquisition. The Corporation has appointed ATB Financial as its broker to conduct the NCIB transactions. The NCIB is valid for one year, commencing on June 22, 2025 and ending June 19, 2026. Shareholders can obtain a copy of the Corporation's Notice of Intention to Make a Normal Course Issuer Bid, without charge, by contacting the Corporation at info@higharctic.com.

AUDIT COMMITTEE INFORMATION

Certain other information regarding the Corporation's Audit Committee that is required to be disclosed in accordance with National Instrument 52-110 – *Audit Committees* is contained in the Corporation's annual information form for the year ended December 31, 2024, which is available under the Corporation's SEDAR profile at www.sedar.com.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Financial information of the Corporation's most recently completed financial year is provided in the Corporation's audited consolidated financial statements and management discussion and analysis available on SEDAR and at www.higharctic.com. Shareholders may contact the Corporation at 2350, 330 – 5th Ave S.W., Calgary, Alberta, T2P 0L4, Attn: Chief Financial Officer (587) 318-2218 to obtain a copy of the Corporation's most recent financial statements and management discussion and analysis.

BOARD APPROVAL

The contents and the sending of this Circular have been approved by the Board of Directors of the Corporation.

DATED this 18th day of July, 2025.

EXHIBIT I
HIGH ARCTIC OVERSEAS HOLDINGS CORP.
MANDATE OF THE BOARD OF DIRECTORS

The Board of Directors (the “**Board**”) of High Arctic Overseas Holdings Corp. (the “**Corporation**”) is responsible under corporate law to supervise the management of the business and affairs of the Corporation and its subsidiaries (collectively, “**High Arctic Overseas**”). The Board has the statutory authority and obligation to protect and enhance the assets of High Arctic Overseas.

The principal mandate of the Board is to oversee the management of the business and affairs of High Arctic Overseas, and monitor the performance of management.

In keeping with generally accepted corporate governance practices and the recommendations of the Dey Committee Report to the Toronto Stock Exchange in respect of “Guidelines for Improved Corporate Governance in Canada”, recommendations contained in National Policy 58-201 and recommendations and guidelines from the SEC and in connection with the Sarbanes Oxley Act, the Board assumes responsibility for the stewardship of High Arctic Overseas and, as part of the overall stewardship responsibility, explicitly assumes responsibility for the following:

1 Independence

The Board retains the responsibility for managing its own affairs including planning its composition, selecting its Chairman, appointing Board committees and determining directors’ compensation. While it is appropriate to confer with the management on the selection of candidates to be nominated as members of the Board, the ultimate selection shall be determined by the existing independent members of the Board.

In that, the Board must develop and voice objective judgment on corporate affairs, independently of the management, practices promoting Board independence will be pursued. This includes constituting the Board with a majority of independent and unrelated directors. Certain tasks suited to independent judgments will be delegated to specialized committees of the Board that are comprised exclusively of outside directors and at least a majority of unrelated directors.

The Board will evaluate its own performance in a continuing effort to improve. For this purpose, the Board will establish criteria for Board and Board member performance, and pursue a self-evaluation process for evaluating both overall Board performance and contributions of individual directors.

2 Leadership in Corporate Strategy

The Board ultimately has the responsibility to oversee the development and approval of the mission of High Arctic Overseas, its goals and objectives, and the strategy by which these objectives will be reached. In guiding the strategic choices of High Arctic Overseas, the Board must understand the inherent prospects and risks of such strategic choices.

While the leadership for the strategic planning process comes from the management of High Arctic Overseas, the Board shall bring objectivity and a breadth of judgment to the strategic planning process and will ultimately approve the strategy developed by management as it evolves.

The Board is responsible for monitoring management’s success in implementing the strategy and monitoring High Arctic Overseas’ progress to achieving its goals; revising and altering direction in light of changing circumstances.

The Board has the responsibility to ensure congruence between the strategic plan and management’s performance.

3 Management of Risk

The Board shall identify the principal risks of the business in which High Arctic Overseas is engaged, recognizing that business decisions require the incurrence of risk. The Board is responsible for providing a balance between risks incurred and the potential returns to shareholders of the Corporation. This requires that the Board ensure that systems are in place to effectively monitor and manage risks with a view to the long-term viability of High Arctic Overseas and its assets, and conduct an annual review of the associated risks.

4 Oversight of Senior Officers

As the Board functions, the Board must ensure the execution of plans and operations are of the highest caliber. The key to the effective discharge of this responsibility is succession planning, the approval of the appointment of the senior officers of the Corporation and the assessment of each senior officer's contribution to the achievement of the Corporation's strategy. In this respect, performance against objectives established by the Board is important, as is a formal process for determining the senior officers' compensation, in part, by using established criteria and objectives for measuring performance.

The Board understands that a culture of integrity in its officers and employees is important to the success of the Corporation and its shareholders. The Board will set and review the Policies and Standards of the Corporation to support a culture of integrity.

5 Shareholder Communications and Disclosure

The Board is responsible to ensure that the Corporation has policies in place to ensure effective and timely communication and disclosure to the shareholders of the Corporation, other stakeholders and the public in general. This communication and disclosure policy must effectively and fairly present the operations of High Arctic Overseas to shareholders and should accommodate feedback from shareholders, which should be considered into future business decisions.

The Board has the responsibility for ensuring that the financial performance of High Arctic Overseas is reported to shareholders on a timely and regular basis and for ensuring that such financing results are reported fairly, in accordance with generally accepted accounting principles.

The Board has the responsibility for ensuring that procedures are in place to effect the timely reporting of any developments that have a significant and material impact on the value of shareholder assets.

The Board has the responsibility for reporting annually to shareholders on its stewardship for the preceding year.

6 Integrity of Corporate Control and Management Information Systems

To effectively discharge its duties, the Board shall ensure that High Arctic Overseas has in place effective control and information systems so that it can track those criteria needed to monitor the implementation of the High Arctic Overseas' strategy.

Similarly, in reviewing and approving financial information, the Board shall ensure that High Arctic Overseas has an audit system, which can inform the Board of the integrity of the data and compliance of the financial information with generally accepted accounting principles.

The Board's management of the important areas of corporate conduct, such as the commitment of High Arctic Overseas' assets to different businesses or material acquisitions, shall also be supported by effective control and information systems.

7 Legal Requirements

The Board is responsible for ensuring that routine legal requirements, documents, and records have been properly prepared, approved and maintained by High Arctic Overseas.

8 Board Delegation to Committees

The Board can delegate specific responsibilities to committees of the Board in order to effectively manage the affairs of High Arctic Overseas.

9 Limitation

The foregoing is 1. subject to and without limitation of the requirement that in exercising their powers and discharging their duties the members of the Board act honestly and in good faith with a view to the best interests of the Corporation; and 2. subject to and not in expansion of the requirement that in exercising their powers and discharging their duties the members of the Board exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

10 Appendixes

- Appendix A – Chair of the Board Position Description.

**HIGH ARCTIC OVERSEAS HOLDINGS CORP.
Board Chair
Position Description**

The Board Chair provides independent, effective leadership to the Board in governing the Corporation. The Board Chair sets the “tone” for the Board and its members to foster ethical and responsible decision-making, appropriate oversight of management, and best-in-class corporate governance practices.

In addition to the duties and responsibilities set out in the Board Mandate and any other applicable charter, mandate or position description, the chair (the “**Chair**”) of the Board of High Arctic Overseas Holdings Corp. (the “**Corporation**”) has the duties and responsibilities described below.

1 Governance

- a) Serve as the “hub” of governance activity, overseeing all aspects of Board direction and administration, ensuring that the Board works as a cohesive team and builds a healthy governance culture; and
- b) With the Board, as set out in its Mandate, be accountable for the Corporation's overall approach to governance issues.

2 Corporate Social Responsibility

- a) Provide leadership to the Board, the Board Committees, individual Directors and Management in support of the Corporation's commitment to Corporate Social Responsibility; and
- b) Foster ethical and responsible decision making by the Board, the Board Committees and individual Directors.

3 Leadership

- a) Provide overall leadership to enhance the effectiveness of the Board;
- b) Provide the Board, the Board Committees and individual Directors with leadership to assist them to effectively carry out their duties and responsibilities;
- c) In consultation with the Chief Executive Officer, ensure the Corporation's management and, where applicable, the Board is appropriately represented at official functions and meetings;
- d) Provide advice, counsel and mentorship to the Chief Executive Officer,
- e) Committee Chairs and fellow Directors; and
- f) Ensure that the responsibilities of the Board, Board Committees and individual Directors, as set out in the Mandates, are well understood by the Board and individual Directors and are executed as effectively as possible.

4 Board Meetings

- a) Ensure that the Board meets at least four times annually and as many additional times as necessary to carry out its duties effectively;
- b) Ensure that all business required to come before the Board is brought to a meeting in a timely manner;

- c) Assist the Committees and Committee Chairs to bring important issues forward to the Board for consideration and resolution;
- d) Ensure that all business set out in the agendas of Board meetings is discussed and brought to resolution, as required;
- e) Ensure sufficient time during Board meetings to fully discuss agenda items;
- f) Encourage Directors to ask questions and express viewpoints during meetings;
- g) Deal effectively with dissent and work constructively towards arriving at decisions and achieving consensus; and
- h) Ensure that the Board meets in separate, non-management, closed sessions with internal personnel or outside advisors, as needed or appropriate.

5 Shareholder Meetings

- a) Ensure that the shareholders meet at least once annually and as many additional times as required by law;
- b) Ensure that all business set out in the agenda of each shareholder meeting is discussed and brought to resolution, as required; and
- c) Except as otherwise authorized by the By-Laws of the Corporation, chair all annual general meetings and special meetings of shareholders.

6 Board/Management Relationships

- a) Ensure that the boundaries between Board and Management responsibilities are clearly understood and respected and that relationships between the Board and Management are conducted in a professional and constructive manner;
- b) Facilitate effective communication between Directors and Management, both inside and outside of Board meetings; and
- c) With the Audit Committee and the Board, respond to potential conflict of interest situations.

7 Director Recruitment and Retention

- a) With the Board, actively participate in the recruitment and retention of Directors.

8 Evaluation

- a) With the Board, actively participate in and oversee the administration of the annual evaluation of performance and effectiveness of the Board, Board Committees, all individual Directors and Committee Chairs, other than that of the Board Chair;
- b) Provide advice, counsel and mentorship to individual Directors, to assist them to improve performance or, when appropriate, to transition them from the Board; and
- c) Ensure that an annual performance evaluation of the Board Chair is conducted, soliciting input from all Directors and appropriate members of Management.

9 Orientation/Education

- a) Support the orientation of new Directors; and
- b) Support the continuing education of Directors.

10 Other

- a) Carry out any other appropriate duties and responsibilities assigned by the Board;
- b) To honour the spirit and intent of applicable law as it evolves, authority to make minor technical amendments to this Position Description is delegated to the Secretary, who will report any amendments to the Board at its next meeting; and
- c) Once or more annually, as the Board decides, this Position Description will be fully evaluated and updates recommended to the Board for consideration.

EXHIBIT II
OMNIBUS EQUITY INCENTIVE PLAN
(see attached)

**HIGH ARCTIC OVERSEAS HOLDINGS CORP.
OMNIBUS INCENTIVE PLAN**

TABLE OF CONTENTS

PART I - GENERAL PROVISIONS	1
1. PREAMBLE AND DEFINITIONS	1
2. CONSTRUCTION AND INTERPRETATION	6
3. ADMINISTRATION	7
4. SHARE RESERVE.....	9
5. LIMITATION ON GRANTS.....	9
6. ALTERATION OF CAPITAL AND CHANGE IN CONTROL	10
7. MISCELLANEOUS.....	11
8. EFFECTIVE DATE	14
PART II - OPTIONS	14
9. OPTION GRANTS AND PROVISIONS	14
10. CEASING TO BE A DIRECTOR, OFFICER, EMPLOYEE OR CONSULTANT	16
11. DEATH OF A PARTICIPANT	16
PART III - SHARE UNITS.....	16
12. GRANT OF SHARE UNITS	16
13. VESTING AND SETTLEMENT OF SHARE UNITS	17
14. DIVIDEND EQUIVALENTS	18
15. TERMINATION	19
PART IV - DEFERRED SHARE UNITS	19
16. DEFINITIONS USED IN PART IV.....	19
17. GRANT OF DEFERRED SHARE UNITS	20
18. DIVIDENDS.....	21
19. TERMINATION OF SERVICE AND PAYOUT OF DEFERRED SHARE UNITS.....	21
PART V – TSXV REQUIREMENTS	22
20. RULES APPLICABLE IF SHARES ARE LISTED ON TSXV	22

PART I - GENERAL PROVISIONS

1. PREAMBLE AND DEFINITIONS

1.1 The Plan described in this document shall be called the "High Arctic Overseas Holdings Corp. Omnibus Incentive Plan".

1.2 The purposes of the Plan are:

- (a) to develop the interest of directors, officers, employees and other eligible service providers in the growth and development of the Corporation by providing them with the opportunity to acquire an increased proprietary interest in the Corporation;
- (b) to promote greater alignment of interests between directors, officers, employees and other eligible service providers and the shareholders of the Corporation;
- (c) to associate a portion of the compensation payable to officers, directors, employees and other eligible service providers with the returns achieved by shareholders of the Corporation; and
- (d) to attract and retain officers, directors, employees and other eligible service providers with the knowledge, experience and expertise required by the Corporation.

1.3 Definitions Used Throughout this Plan.

- (a) **"ABCA"** means the Business Corporations Act (Alberta).
- (b) **"Affiliate"** has the meaning set forth in the ABCA.
- (c) **"Applicable Law"** means any applicable provision of law, domestic or foreign, including, without limitation, applicable securities legislation, together with all regulations, rules, policy statements, rulings, notices, orders or other instruments promulgated thereunder, and Stock Exchange Rules.
- (d) **"Beneficiary"** means, subject to Applicable Law, an individual who has been designated by a Participant, in such form and manner as the Board may determine, to receive benefits payable under the Plan upon the death of the Participant, or, where no such designation is validly in effect at the time of death, the Participant's legal representative.
- (e) **"Blackout Period"** means a period of time when, pursuant to any policies of the Corporation, any securities of the Corporation may not be traded by certain persons as designated by the Corporation, including any holder of a Grant.
- (f) **"Board"** means the Board of Directors of the Corporation.
- (g) **"Business Day"** means a day on which there is trading on the Stock Exchange (or, if the Shares are not then listed and posted for trading on the Stock Exchange, such other stock exchange on which the Shares are then listed and posted for trading, and if none, a day that is not a Saturday or Sunday or a national legal holiday in Canada);
- (h) **"Cause"** shall mean, unless the applicable Grant Agreement states otherwise,
 - (i) if the Participant is a party to an employment or service agreement with the Corporation or its Affiliates and such agreement provides for a definition of cause, the definition contained therein; or

- (ii) if no such agreement exists, or such agreement exists but does not contain a definition of cause, then anything which constitutes just cause for termination of employment at common law including, without limitation: (A) the wilful failure of the Participant to carry out the Participant's duties properly or to comply with the Corporation's rules, policies and practices; (B) improper conduct of the Participant which is materially detrimental to the financial interests of the Corporation; or (C) the conviction of the Participant for fraud, embezzlement or theft.
- (i) **"Change in Control"** means:
 - (i) the acquisition by any "offeror" (as defined in the *Securities Act* (Alberta)) of beneficial ownership of more than 50% of the outstanding voting securities of the Corporation, by means of a take-over bid or otherwise;
 - (ii) any consolidation, reorganization, merger, amalgamation or statutory amalgamation or arrangement of the Corporation with or into another corporation, a separation of the business of the Corporation into two or more entities, or pursuant to which Shares would be converted into cash, securities or other property, other than a merger of the Corporation in which shareholders immediately prior to the merger have the same proportionate ownership of stock of the surviving corporation immediately after the merger;
 - (iii) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Corporation;
 - (iv) the approval by the Shareholders of any plan of liquidation or dissolution of the Corporation; or
 - (v) the replacement by way of election or appointment at any time of 50% or more of the total number of the then incumbent members of the Board, unless such election or appointment is approved by 50% or more of the Board in office immediately preceding such election or appointment in circumstances where such election or appointment is to be made other than as a result of a dissident public proxy solicitation, whether actual or threatened.
- (j) **"Consultant"** means an individual or corporation, other than an Executive Officer of the Corporation or an Affiliate, that is engaged to provide consulting, technical, management or other services to the Corporation or an Affiliate under a written consulting agreement;
- (k) **"Corporation"** means High Arctic Overseas Holdings Corp., and includes any successor corporation thereof.
- (l) **"Deferred Share Unit" or "DSU"** means a unit credited by the Corporation to an Eligible Director (as defined herein) by way of a bookkeeping entry in the books of the Corporation, as determined by the Board, pursuant to the Plan.
- (m) **"Director"** means a director of the Corporation from time to time.
- (n) **"Disability"** means:
 - (i) where a Participant has a written employment agreement with the Corporation or an Affiliate and such agreement provides for a definition of disability, the definition contained therein; or

- (ii) if no such agreement exists, or such agreement exists but does not contain a definition of disability, then a Participant's physical or mental incapacity that prevents him/her from substantially fulfilling his or her duties and responsibilities on behalf of the Corporation or, if applicable, an Affiliate, as determined by the Board and, in the case of a Participant who is an employee of the Corporation or an Affiliate, in respect of which the Participant commences receiving, or is eligible to receive, disability benefits under the Corporation's or Affiliate's long-term disability plan.
 - (o) **"Eligible Person"** means any Director, Executive Officer, Employee or Consultant of the Corporation or any Affiliate, including a Service Provider.
 - (p) **"Employed"** means, with respect to a Participant, that:
 - (i) the Participant is rendering services to the Corporation or an Affiliate (excluding services as a Director) including as a Service Provider (referred to in Section (oo) as "active Employment"); or
 - (ii) the Participant is not actively rendering services to the Corporation or an Affiliate due to an approved leave of absence, maternity or parental leave or leave on account of Disability.
 - (iii) For greater certainty, any determination of whether a Participant is Employed on a Vesting Date shall be made without regard to any period of notice, pay in lieu of notice (paid by way of lump sum or salary continuance), benefits continuance or other termination-related payments or benefits to which the Participant may be entitled pursuant to the common law or otherwise, subject only to the express minimum requirements of applicable employment standards legislation.
- and **"Employment"** has the corresponding meaning.
- (q) **"Employee"** means any individual who is an employee of the Corporation or any Affiliate;
 - (r) **"Executive Officer"** means an Employee who is:
 - (i) the president and/or chief executive officer of the Corporation,
 - (ii) a vice-president of the Corporation, orany other Employee which the Board determines, in its sole discretion, is an executive officer or whom the Board believes may have the ability to impact the long-term goals and objectives of the Corporation or its Affiliates, as applicable;
 - (s) **"Exercise Price"** means the price payable by a Participant to purchase one Share on exercise of an Option, which shall not be less than the Market Price.
 - (t) **"Fair Market Value"** of a Share means:
 - (i) where the Shares are not listed on a Stock Exchange, the fair market value of a Share on a particular date shall be the value as determined by the Board in its sole discretion and in good faith; and
 - (ii) where the Shares are listed on a Stock Exchange, the Market Price.

- (u) **"Governmental Authorities"** means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law, rule or regulation-making organizations or entities:
 - (i) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or
 - (ii) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power.
- (v) **"Grant"** means a grant or right granted under the Plan consisting of one or more Options, RSUs, PSUs or DSUs or such other award as may be permitted hereunder.
- (w) **"Grant Agreement"** means an agreement between the Corporation and a Participant evidencing a Grant and setting out the terms under which such Grant is made, together with such schedules, amendments, deletions or changes thereto as are permitted under the Plan.
- (x) **"Grant Date"** means the effective date of a Grant.
- (y) **"Insider"** has the meaning set out in the TSX Company Manual.
- (z) **"Market Price"** means the volume weighted average trading price per share for the Shares on the Stock Exchange for the five (5) consecutive trading days ending on the last trading day preceding the applicable day.
- (aa) **"Misconduct"** means
 - (i) serious misconduct, including conduct which has a significant negative impact on the reputation or operations of the Corporation or its Affiliates;
 - (ii) fraud;
 - (iii) a material breach of the terms of employment or engagement, including wilful breach of the provisions of applicable Corporation policies in effect from time to time; or
 - (iv) failure or wilful refusal to substantially perform the employee's duties and responsibilities or, if a director, act in accordance with a director's fiduciary obligations;
- (bb) **"Option"** means an option to purchase a Share granted by the Board to an Eligible Person in accordance with Section 3 and Section 9.1.
- (cc) **"Participant"** means an Eligible Person to whom a Grant is made and which Grant or a portion thereof remains outstanding.
- (dd) **"Performance Conditions"** means such financial, personal, operational or transaction-based performance criteria as may be determined by the Board in respect of a Grant to any Participant or Participants and set out in a Grant Agreement. Performance Conditions may apply to the Corporation, an Affiliate, the Corporation and its Affiliates as a whole, a business unit of the Corporation or group comprised of the Corporation and some Affiliates or a group of Affiliates, either individually, alternatively or in any combination, and measured either in total, incrementally or cumulatively over a specified performance period,

on an absolute basis or relative to a pre-established target or milestone, to previous years' results or to a designated comparator group, or otherwise, and may incorporate multipliers or adjustments based on the achievement of any such performance criteria.

- (ee) **"Performance Share Unit" or "PSU"** means a right granted to an Eligible Person in accordance with Section 3.1(c) and (d) and Section 12.1 to receive a Share or the Market Price, as determined by the Board, that generally becomes Vested, if at all, subject to the attainment of certain Performance Conditions and satisfaction of such other conditions to Vesting, if any, as may be determined by the Board.
- (ff) **"Person"** means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, Governmental Authority, and where the context requires any of the foregoing when they are acting as trustee, executor, administrator or other legal representative.
- (gg) **"Plan"** means this High Arctic Overseas Holdings Corp. Omnibus Incentive Plan, including any schedules or appendices hereto, as may be amended from time to time.
- (hh) **"Restricted Share Unit" or "RSU"** means a right granted to an Eligible Person in accordance with Section 3.1(c) and (d) and Section 12.1 to receive a Share or the Market Price, as determined by the Board, that generally becomes Vested, if at all, following a period of continuous Employment of the Participant.
- (ii) **"Service Provider"** means a person or company, other than an employee, officer or director of the Corporation or an Affiliate, that:
 - (i) is engaged to provide, on a bona fide basis, for an initial, renewable or extended period of twelve (12) months or more, services to the Corporation or an Affiliate;
 - (ii) provides the services under a written contract between the Corporation or an Affiliate and the person or company; and
 - (iii) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or an Affiliate.
- (jj) **"Share"** means a common share in the capital of the Corporation or, in the event of an adjustment contemplated by Section 6.1, such other security to which a Participant may be entitled upon the exercise or settlement of a Grant as a result of such adjustment.
- (kk) **"Share Unit"** means either an RSU or a PSU, as the context requires.
- (ll) **"Shareholder"** means a holder of one or more Shares.
- (mm) **"Stock Exchange"** means the Toronto Stock Exchange or such other stock exchange on which the Shares are listed, or if the Shares are not listed on any stock exchange, then on the over-the-counter market.
- (nn) **"Stock Exchange Rules"** means the applicable rules of any Stock Exchange upon which Shares are listed, which, for certainty, includes the TSX Venture Exchange's *Corporate Finance Manual* if the Shares are listed on the TSX Venture Exchange.
- (oo) **"Tax Act"** means the *Income Tax Act* (Canada) and the regulations thereto, as amended from time to time.

- (pp) **"Termination"** means (i) the termination of a Participant's Employment with the Corporation or an Affiliate (other than in connection with the Participant's transfer to Employment with the Corporation or another Affiliate), which shall occur on the earlier of the date on which the Participant ceases to render services to the Corporation or Affiliate, as applicable, and the date on which the Corporation or an Affiliate, as applicable, delivers notice of the termination of the Participant's employment or contract for services, whether such termination is lawful or otherwise, without giving effect to any period of notice or pay in lieu of notice (paid by way of lump sum or salary continuance), benefits continuance or other termination-related payments or benefits to which the Participant may be entitled pursuant to the common law or otherwise (except as expressly required by applicable employment standards legislation), but, for greater certainty, a Participant's absence from active work during a period of vacation, temporary illness, authorized leave of absence, maternity or parental leave or leave on account of Disability shall not be considered to be a "Termination", and (ii) in the case of a Participant who does not return to active Employment with the Corporation or an Affiliate immediately following a period of absence due to vacation, temporary illness, authorized leave of absence, maternity or parental leave or leave on account of Disability, such cessation shall be deemed to occur on the last day of such period of absence, and **"Terminated"** and **"Terminates"** shall be construed accordingly.
- (qq) **"Termination Date"** means, in relation to a Participant, that date on which the Participant is Terminated.
- (rr) **"Time Vesting"** means any conditions relating to the passage of time or continued service with the Corporation or an Affiliate for a period of time in respect of a Grant, as may be determined by the Board.
- (ss) **"Trading Day"** means a day on which the Stock Exchange is open for trading and on which the Shares actually traded.
- (tt) **"TSX"** means the Toronto Stock Exchange.
- (uu) **"Vested"** means, with respect to any Option, Share Unit or other award included in a Grant, that the applicable conditions with respect to Time Vesting, achievement of Performance Conditions and/or any other conditions established by the Board have been satisfied or, to the extent permitted under the Plan, waived (and **"Vesting"** and any other applicable derivative term shall be construed accordingly).
- (vv) **"Vesting Date"** means the date on which the applicable Time Vesting, Performance Conditions and/or any other conditions for an Option, Share Unit or other award included in a Grant becoming Vested are met, deemed to have been met or waived as contemplated in Section (uu).

2. CONSTRUCTION AND INTERPRETATION

2.1 As used in this Plan, words importing the masculine gender shall include the feminine and neuter genders and words importing the singular shall include the plural and vice versa, unless the context otherwise requires and references to a person includes any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation (with or without share capital), unincorporated association, trust, trustee, executor, administrator or other legal representative.

2.2 If any provision or part of the Plan is determined to be void or unenforceable in whole or in part, such determination shall not affect the validity or enforcement of any other provision or part thereof.

2.3 The headings of the articles, sections and clauses are inserted herein for convenience of reference only and shall not affect the meaning of construction thereof. A reference to a section or schedule shall, except where expressly stated otherwise, mean a section or schedule of the Plan, as applicable.

2.4 Unless otherwise specified, time periods wherein, or following which, any payment (whether in cash or Shares) is to be made or any act is to be done, shall be calculated by excluding the day on which the period begins, including the day on which the period ends, and abridging the period to the immediately preceding Business Day in the event that the last day of the period is not a Business Day. In the event an action is required to be taken or a payment (whether in cash or Shares) is required to be made on a day which is not a Business Day, such action shall be taken or such payment shall be made on the immediately preceding Business Day.

3. ADMINISTRATION

3.1 The Plan shall be administered by the Board, or any committee established by the Board for the purpose of administering the Plan, in accordance with its terms and subject to Applicable Law. Subject to and consistent with the terms of the Plan, in addition to any authority of the Board specified under any other terms of the Plan, the Board shall have full and complete discretionary authority to:

- (a) interpret the Plan and Grant Agreements;
- (b) prescribe, amend and rescind such rules and regulations and make all determinations necessary or desirable for the administration and interpretation of the Plan and instruments of grant evidencing Grants;
- (c) determine those Eligible Persons who may receive Grants as Participants, grant one or more Grants to such Participants and approve or authorize the applicable form and terms of the related Grant Agreement;
- (d) determine the terms and conditions of Grants granted to any Participant, including, without limitation, as applicable (i) the value of a Grant and the number of Shares subject to a Grant, (ii) the Exercise Price for Shares subject to an Option, (iii) the conditions of Vesting of a Grant or any portion thereof, including, as applicable, the period for achievement of any applicable Performance Conditions as a condition to Vesting, and the conditions, if any, upon which Vesting of any Grant or any portion thereof will be waived or accelerated without any further action by the Board, (iv) the circumstances upon which a Grant or any portion thereof shall be forfeited, cancelled or expire, (v) the consequences of a Termination with respect to a Grant, (vi) the manner of exercise or settlement of the Vested portion of a Grant, (vii) whether, and the terms upon which, a Grant may be settled in cash, Shares or a combination thereof, and (viii) whether, and the terms upon which, any Shares delivered upon exercise or settlement of a Grant must be held by a Participant for any specified period of time;
- (e) determine whether, and the extent to which, any Performance Conditions or other conditions applicable to the Vesting of a Grant have been satisfied or shall be waived or modified;
- (f) make such rules, regulations and determinations as it deems appropriate under the Plan in respect of any leave of absence or Disability of any Participant. Without limiting the generality of the foregoing, the Board shall be entitled to determine:
 - (i) whether or not any such leave of absence shall constitute a Termination within the meaning of the Plan;

- (ii) the impact, if any, of any such leave of absence on Grants issued under the Plan made to any Participant who takes such leave of absence (including, without limitation, whether or not such leave of absence shall cause any Grants to expire and the impact upon the time or times such Grants shall be exercisable);
- (g) amend the terms of any Grant Agreement or other documents evidencing Grants;
- (h) determine whether, and the extent to which, adjustments shall be made pursuant to Section 6 and the terms of such adjustments;
- (i) correct any defect or supply any omission or reconcile any inconsistency in the Plan in the manner and to the extent it considers necessary or advisable for the proper implementation and administration of the Plan; and
- (j) make all other determinations and take all other actions as it considers necessary or advisable for the implementation and administration of the Plan.

3.2 All determinations, interpretations, rules, regulations, or other acts of the Board respecting the Plan or any Grant shall be made in its sole discretion are final, conclusive and binding on the Corporation, the Participants, any Beneficiary and all other persons.

3.3 Each Participant shall provide the Corporation and the Board with all information (including "personal information" as defined in the *Personal Information Protection and Electronic Documents Act* (Canada) or any applicable provincial privacy legislation) they require in order to administer the Plan or to permit the Participant to participate in the Plan (the "**Participant Information**"). The Corporation and the Board may from time to time transfer or provide access to the Participant Information to a third party service provider for purposes of the administration of the Plan provided that such service providers will be provided with such information for the sole purpose of providing services to the Corporation in connection with the operation and administration of the Plan and provided further that such service provider agrees to take appropriate measures to protect the Participant Information and not to use it for any purpose except to administer or operate the Plan. The Corporation may also transfer and provide access to Participant Information to its Affiliates for purposes of preparing financial statements or other necessary reports and facilitating payment or reimbursement of Plan expenses. In addition, Participant Information may be disclosed or transferred to another party during the course of, or completion of, a change in ownership of, or the grant of a security interest in, all or a part of the Corporation or its Affiliates, provided that such party is bound by appropriate agreements or obligations and required to use or disclose the Participant Information in a manner consistent with this Section 3.3. The Corporation shall not disclose Participant Information except as contemplated in this Section 3.3 or in response to regulatory filings or other requirements for the information by a Governmental Authority or regulatory body or a self-regulatory body in which the Corporation participates in order to comply with Applicable Law or for the purpose of complying with a subpoena, warrant or other order by a court, person or body having jurisdiction over the Corporation to compel production of the information. By participating in the Plan, each Participant acknowledges that Participant Information may be so provided as set forth above and agrees and consents to its provision on the terms set forth herein.

3.4 The Board may prescribe terms for Grant Agreements in respect of Eligible Persons who are subject to the laws of a jurisdiction other than Canada in connection with their participation in the Plan that are different than the terms of the Grant Agreements for Eligible Persons who are subject to the laws of Canada in connection with their participation in the Plan, and/or deviate from the terms of the Plan set out herein, for purposes of compliance with Applicable Law in such other jurisdiction or where, in the Board's opinion, such terms or deviations are necessary or desirable to obtain more advantageous treatment for the Corporation, an Affiliate or the Eligible Person in respect of the Plan under the Applicable Law of the other jurisdiction.

3.5 Notwithstanding the foregoing, the terms of any Grant Agreement authorized pursuant to this Article 3 shall be consistent with the Plan to the extent practicable having regard to the Applicable Law of the

jurisdiction in which such Grant Agreement is applicable and in no event shall contravene the Applicable Law of Canada.

3.6 The Board may, in its discretion, subject to Applicable Law, delegate any or all of its administrative responsibilities under the Plan and powers related thereto to one or more persons including, without limitation, an officer of the Corporation or a committee of the Board (the "**Administrator**"), and all actions taken and decisions made by such Administrator in this regard shall be final, conclusive, and binding on all parties concerned, including but not limited to, the Corporation, the Participants, and any Beneficiary. Should the Board delegate its administrative responsibilities under the Plan to an Administrator, all references to "Board" throughout this Plan shall be read as "Administrator", as applicable.

4. SHARE RESERVE

4.1 Subject to Section 5 and any adjustment pursuant to Section 6.1, the aggregate number of Shares that may be issued pursuant to Grants made under the Plan together with all other security-based compensation arrangements of the Corporation shall be a number equal to 10% of the aggregate number of issued and outstanding Shares from time to time.

4.2 For purposes of computing the total number of Shares available for grant under the Plan or any other security based compensation arrangement of the Corporation, Shares subject to any Grant (or any portion thereof) that is forfeited, surrendered, cancelled or otherwise terminated, prior to the issuance of such Shares shall again be available for grant under the Plan.

4.3 For greater certainty, any increase in the issued and outstanding Shares (whether it is a result of exercise of Options or settlement of Share Units or otherwise) will result in an increase in the number of Shares that may be issued pursuant to Share Units outstanding at any time and any increase in the number of Share Units granted will, upon the issue of Shares pursuant thereto, make new grants available under this Plan.

4.4 The Corporation shall at all times during the term of the Plan reserve and keep available such numbers of Shares as will be sufficient to satisfy the requirements of the Plan.

5. LIMITATION ON GRANTS

5.1 To Insiders as a group at any point in time. The aggregate number of Shares that are issuable pursuant to Grants to Insiders as a group pursuant to the Plan and any other security-based compensation arrangement of the Corporation at any point in time must not exceed 10% of the total number of issued and outstanding Shares.

5.2 To Insiders as a group within a 12-month period. The aggregate number of Shares that are issuable pursuant to all Grants to Insiders as a group pursuant to the Plan and any other security-based compensation arrangement of the Corporation in a twelve (12) month period must not exceed 10% of the total number of issued and outstanding Shares, calculated on the date of Grant to any Insider.

5.3 To any one Person. The aggregate number of Shares that are issuable pursuant to all Grants to any one Person (and companies wholly owned by that Person) pursuant to the Plan and any other security-based compensation arrangement of the Corporation in a twelve (12) month period must not exceed 10% of the issued and outstanding Shares, calculated on the date of Grant to the Person.

5.4 The Corporation's right to elect to satisfy the settlement of Grants by the issuance of Shares from treasury will be effective only upon receipt of all necessary shareholder approvals of the Plan, as amended from time to time, as required by the rules, regulations and policies of the Stock Exchange and any other stock exchange on which the Shares are listed or traded.

6. ALTERATION OF CAPITAL AND CHANGE IN CONTROL

6.1 Notwithstanding any other provision of the Plan, and subject to Applicable Law, in the event of any subdivision, consolidation, stock dividend, capital reorganization, reclassification, exchange, or other change with respect to the Shares, or a consolidation, amalgamation, merger, spin-off, sale, lease or exchange of all or substantially all of the property of the Corporation or other distribution of the Corporation's assets to shareholders of the Corporation (other than the payment of ordinary course cash or stock dividends in respect of the Shares), if the Board shall determine that an equitable adjustment should be made, such adjustment shall, subject to Applicable Law (for certainty, including approval of the Stock Exchange if required), be made by the Board to (i) the number of Shares issuable pursuant to the Grant Agreement; (ii) the securities into which the Shares are changed or are convertible or exchangeable; (iii) any Options then outstanding; (iv) the Exercise Price, as appropriate in respect of such Options; and/or (v) with respect to the number of Share Units and/or DSUs outstanding under the Plan, and any such adjustment shall be final, binding and conclusive for all purposes of the Plan.

Notwithstanding the foregoing, should changes be required to the Plan by any securities commission, the Stock Exchange or any other Governmental Authority of any jurisdiction to which the Plan or the Corporation now is or hereafter becomes subject, such changes shall be made to the Plan as are necessary to conform with such requirements and, if such changes are approved by the Board, the Plan, as amended, shall be filed with the records of the Corporation and shall remain in full force and effect in its amended form as of and from the date of its adoption by the Board.

No adjustment provided for pursuant to this Section 6.1 shall require the Corporation to issue fractional Shares in satisfaction of its obligations under the Plan. Any fractional interest in a Share that would, except for the provisions of this Section 6.1, be deliverable upon the exercise of any Grant shall be cancelled and not deliverable by the Corporation.

6.2 In the event of a Change in Control, or a determination by the Board that a Change in Control is expected to occur, prior to the Vesting of a Grant, and subject to the terms of a Participant's written employment agreement or contract for services with the Corporation or an Affiliate and the applicable Grant Agreement, the Board shall have the authority and sole discretion to take all necessary steps so as to ensure the preservation of the economic interests of the Participants in, and to prevent the dilution or enlargement of, any Grant including, without limitation and subject to Applicable Law:

- (a) provide for the acceleration of any Vesting or exercisability of a Grant;
- (b) provide for the deemed attainment of Performance Conditions relating to a Grant;
- (c) provide for the lapse of restrictions relating to a Grant;
- (d) provide for the assumption, substitution, replacement or continuation of any Grant by a successor or surviving corporation (or a parent or subsidiary thereof) with cash, securities, rights or other property to be paid or issued, as the case may be, by the successor or surviving corporation (or a parent or subsidiary thereof);
- (e) provide that a Grant shall terminate or expire unless exercised or settled in full on or before a date fixed by the Board; or
- (f) terminate or cancel any outstanding Grant in exchange for a cash payment (provided that, if as of the date of the Change in Control, the Board determines that no amount would have been realized upon the exercise or settlement of the Grant, then the Grant may be cancelled by the Corporation without payment of consideration).

7. MISCELLANEOUS

7.1 Withholdings. So as to ensure that the Corporation or an Affiliate, as applicable, will be able to comply with the applicable obligations under any federal, provincial, state or local law relating to the withholding of tax or other required deductions ("**Withholding Taxes**"), the Corporation or the Affiliate may withhold or cause to be withheld from any amount payable to a Participant, either under the Plan, or otherwise, such amount as may be necessary to permit the Corporation or the Affiliate, as applicable, to so comply and may take such other action that the Corporation deems necessary to satisfy all obligations for the payment of such statutory withholdings. Without limiting the generality of the foregoing, the Corporation and any Affiliate may satisfy any liability for any such withholding obligations, on such terms and conditions as the Corporation may determine in its sole discretion, by:

- (a) deducting and withholding additional amounts from other amounts payable to a Participant;
- (b) selling on such Participant's behalf, or requiring such Participant to sell, any Shares, and retaining any amount payable which would otherwise be provided or paid to such Participant in connection with any such sale, or
- (c) requiring, as a condition to the delivery of Shares hereunder, that such Participant make such arrangements as the Corporation may require so that the Corporation and its Affiliates can satisfy such withholding obligations, including requiring such Participant to remit an amount to the Corporation or an Affiliate in advance, or reimburse the Corporation or any Affiliate for, any such withholding obligations, subject to the policies of the Stock Exchange.

7.2 No Right to Continued Employment. Nothing in the Plan or in any Grant Agreement entered into pursuant hereto shall confer upon any Participant the right to continue in the employ or service of the Corporation or any Affiliate, to be entitled to any remuneration or benefits not set forth in the Plan or a Grant Agreement or to interfere with or limit in any way the right of the Corporation or any Affiliate to terminate Participant's employment or service arrangement with the Corporation or any Affiliate without liability for the effect which such dismissal or termination might have upon a Participant other than as expressly provided for herein. No reasonable notice or payment in lieu thereof will extend the period of employment or engagement as a Consultant for purposes of the Plan.

7.3 No Shareholder Rights. Grants of Options, Share Units or DSUs are not Shares and under no circumstances shall such Grants entitle any Participant to any shareholder rights, including, without limitation, voting rights, dividend entitlement or rights on liquidation, nor shall any Participant be considered the owner of Shares by virtue of a Grant of Options, Share Units or DSUs. The Plan shall be unfunded (including for tax purposes) and the Corporation will not secure its obligations under the Plan. To the extent any Participant or his Beneficiary holds any rights by virtue of a Grant under the Plan, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of the Corporation.

7.4 No Additional Rights. Neither the designation of an individual as a Participant nor the Grant of any Options, Share Units, DSUs or other award to any Participant entitles any person to the Grant, or any additional Grant, as the case may be, of any Options, Share Units, DSUs or other award under the Plan. For greater certainty, the Board's decision to approve a Grant in any period shall not require the Board to approve a Grant to any Participant in any other period; nor shall the Board's decision with respect to the size or terms and conditions of a Grant in any period require it to approve a Grant of the same or similar size or with the same or similar terms and conditions to any Participant in any other period. The Board shall not be precluded from approving a Grant to any Participant solely because such Participant may have previously received a Grant under the Plan or any other similar compensation arrangement of the Corporation or an Affiliate. No Eligible Person has any claim or right to receive a Grant except as may be provided in a written employment or services agreement between an Eligible Person and the Corporation or an Affiliate.

7.5 Liability. None of the Corporation, the Board, the Administrator or any person acting on their direction or authority shall be liable for anything done or omitted to be done by such person with respect to the price, time, quantity or other conditions and circumstances of the issuance or purchase of Shares under the Plan or with respect to any fluctuations in the Market Price of the Shares or in any other connection under the Plan. To the fullest extent permitted by law, the Corporation shall indemnify and save harmless each person made, or threatened to be made, a party to any action or proceeding in respect of the Plan by reason of the fact that such person is or was a member of the Board (or otherwise an officer or member of a committee of the Board where the Board has designated such person as an Administrator hereunder).

No amount will be paid to, or in respect of, a Participant under the Plan to compensate for a downward fluctuation in the price of Shares which impacts any Grants, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose. The Corporation makes no representations or warranties to a Participant with respect to the Plan or the Grants granted whatsoever. In seeking the benefits of participation in the Plan, a Participant agrees to exclusively accept all risks associated with a decline in the Market Price of Shares and all other risks associated with the holding of Grants.

7.6 Voluntary Participation. Participation in the Plan is entirely voluntary and is not obligatory and shall not be interpreted as conferring on such Participant any rights or privileges other than those expressly provided for herein.

7.7 Amendment, Suspension, Termination.

- (a) The Board may terminate or discontinue the Plan at any time without the consent of the Participants provided that such termination or discontinuance shall not alter or impair any Grants previously granted under the Plan or which would cause the Plan, or any Share Units granted hereunder, to cease to comply with paragraph (k) of the definition of "salary deferral arrangement" in subsection 248(1) of the Tax Act or any successor provision thereto.
- (b) No amendment of the Plan may contravene the requirements of the Stock Exchange or any securities commission or regulatory body to which the Plan or the Corporation is now or may hereafter be subject to or cause the Plan, or any Grants hereunder, to cease to comply with Applicable Law.
- (c) The Board may by resolution amend this Plan and Grants issued thereunder without shareholder approval to the extent that such amendments relate to among other things:
 - (i) changing the termination provisions of a Grant, provided that the change does not entail an extension beyond the original expiry date;
 - (ii) determining the adjustment provisions pursuant to the Plan;
 - (iii) altering, extending or accelerating the terms of vesting or the conditions to vesting applicable to any Grant;
 - (iv) ensure that Share Units granted under the Plan will comply with any provisions respecting share units or other security based compensation arrangements in the Tax Act or other Applicable Law in force in any country or jurisdiction of which a Participant to whom a Share Unit has been granted may from time to time perform services or be resident;
 - (v) make amendments of a procedural or "housekeeping" nature;
 - (vi) amending or modifying the mechanics of exercising an entitlement pursuant to a Grant; and

- (vii) suspending or terminating the Plan.
- (d) The Board may amend any particular Grant with the consent of the affected Participant and the Stock Exchange, if required, including any shareholder approval required by the Stock Exchange. If the amendment of a Grant requires shareholder approval under Applicable Law, such amendment may be made prior to such approvals being given, but no such amended Grant may be exercised or settled unless and until such approvals are given.

7.8 Misconduct. Subject to the terms of the relevant Grant Agreement and any other binding agreement between the Participant and the Corporation, and unless otherwise determined by the Board, if it is determined that there has been Misconduct by a Participant:

- (a) any Share Units which remain unvested prior to the determination date of such Misconduct, including dividend equivalents in respect of such Share Units, shall not vest and all such Share Units shall be forfeited and cancelled immediately; and
- (b) any Deferred Share Units accumulated and remaining on a Participant's Account as at the determination date of such Misconduct, including dividend equivalents in respect of such Deferred Share Units, shall be forfeited and cancelled immediately.

This Plan and any actions hereunder will be subject to application of any clawback or similar policies of the Corporation in effect at the applicable time and from time to time.

7.9 Compliance with Applicable Law.

- (a) The Plan, any Grants, and the exercise or settlement of any Grants and the Corporation's obligation to sell, issue and deliver any Shares upon exercise or settlement of any Grants shall be subject to all Applicable Law and to such approvals by any Governmental Authority as may be required. The Corporation shall not be obligated by the existence of the Plan or any provision of the Plan or the grant, settlement or exercise of Grants hereunder to sell, issue or deliver Shares upon exercise or settlement of Grants in violation of such laws, policies, rules and regulations or any condition or requirement of such approvals.
- (b) No Grants shall be granted and no Shares sold, issued or delivered hereunder where such grant, sale, issue or delivery would require registration or other qualification of the Plan or of the Shares under Applicable Law, and any purported Grant or any sale, issue and delivery of Shares hereunder in violation of this provision shall be void. In addition, the Corporation shall have no obligation to sell, issue or deliver any Shares hereunder unless such Shares shall have been duly listed, upon official notice of issuance, with all stock exchanges on which the Shares are listed for trading.
- (c) Any Shares sold, issued and delivered to Participants pursuant to the exercise or settlement of Grants shall be subject to restrictions on resale and transfer under Applicable Law (including any required hold periods imposed in relation to grants to Insiders or promoters) or other markets on which the Shares are listed or quoted for trading, and any certificates representing such Shares shall bear, as required, a restrictive legend in respect thereof.
- (d) To the extent that applicable Stock Exchange requirements require shareholder approval, any Grants hereunder will be subject to obtaining such shareholder approval as required by applicable Stock Exchange requirements. If any Shares cannot be issued to any Participant for any reason, including, without limitation, the failure to obtain any such approval, then the obligation of the Corporation to issue such Shares shall terminate and

any Exercise Price paid by Participant to the Corporation shall be immediately refunded to the Participant by the Corporation.

7.10 Currency. Except where the context otherwise requires, all references in the Plan to currency refer to lawful Canadian currency. All payments and benefits under the Plan shall be determined and paid in the lawful currency of Canada. Any amounts required to be determined under the Plan that are denominated in a currency other than Canadian dollars shall be converted to Canadian dollars at the applicable Bank of Canada noon rate of exchange on the date as of which the amount is required to be determined.

7.11 Administration Costs. The Corporation will be responsible for all costs relating to the administration of the Plan.

7.12 Designation of Beneficiary. Subject to the requirements of Applicable Law, a Participant may designate in writing a Beneficiary to receive any benefits that are payable under the Plan upon the death of such Participant. The Participant may, subject to Applicable Law, alter or revise such designation from time to time. The original designation or any change thereto shall be in the form as the Board may, from time to time, determine. A Beneficiary designation under this Section 7.12 and any subsequent changes thereto shall be filed with the Chief Executive Officer of the Corporation or the Administrator.

7.13 Governing Law. The Plan and any Grants pursuant to the Plan shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein. Any reference in the Plan, in any Grant Agreement issued pursuant to the Plan or in any other agreement or document relating to the Plan to a provision of law or rule or regulation shall be deemed to include any successor law, rule or regulation of similar effect or applicability.

7.14 Assignability. The Plan shall inure to the benefit of and be binding upon the Corporation, its successors and assigns.

7.15 Non-Transferability. Unless otherwise provided in the Plan or in the applicable Grant Agreement, no Grant, and no rights or interests therein, shall or may be assigned, transferred, sold, exchanged, encumbered, pledged or otherwise hypothecated or disposed of by a Participant other than by testamentary disposition by the Participant or the laws of intestate succession, subject to the policies of the Stock Exchange. No such interest shall be subject to execution, attachment or similar legal process including without limitation seizure for the payment of the Participant's debts, judgments, alimony or separate maintenance.

8. EFFECTIVE DATE

8.1 This Plan shall take effect on the Effective Date as such term is defined in the Arrangement Agreement dated May 9, 2024 entered into between the Corporation and High Arctic Energy Services Inc. The issuance of Grants under the Plan is subject to acceptance of the Plan by the Stock Exchange, if required, and any other relevant regulatory authorities and approval of the Shareholders.

PART II - OPTIONS

9. OPTION GRANTS AND PROVISIONS

9.1 The Corporation may, from time to time, make one or more Grants of Options to Eligible Persons on such terms and conditions, consistent with the Plan, as the Board shall determine. In granting such Options, subject to the provisions of the Plan, the Board shall specify,

- (a) the maximum number of Shares which the Participant may purchase under the Options;
- (b) the Exercise Price at which the Participant may purchase his or her Shares under the Options; and

- (c) the term of the Options, to the maximum term permitted by the Stock Exchange from the Grant Date of the Options, the Vesting period or periods within this period during which the Options or a portion thereof may be exercised by a Participant and any other Vesting conditions.

9.2 The Exercise Price for each Share subject to an Option shall be determined by the Board, subject to Stock Exchange approval as required, but under no circumstances shall any Exercise Price be less than the Market Price for the Shares at the date of grant.

9.3 The Board shall determine the manner in which an Option shall vest and become exercisable as set forth in the applicable Grant Agreement as well as the expiry date, subject to the condition that the expiry of any Option shall not exceed the maximum term permitted by the Stock Exchange. Should the expiry date of an option fall within a Blackout Period or within nine Business Days following the expiration of a Blackout Period, such expiry date of the option shall be automatically extended without any further act or formality to that date which is the tenth Business Day after the end of the Blackout Period, such tenth Business Day to be considered the expiry date for such Option for all purposes under the Plan. The ten Business Day period referred to in this section may not be extended by the Board.

9.4 Subject to the provisions of the Plan and the terms governing the granting of the Option, and subject to payment or other satisfaction of all related withholding obligations in accordance with Section 7.1, Vested Options or a portion thereof may be exercised from time to time by delivery to the Corporation at its registered office of a notice in writing signed by the Participant or the Participant's legal personal representative, as the case may be, and addressed to the Corporation ("**Exercise Notice**"). The Exercise Notice shall state the intention of the Participant or the Participant's legal personal representative to exercise the said Options and the number of Shares in respect of which the Options are then being exercised and must be accompanied by payment in full of the Exercise Price under the Options which are the subject of the exercise.

9.5 The Board may from time to time, in its sole discretion, permit Options to be surrendered, unexercised, to the Corporation in consideration of the receipt by the Participant of an amount equal to the difference, if any, between the aggregate Fair Market Value of the Shares purchasable pursuant to the exercisable portion of such option on the date of the surrender and the aggregate exercise price with respect to such Shares pursuant to such option (the "**Net Share Exercise Right**").

9.6 If permitted by the Corporation, the Exercise Notice may also be accompanied by the Participant's election to provide payment in full of the aggregate Exercise Price and any Applicable Withholding Taxes in respect of the vested Options being exercised pursuant to a broker-assisted cashless exercise whereby the Participant or his or her legal representative shall elect on the Exercise Notice to receive: (i) an amount in cash equal to the cash proceeds realized upon the sale in the capital markets of the Shares underlying the vested Options by a securities dealer designated by the Corporation, less the aggregate Exercise Price, any Applicable Withholding Taxes, and any transfer costs charged by the securities dealer to sell the Shares; (ii) an aggregate number of Shares that is equal to the number of Shares underlying the vested Options minus the number of Shares sold in the capital markets by a securities dealer designated by the Corporation as required to realize cash proceeds equal to the aggregate Exercise Price, any Applicable Withholding Taxes and any transfer costs charged by the securities dealer to sell the Shares; or (iii) a combination of (i) and (ii).

9.7 No person entitled to exercise any option granted under the Plan shall have any of the rights or privileges of a shareholder of the Corporation in respect of any Shares issuable upon exercise of such option until certificates representing such Shares shall have been issued and delivered.

9.8 The ability of a Participant to exercise Options and the obligation of the Corporation to issue and deliver Shares in accordance with the Plan is subject to any approvals which may be required from shareholders of the Corporation and any Governmental Authority or Stock Exchange having jurisdiction over the securities of the Corporation. If any Shares cannot be issued to any Participant for whatever

reason, the obligation of the Corporation to issue such Shares shall terminate and any Exercise Price paid to the Corporation will be returned to the Participant.

10. CEASING TO BE A DIRECTOR, OFFICER, EMPLOYEE OR CONSULTANT

10.1 Subject to the applicable Grant Agreement, if a Participant shall cease to be a Director, Officer, Employee, Consultant or Service Provider of the Corporation or its Affiliates, for any reason (other than Termination for Cause or death, or Disability), such Participant may exercise his Option to the extent that the Participant was entitled to exercise it at the date of such cessation, provided that such exercise must occur by the close of business on the date which is 90 days after the Termination Date.

10.2 Notwithstanding Section 11.1, but subject to the applicable Grant Agreement, in the event that a Participant who is an Employee is terminated by the Corporation for Cause (as defined below), all unvested Options and any Options that have not yet been exercised, shall be cancelled and of no further effect as of the Participant's Termination Date (as defined below).

10.3 Unless otherwise provided in a Grant Agreement, in the event that an Option holder's service terminates as a result of Disability, any Option held by the Option holder shall continue to vest in accordance with its terms and may be exercised or surrendered in accordance with Section 10 at any time until the Option's expiry date.

10.4 For greater certainty, a Participant shall have no right to receive Shares or a cash payment, as compensation, damages or otherwise, with respect to any Options that do not become Vested or that are not exercised before the date on which the Options expire.

11. DEATH OF A PARTICIPANT

11.1 In the event of the death of a Participant, the Option previously granted to such Participant shall be exercisable only within the one (1) year after the date of death, and then only:

- (a) by the Person or Persons to whom the Participant's rights under the Option shall pass by the Participant's will or the laws of descent and distribution; and
- (b) if and to the extent the Participant was entitled to exercise the Option at the date of the Participant's death.

PART III - SHARE UNITS

12. GRANT OF SHARE UNITS

12.1 The Board may from time to time grant Share Units, which upon issuance shall be designated as either Performance Share Units or Restricted Share Units, to a Participant in such numbers, at such times and on such terms and conditions, consistent with the Plan, as the Board may in its sole discretion determine; provided, however, that no Share Units will be granted after December 15 of a given calendar year.

For greater certainty, the Board shall, in its sole discretion, determine any and all conditions of Vesting of any Share Units granted to a Participant, which vesting conditions may be based on either or both of:

- (a) the Participant's continued employment with, or provision of consulting services to, the Corporation or an Affiliate; and
- (b) such other terms and conditions as the Board may determine in accordance with Section 12.2, including, without limitation, the satisfaction of certain Performance Conditions,

provided that no vesting condition for a Share Unit granted to a Participant shall extend beyond December 15 of the third calendar year following the service year in respect of which the Share Units were granted, and all vesting conditions for a Share Unit granted to an Executive Officer shall be such that the Share Unit complies at all times with the exception in paragraph (k) of the definition of "salary deferral arrangement" in subsection 248(1) of the Tax Act.

12.2 Subject to the terms of the Plan, the Board may stipulate additional terms and conditions applicable to a particular grant of Share Units, which shall be specified in the applicable Grant Agreement. The additional terms and conditions may apply to all or a portion of the Share Units granted to a particular Participant, and may provide for graduated vesting contingent upon the satisfaction of certain conditions (where such graduated vesting may be in the form of different percentages which may be greater or lesser than 100%). The Board may, in its discretion, subsequent to the Grant Date of a Share Unit, waive any such term or condition included in a Grant Agreement, or determine that such terms and conditions have been satisfied, subject to Applicable Law. For greater certainty, no term or condition imposed under a Grant Agreement may have the effect of causing settlement and payout of a Share Unit to occur after December 31 of the third calendar year.

12.3 No certificates shall be issued with respect to Share Units.

12.4 The Board shall keep or cause to be kept such records and accounts as may be necessary or appropriate in connection with the administration of the Plan and the discharge of its duties, which records shall, absent manifest error, be considered conclusively determinative of all information contained therein.

12.5 The Corporation shall maintain in its books an Account for each Participant recording at all times the number of Share Units standing to the credit of such Participant. Share Units that (i) fail to vest in a Participant pursuant to the provisions of the Plan or Grant Agreement, or (ii) that are paid out to the Participant or his Beneficiary, shall be cancelled and shall cease to be recorded in the Participant's Account as of the date on which such Share Units are forfeited or cancelled under the Plan or are paid out, as the case may be.

12.6 No Executive Officer or Consultant has any claim or right to be granted a Share Unit under the Plan.

13. VESTING AND SETTLEMENT OF SHARE UNITS

13.1 Except as otherwise provided herein, the number of Share Units subject to each grant, the expiry date of each Share Unit, the Vesting Dates with respect to each grant of Share Units and other terms and conditions relating to each such Share Unit shall be determined by the Board. The Board may, in its discretion, subsequent to the time of granting Share Units, permit the vesting of all or any portion of unvested Share Units then outstanding and granted to the Participant under this Plan, in which event all such unvested Share Units then outstanding and granted to the Participant shall be deemed to be immediately vested.

13.2 Settlement.

- (a) On a date (a "**Unit Release Date**") to be selected by the Board following the date a Share Unit has become a Vested Share Unit, which date shall not, in any event, extend beyond December 15 of the third calendar year following the service year in respect of which the particular Share Units were granted, the Corporation shall either (i) make a cash payment to the Participant equal to the product of the number of Vested Share Units recorded in the Participant's Account multiplied by the Fair Market Value of the Shares on the Unit Release Date, less Applicable Withholding Taxes, or (ii) issue from treasury of the Corporation that number of Shares in exchange for the Vested Share Units, less Applicable Withholding Taxes.

- (b) Subject to the receipt of all necessary Shareholder approvals as required under the rules, regulations and policies of the Stock Exchange and any other stock exchange on which Shares are listed or traded, the Corporation may, in lieu of the cash payment or issuance of Shares from treasury as contemplated in Section 13.2(a) above, on the Unit Release Date, elect to, through a broker designated by the Corporation who is independent from the Corporation and any Affiliate (the "**Designated Broker**"), acquire on behalf of such Participant, the number of whole Shares that is equal to the number of whole Vested Share Units recorded in the Participant's Account on the Unit Release Date (less any amounts in respect of Withholding Taxes). If the Corporation elects to arrange for the purchase of Shares by a Designated Broker on behalf of the Participant, the Corporation shall contribute to the Designated Broker an amount of cash sufficient, together with any reasonable brokerage fees or commission fees related thereto, to purchase the whole number of Shares to which the Participant is entitled and the Designated Broker shall, as soon as practicable thereafter, purchase those Shares on behalf of such Participant on the Stock Exchange.
- (c) Notwithstanding Sections 13.2(a) and 13.2(b), if on the Unit Release Date a Blackout Period has been imposed upon a Participant which is still in effect, then the Unit Release Date shall occur within ten Business Days following the expiry of the Blackout Period.
- (d) Notwithstanding any other provision of the Plan, but applying Section 13.2(c), if applicable, all amounts payable to, or in respect of, a Participant under this Section 13.2, including, without limitation, the issuance or delivery of Shares or a lump sum cash payment, shall be paid or delivered on or before December 31 of the third calendar year commencing immediately following the service year in which the particular Share Units were granted.
- (e) Upon payment of any amount pursuant to this Section 13.2 in cash or Shares, as the case may be, the particular Share Units in respect of which such payment was made shall be cancelled in the Participant's Account and on the register maintained by the Corporation and no further payments (whether in Shares or cash or otherwise) shall be made in relation to such Share Units.

13.3 Prior to the Unit Release Date in respect of any Share Units, or prior to the Unit Release Date in the case of a Change in Control or otherwise to the extent that the performance determination has not yet been made, the Board shall assess the performance of the Corporation for the applicable period. The individual measures considered by the Board in assessing the Performance Conditions, including the comparative weighting of such measures, shall be determined by the Board in its sole discretion having regard to the principal purposes of the Plan and, upon the assessment of the Performance Conditions, the Board shall determine the Corporation's ranking. The applicable payout multiplier in respect of this ranking ("**Payout Multiplier**") shall be as determined by the Board in its sole discretion.

13.4 Immediately prior to each Unit Release Date, the notional number of Vested Share Units shall be adjusted by multiplying such number by the Payout Multiplier applicable to such Share

14. DIVIDEND EQUIVALENTS

14.1 On any date on which a cash dividend is paid on the Shares, a Participant's Account will be credited with a dividend equivalent in the form of a number of Share Units (including fractional Share Units) calculated by:

- (a) multiplying the amount of the dividend per Share by the aggregate number of Share Units that were credited to the Participant's Account as of the record date for payment of the dividend, and

- (b) dividing the amount obtained in (a) above by the Fair Market Value on the date on which the dividend is paid.

14.2 A written confirmation of the balance in each Participant's Account will be sent by the Corporation to the Participant upon request of the Participant.

15. TERMINATION

15.1 Resignation. Subject to the applicable Grant Agreement, in the event a Participant's employment is Terminated as a result of the Participant's resignation (which is not in connection with a constructive dismissal by the Corporation or an Affiliate), no Share Units that have not Vested prior to the date on which the Participant submits his or her resignation, including dividend equivalent Share Units in respect of such Share Units, shall vest and all such Share Units shall be forfeited immediately.

15.2 Termination With Cause. Notwithstanding the provisions of Article 13 and subject to the remaining provisions of this Article 15 and to any express resolution passed by the Board, on a Participant's Termination Date, any Share Units standing to the credit of such Participant which have not become Vested Share Units on or before the Participant's Termination Date, shall immediately terminate and become null and void as of such Termination Date. For greater certainty, no Share Units shall vest during any reasonable notice period.

15.3 Termination Without Cause - Subject to any provisions to the contrary in the employment or consulting agreement of any particular Participant, upon the Termination without Cause of such Participant, unless otherwise determined by the Board in its sole discretion, those Share Units awarded to such Participant that have not yet become Vested Share Units, but would be eligible for vesting and issuance during the notice period specified in such Participant's employment or consulting agreement, shall vest on the Termination Date. For greater certainty, unless otherwise determined by the Board in its sole discretion, in the circumstances provided for in this Section 15.3 the Performance Conditions applicable to any Shares that are subject to the accelerated vesting pursuant to this Section 15.3 shall be determined in accordance with the terms of such Participant's employment or consulting agreement or the Grant Agreement.

15.4 Termination Upon Death or Disability - Where the Participant's Termination Date occurs as a result of the Participant's death or Disability, any Share Units standing to the credit of such Participant shall continue to vest (and be paid out) in the normal course for a period of twelve (12) months extending from the Participant's Termination Date. Any Share Units granted to such Participant which have not become Vested Share Units on or before the date that is the first anniversary of the Participant's Termination Date shall terminate and become null and void as of such date.

PART IV - DEFERRED SHARE UNITS

16. DEFINITIONS USED IN PART IV

16.1 "Annual Remuneration" means all amounts payable to an Eligible Director by the Corporation in respect of the services provided by the Eligible Director to the Corporation in connection with such Eligible Director's service on the Board in a fiscal year, including without limitation (i) the annual base retainer fee for serving as a director, (ii) the annual retainer fee for serving as a member of a Board committee; (iii) the annual retainer fee for chairing a Board committee; and (iv) the fee for attendance at Board meetings and Board committee meetings, which amounts shall, unless otherwise determined by the Board, be payable Quarterly in arrears; provided that "Annual Remuneration" shall not include any amounts received by an Eligible Director as a reimbursement for expenses incurred in attending meetings or any DSUs awarded.

16.2 "DSU Account" means the book-entry notional account maintained by the Corporation in its books for an Eligible Director to record the DSUs credited to such Eligible Director, respectively.

16.3 "Election Notice" means the written election under Section 17.2 to receive Deferred Share Units, in such form as may be prescribed by the Board from time to time.

16.4 "Eligible Director" means a member of the Board who is not an Employee of the Corporation or an Affiliate and including any non-executive Chair of the Board.

16.5 "Purchase Date" means, in the case of Deferred Share Units granted to a Participant for a particular Financial Quarter based on the Elected Amount in respect of the portion of the Participant's Annual Remuneration to be earned in such Financial Quarter, the last day of such Financial Quarter, on which date Deferred Share Units representing the Elected Amount are payable to the Participant and shall be deemed to be awarded and credited to the Participant's Account.

16.6 "Quarter" means a fiscal quarter of the Corporation, which, until changed by the Corporation, shall be the three-month period ending March 31, June 30 September 30 and December 31 in any year and "Quarterly" means each Quarter time to time.

16.7 "Redemption Date" means, in respect of a Participant, the later of:

- (a) The third Business Day after the Separation Date; and
- (b) Provided the Participant is not a U.S. Director, such later date, if any, as may be agreed in writing between the Corporation and the Participant before the Separation Date, provided that such date shall not be permitted to be later than December 15th of the calendar year commencing immediately after the Separation Date.

16.8 "Separation Date" means, with respect to an Eligible Director, the earliest date on which both of the following conditions are met: (i) the Eligible Director has ceased to be Employed by the Corporation or any Affiliate thereof for any reason whatsoever; and (ii) the Eligible Director is not a member of the Board nor a director of an Affiliate.

16.9 "Terminated Service" means, with respect to a Participant, that the Participant has ceased to be a Director, other than as a result of death, and has ceased to act in any other capacity with the Corporation (including as an Employee or officer of the Corporation);

16.10 "U.S. Director" means a Director who is a United States citizen or a United States resident as defined under the taxation laws of the United States.

17. GRANT OF DEFERRED SHARE UNITS

17.1 The Board may from time to time grant Deferred Share Units to Participants, in its sole discretion. Deferred Share Units issued pursuant to this Plan will be credited to an Account maintained for each Participant by the Corporation on the first Business Day of each Financial Quarter or as otherwise determined by the Corporation. The number of Deferred Share Units (including fractional Deferred Share Units) to be credited to a Participant will be determined in accordance with Section 17.3.

17.2 A Eligible Director may elect, in the manner set out in this Section 17.2, to receive all or a portion of the Eligible Director's Annual Remuneration (the **"Elected Amount"**) in the form of Deferred Share Units:

- (a) Each Eligible Director may elect, with respect to a Quarter, to be paid a percentage (from zero to 100% in 25% increments) of the Eligible Director's Annual Remuneration payable to the Director in such Quarter, in Deferred Share Units, with the balance, if any, being paid in cash, or a combination thereof.
- (b) To be effective, an election with respect to Annual Remuneration for services must be given to the Corporation not less than five Business Days before the beginning of the Quarter to

which the election relates, and in all events before the relevant Annual Remuneration is otherwise payable. The form of notice to be provided by the Eligible Director to the Corporation in respect of an election shall be determined by the Board, from time to time.

- (c) If no election is made in respect of a particular Quarter, the new or existing Eligible Director will receive the Annual Remuneration for such Quarter in cash.
- (d) An election made under this section is irrevocable.
- (e) For greater certainty, no election may be made during a Blackout Period that applies to an Eligible Director.

17.3 The number of Deferred Share Units (including fractional Deferred Share Units, computed to three digits) to be credited to a Eligible Director for services in a Quarter will be determined by dividing the sum of the portion of the Annual Remuneration for the Quarter and the Elected Amount (in respect of the Eligible Director's Annual Remuneration to be earned in such Quarter), which is payable on the Purchase Date, by the Fair Market Value as at the Purchase Date, or such other date as otherwise determined by the Board in its discretion.

17.4 Deferred Share Units granted under this Plan shall be fully vested upon being credited to a Participant's Account and the Participant's entitlement to payment of such Deferred Share Units at the Redemption Date shall not thereafter be subject to satisfaction of any requirements as to any minimum period of membership on the Board.

18. DIVIDEND EQUIVALENTS

18.1 On any date on which a cash dividend is paid on the Shares, a Participant's Account will be credited with a dividend equivalent in the form of a number of Deferred Share Units (including fractional Deferred Share Units, computed to three digits) calculated by:

- (a) multiplying the amount of the dividend per Share by the aggregate number of Deferred Share Units that were credited to the Participant's Account as of the record date for payment of the dividend, and
- (b) dividing the amount obtained in (i) above by the Fair Market Value on the date on which the dividend is paid.

18.2 A written confirmation of the balance in each Participant's Account will be sent by the Corporation to the Participant upon request of the Participant.

19. TERMINATION OF SERVICE AND PAYOUT OF DEFERRED SHARE UNITS

19.1 The Corporation shall, on the Redemption Date, at the Corporation's discretion, pay or issue, as applicable:

- (a) at the Corporation's discretion, to a Participant who is not a U.S. Director and who has Terminated Service, (1) cash payment to the Participant equal to the Fair Market Value of the Shares on the Separation Date multiplied by the number of Deferred Share Units recorded to the Participant, less any Applicable Withholding Tax, or (2) that number of Shares from treasury of the Corporation in exchange for Deferred Share Units, less Applicable Withholding Taxes; or
- (b) for a Participant who is a U.S. Director and who has Terminated Service, cash equal to the Fair Market Value of the Shares on the Separation Date multiplied by the number of Deferred Share Units recorded to the Participant, net of any Applicable Withholding Tax,

provided that the Corporation may defer the Redemption Date to any other date if such deferral is, in the sole opinion of the Corporation, desirable to ensure compliance with the terms under this Plan, provided that in no event shall the Redemption Date be deferred to a date that is later than December 15th of the calendar year commencing immediately after the Termination Date.

19.2 Subject to the receipt of all necessary Shareholder approvals as required under the rules, regulations and policies of the Stock Exchange and any other stock exchange on which Shares are listed or traded, the Corporation may, in lieu of the cash payment or issuance of Shares from treasury as contemplated in Section 19.1 above, on the Redemption Date, elect to, through a broker designated by the Corporation who is independent from the Corporation and any Affiliate (the "Designated Broker"), acquire on behalf of such Participant, the number of whole Shares that is equal to the number of whole Deferred Share Units recorded in the Participant's Account on the Redemption Date (less any amounts in respect of Withholding Taxes). If the Corporation elects to arrange for the purchase of Shares by a Designated Broker on behalf of the Participant, the Corporation shall contribute to the Designated Broker an amount of cash sufficient, together with any reasonable brokerage fees or commission fees related thereto, to purchase the whole number of Shares to which the Participant is entitled and the Designated Broker shall, as soon as practicable thereafter, purchase those Shares, on behalf of such Participant on the Stock Exchange.

19.3 Notwithstanding Section 19.1, if on the Redemption Date a Blackout Period has been imposed upon a Participant which is still in effect, then the Redemption Date shall occur within ten Business Days following the expiry of the Blackout Period.

19.4 In the event of the death of a Participant, the Corporation will, within two months of the Participant's death, pay cash equal to the Fair Market Value of the Shares multiplied by the number of Deferred Share Units recorded on the Participant's Account which would be deliverable to the Participant if the Participant had Terminated Service in respect of the Deferred Share Units credited to the deceased Participant's Account (net of any applicable Withholding Tax) to or for the benefit of the Beneficiary. The Fair Market Value will be calculated on the date of death of the Participant.

PART V – TSXV REQUIREMENTS

20. RULES APPLICABLE IF SHARES ARE LISTED ON TSXV

20.1 In the event that the Stock Exchange on which the Shares of the Corporation are listed is the TSX Venture Exchange (the "**TSXV**"), the provisions in this Article 20 shall apply, and the other provisions of this Plan shall be interpreted so as not to conflict with this Article 20 or the rules and policies of the TSXV.

20.2 Definitions used in this Part V:

- (a) "**Charitable Stock Option**" means any Option granted by the Corporation to an Eligible Charitable Organization.
- (b) "**Consultant**" means, in relation to the Corporation or a Subsidiary, an individual (other than a Director or Employee) or other Person that: (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Corporation or to a Subsidiary, other than services provided in relation to a Distribution; (ii) provides the services under a written contract between the Corporation or a Subsidiary and the individual, as the case may be; and (iii) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or a Subsidiary;
- (c) "**Distribution**" shall have the meaning ascribed thereto in the TSXV Corporate Finance Manual;

- (d) **"Eligible Charitable Organizations"** shall have the meaning ascribed thereto in Policy 4.4 — *Security Based Compensation* of the TSXV Corporate Finance Manual.
- (e) **"Exchange Hold Period"** shall have the meaning ascribed thereto in Policy 1.1 — *Interpretation* of the TSXV Corporate Finance Manual.
- (f) **"Insider"** shall instead have the meaning ascribed thereto in Policy 1.1 — *Interpretation* of the TSXV Corporate Finance Manual.
- (g) **"Investor Relations Activities"** shall have the meaning ascribed thereto in Policy 1.1 — *Interpretation* of the TSXV Corporate Finance Manual.
- (h) **"Investor Relations Service Provider"** shall have the meaning ascribed thereto in Policy 4.4 — *Security Based Compensation* of the TSXV Corporate Finance Manual.
- (i) **"Security Based Compensation Plan"** shall have the meaning ascribed thereto in Policy 4.4 — *Security Based Compensation* of the TSXV Corporate Finance Manual.
- (j) **"Subsidiary"** means any corporation that is a subsidiary of the corporation, as such term is defined in the Business Corporations Act (Alberta).

20.3 The Corporation and the Participant must ensure and confirm that the Participant is a bona fide Employee, Consultant or management company employee.

20.4 The limitations on Grants set forth in Article 5 shall be replaced with the following limitations (in each case, unless the Corporation shall have obtained the requisite disinterested shareholder approval, if any, in accordance with the Stock Exchange Rules):

- (a) **To any one Individual.** The aggregate number of Shares that are issuable pursuant to all Grants to any one individual (and companies wholly owned by that individual) pursuant to the Plan and any other Security Based Compensation Plan of the Corporation in a twelve (12) month period must not exceed 5% of the issued and outstanding Shares, calculated on the date of Grant to the individual.
- (b) **To Insiders as a group at any point in time.** The aggregate number of Shares that are issuable pursuant to Grants to Insiders as a group pursuant to the Plan and any other Security Based Compensation Plan of the Corporation at any point in time must not exceed 10% of the total number of issued and outstanding Shares.
- (c) **To Insiders as a group within a 12-month period.** The aggregate number of Shares that are issuable pursuant to all Grants to Insiders as a group pursuant to the Plan and any other Security Based Compensation Plan of the Corporation in a twelve (12) month period must not exceed 10% of the total number of issued and outstanding Shares, calculated on the date of Grant to any Insider.
- (d) **To any one Consultant.** The aggregate number of Shares that are issuable pursuant to all Grants to any one Consultant in a twelve (12) month period pursuant to the Plan and any other security-based compensation arrangement of the Corporation must not exceed 2% of the issued and outstanding Shares, calculated at the date of Grant to the Consultant.
- (e) **To Persons conducting Investor Relations Activities.** Investor Relations Service Providers may not receive any Grants other than Options. The aggregate number of Options granted to all Investor Relations Service Providers pursuant to the Plan and any other security-based compensation arrangement of the Corporation must not exceed 2%

of the issued and outstanding Shares in any twelve (12) month period, calculated at the date an Option is granted to any such Investor Relations Service Provider.

- (f) **To Eligible Charitable Organizations.** Eligible Charitable Organizations may not receive any Grants other than Charitable Stock Options. The aggregate number of Options granted and outstanding to Eligible Charitable Organizations pursuant to the Plan and any other security-based compensation arrangement of the Corporation must not at any time exceed 1% of the issued and outstanding Shares, calculated as at the date the Charitable Stock Option is granted to the Eligible Charitable Organization. Options granted to Eligible Charitable Organizations must expire on or before the earlier of: (i) the date that is 10 years from the date of grant of the Charitable Stock Option; and (ii) the 90th day following the date that the holder of the Charitable Stock Option ceases to be an Eligible Charitable Organization.

20.5 For the purposes of Section 9.2, the definition of "Market Price" shall instead mean the greater of:

- (a) the volume weighted average trading price per share of the Shares on the TSXV for the five (5) consecutive trading days ending on the last trading day preceding the applicable day; and
- (b) Either:
- (i) if the Shares are listed on only the TSXV, the closing price per Share on the TSXV on the last Trading Day immediately prior to such date; or
 - (ii) if the Shares are listed on more than one Stock Exchange, the closing price per Share on the Stock Exchange on the last Trading Day immediately prior to such date for the primary Stock Exchange on which the greatest volume of trading of the Shares occurred during the immediately preceding twenty (20) Trading Days;

less the maximum discount, if any, permitted under the TSXV's policies applicable to incentive stock options.

20.6 Any Options granted pursuant to Part II to Persons performing Investor Relations Activities shall vest over a minimum of twelve (12) months with no more than one quarter (1/4) of such Options vesting in any three (3) month period or otherwise in accordance with the policies of the TSXV.

20.7 The Net Share Exercise Right pursuant to Section Part II9.5 shall not be available to Investor Relations Service Providers.

20.8 Notwithstanding Section Part II9, Stock Options granted under this Plan can be exercisable for a maximum of 10 years from the Grant Date.

20.9 Notwithstanding Section 12, but subject to Section 15, no Share Unit granted pursuant to Part III shall vest before the date that is one year following the Grant Date of such Share Units.

20.10 Notwithstanding Section 17, but subject to Section 19, no Deferred Share Unit granted pursuant to Part IV shall vest before the date that is one year following the Grant Date of such Deferred Share Units.

20.11 If, in accordance with the Stock Exchange Rules, the Exchange Hold Period applies, all Options and any Shares issued under Options prior to the expiry of the Exchange Hold Period shall be legended with the Exchange Hold Period commencing on the date the Options were granted.

20.12 The Corporation must obtain disinterested shareholder approval when decreasing the exercise price or extending the term of Stock Options granted to Insiders.