

COURT FILE NUMBER 2501-02606
 COURT COURT OF KING'S BENCH OF ALBERTA
 JUDICIAL CENTRE CALGARY

Clerk's Stamp

IN THE MATTER OF THE *COMPANIES' CREDITORS
 ARRANGEMENT ACT*, RSC 1985, c C-36, AS AMENDED

AND IN THE MATTER OF THE PLAN OF COMPROMISE OR
 ARRANGEMENT OF ROYAL HELIUM LTD., IMPERIAL HELIUM
 CORP., AND ROYAL HELIUM EXPLORATION LIMITED

DOCUMENT **AFFIDAVIT NO. 1 OF KYLIE THIBAUT**

ADDRESS FOR
 SERVICE AND
 CONTACT
 INFORMATION OF
 PARTY FILING THIS
 DOCUMENT

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AFFIDAVIT OF KYLIE THIBAUT

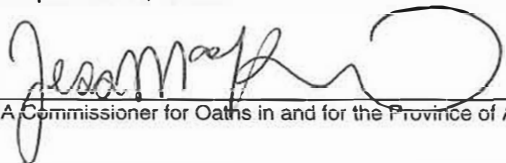
Sworn on September 26, 2025

I, **KYLIE THIBAUT**, of Calgary, Alberta, Legal Assistant, **SWEAR AND SAY THAT:**

1. I am a legal assistant with the law firm of Burnet, Duckworth & Palmer LLP, counsel for Alvarez & Marsal Canada Inc., the Monitor in these proceedings (the "**Monitor**") and as such I have personal knowledge of the matters sworn in this Affidavit, except where stated to be based on information and belief, and where so stated, I verily believe such matters to be true.
2. Attached hereto and marked as **Exhibit "A"** is a redacted copy of the Amalgamation Agreement between Royal Helium Ltd., Royal Helium Exploration, Limited, Imperial Helium Corp, Keranic Industrial Gas Inc., 102218166 Saskatchewan Ltd., and 1022218200 Saskatchewan Inc. dated September 25, 2025.

3. I will also be swearing a second affidavit in these proceedings which I understand will be provided to Justice Johnston before the October 1, 2025 Application and which the Monitor will be seeking to have sealed on the Court Record.
4. I make this Affidavit in support of the Application for ARVO approval and other related relief.

SWORN BEFORE ME at the City of Calgary,)
 in the Province of Alberta, this 26th day of)
 September, 2025.)


 A Commissioner for Oaths in and for the Province of Alberta)

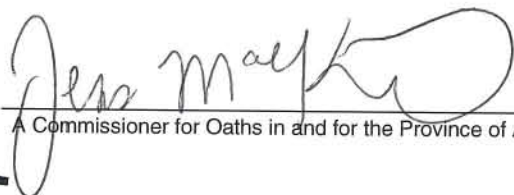
JESSICA D. MACKINNON
 Barrister and Solicitor



KYLIE THIBAUT

THIS IS EXHIBIT "A" REFERRED TO IN
THE AFFIDAVIT OF
KYLIE THIBAUT.

SWORN BEFORE ME THIS 26TH DAY
OF SEPTEMBER, 2025.



A Commissioner for Oaths in and for the Province of Alberta

JESSICA D. MACKINNON
Barrister and Solicitor

REORGANIZATION AND AMALGAMATION AGREEMENT

THIS REORGANIZATION AND AMALGAMATION AGREEMENT is made as of September 25, 2025.

AMONG:

ROYAL HELIUM LTD., ROYAL HELIUM EXPLORATION LIMITED, and IMPERIAL HELIUM CORP.

(collectively, the “**Companies**”)

- and -

KERANIC INDUSTRIAL GAS INC., a corporation governed by the laws of the Province of Saskatchewan

(“**Keranic**”)

- and –

102218166 SASKATCHEWAN LTD., a corporation governed by the laws of the Province of Saskatchewan

(“**ResidualCo**”)

- and –

102218200 SASKATCHEWAN INC., a corporation governed by the laws of the Province of Saskatchewan

(“**Subco**”)

RECITALS:

- A. Royal Helium Ltd. (“**RHL**”), Imperial Helium Corp. (“**IHC**”), and Royal Helium Exploration Limited (“**RHEL**”) filed a Notice of Intention to Make a Proposal under the *Bankruptcy and Insolvency Act* (Canada) on January 17, 2025 (the “**NOI Proceedings**”).
- B. On January 29, 2024, by order of the Ontario Superior Court of Justice (Commercial List), the NOI Proceedings were administratively consolidated and transferred to the Court of King’s Bench of Alberta (the “**Court**”).
- C. On February 19, 2025, the Court granted:
 - (a) an initial order (the “**Initial Order**”) pursuant to Section 11.6(a) of the *Companies’ Creditors Arrangements Act* (Canada) (the “**CCAA**”) taking up and continuing the NOI Proceedings under the CCAA (the “**CCAA Proceedings**”), and appointing Alvarez & Marsal Canada Inc. as the monitor (the “**Monitor**”) of the Companies; and
 - (b) a SISP approval order authorizing the Monitor to undertake a sale and investment solicitation process (“**SISP**”) to solicit offers for the sale of the Companies’ property, assets, and undertaking, and/or business operations, or for the restructuring, recapitalization, or refinancing of the Companies’ business operations.
- D. Keranic submitted a proposal in the SISP whereby it would, through a series of transactions, acquire the Business by way of a recapitalization and reorganization in consideration for the Amalgamation

Consideration (as defined herein) (the “**Investment Proposal**”) and was selected as the successful bidder.

- E. In order to complete the transactions contemplated by the Investment Proposal, Keranic incorporated ResidualCo for the purposes of acting as the residual entity under the Transaction Approval and Reverse Vesting Order (as defined herein).
- F. RHL wishes to acquire all of the issued and outstanding shares of Keranic by means of a three-cornered amalgamation among RHL, Subco and Keranic under Section 14-11 of the Act (the “**Amalgamation**”).
- G. Concurrent and in connection with the Amalgamation, RHL wishes to undergo the Reorganization (as defined herein) pursuant to Section 14-22 of the Act.
- H. Pursuant to an Order granted by the Court in the CCAA Proceedings on June 10, 2025, the Monitor was granted enhanced powers to act in respect of the Companies, including the power to execute agreements on behalf of the Companies.

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

ARTICLE 1 INTERPRETATION

1.1 Definitions

Whenever used in this Agreement the following words and terms shall have the meanings set out below:

“**Abandonment and Reclamation Obligations**” means all past, present and future duties and obligations, whether arising under equity, common law, the Title Documents and/or Applicable Law, to:

- (a) abandon, shut-down, close, decommission, dismantle or remove any and all Wells and Tangibles, including all structures, foundations, buildings, pipelines, equipment and other facilities forming part of the Wells and Tangibles or otherwise located on the Lands or used or previously used in respect of the Substances produced or previously produced from the Lands; and
- (b) restore, remediate and reclaim the surface and subsurface locations of the Wells and the Tangibles and any lands used to gain access thereto, and including the remediation, restoration and reclamation of any other surface and subsurface lands affected by any environmental damage, contamination or other environmental issues emanating from or relating to the sites for the Wells or the Tangibles,

all in compliance with good oil and gas industry practices and in compliance with Applicable Law, including such duties and obligations relating to such Wells, pipelines and facilities that were abandoned, removed or decommissioned prior to the Closing Date that were located on the Lands or that were located on other lands and used in respect of Substances produced or previously produced from the Lands.

“**Accounts Receivable**” means accounts receivable, bills receivable, trade accounts, holdbacks, retention, book debts, insurance claims, and other amounts due or accruing to the Companies that arose or relate to the period prior to the Closing Time, together with any unpaid interest accrued on such items and any security or collateral for such items, including recoverable deposits.

“**Act**” means *The Business Corporations Act, 2021* (Saskatchewan).

“**AER**” means the Alberta Energy Regulator.

“**Affiliate**” has the meaning given in the Act.

“**Agent**” means Research Capital Corporation, as sole agent and bookrunner for the Brokered Financing.

“**Agent Shares**” has the meaning ascribed thereto in Section 2.19(a).

“**Agreement**” means this Agreement, including all schedules, and all amendments or restatements, as permitted pursuant to the terms hereof, and references to “Article”, “Section” or “Schedule” mean the specified Article, Section or Schedule of this Agreement.

“**Amalco**” means has the meaning ascribed thereto in Section 2.1.

“**Amalco Common Shares**” has the meaning ascribed thereto in Section 2.8(a).

“**Amalgamation**” has the meaning ascribed to that term in Recital F.

“**Amalgamation Consideration**” means \$[REDACTED], being the sum of the Closing Date Cash plus the value of the BDC Retained Indebtedness and the NBC Retained Indebtedness.

“**Applicable Law**” means any transnational, domestic or foreign, federal, provincial, territorial, state, local or municipal (or any subdivision of any of them) law (including common law and civil law), statute, ordinance, rule, regulation, restriction, limit, by-law (zoning or otherwise), judgment, order, direction or any consent, exemption, Transaction Regulatory Approval, or any other legal requirements of, or agreements with, any Governmental Authority, that applies in whole or in part to the transactions contemplated by this Agreement, the members of the Applicants, Keranic, the Business, or any of the RHL Shares or the Retained Liabilities.

“**Articles of Amalgamation**” means the Articles of Amalgamation of Amalco substantially in the form set out in Schedule F.

“**BDC Excluded Indebtedness**” means the BDC Indebtedness less the BDC Retained Indebtedness.

“**BDC Indebtedness**” means the total indebtedness of the Companies to the Business Development Bank of Canada immediately prior to Closing.

“**BDC Retained Indebtedness**” means a [REDACTED] portion of the BDC Indebtedness to be retained by the Companies on Closing on the following amended terms: fifteen month term; [REDACTED] % interest per annum; and semi-annual payments.

“**BDC Security**” means the security granted by the Companies to the Business Development Bank of Canada existing as at the time of the Closing and retained by the Companies in support of the BDC Retained Indebtedness, which security includes without limitation the security listed in Schedule “H” hereto.

“**Books and Records**” means all books and records of the Companies, including minute books, annual returns filed with corporate registry, books of account, ledgers, general, financial and accounting records, Tax Returns, and other records in the possession and control of the Companies as of the Effective Date, but in each case excludes all books and records in respect of the Excluded Assets and any email correspondence of the Companies (including any of its present and former, directors, officers, employees, contractors, and other representatives) prior to the Closing Time.

“**Brokered Financing**” means the private placement offering of Subscription Receipts.

“**Business**” means the business carried on by the Companies, namely, the exploration, production, and commercialization of helium and associated gases.

“**Business Day**” means any day, other than a Saturday or Sunday or any day on which banks are generally not open for business in the City of Calgary, Alberta.

“**Canadian Securities Laws**” means all Applicable Law relating to securities in each of the provinces of Canada and the respective rules and regulations made thereunder, together with applicable published policy statements, instruments, orders and rulings of the securities regulatory authorities in such provinces having the force of law, including rules of the TSXV.

“**Campus LOC**” means the letter of credit in favour of Campus Energy Partners Infrastructure LP, in the amount of \$ [REDACTED] issued by Canadian Western Bank and dated February 16, 2023.

“**Cash**” means all cash, bank balances, funds, deposits, or monies owned or held by the Companies or any other Person (including any bank, depository, or the Monitor) on behalf of the Companies at the Closing Time and all cash equivalents, securities, and investments of the Companies at the Closing Time.

“**CCAA**” has the meaning ascribed to that term in the recitals.

“**CCAA Proceedings**” has the meaning ascribed to that term in the recitals.

“**Certificate of Amalgamation**” means a certificate issued by the Registrar pursuant to the Act to evidence the Amalgamation.

“**Claim**” means any caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgments, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary, or otherwise, whether or not they have attached or been perfected, registered, or filed, and whether secured, unsecured, or otherwise, including, without limiting the generality of the foregoing:

- (a) any Encumbrances or charges created by the Initial Order;
- (b) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) (the “**AB PPSA**”), *The Personal Property Security Act, 1993* (Saskatchewan) (the “**SK PPSA**”), or any other personal property registry system;
- (c) any liens or claims of lien under the *Prompt Payment and Construction Lien Act* (Alberta), or its predecessor, the *Builders’ Lien Act* (Alberta), or *The Builders’ Lien Act* (Saskatchewan);
- (d) any outstanding amounts owing in respect of the AER Orphan Fund Levy Administration Fees;
- (e) any amounts owing in respect of RHEL’s obligations to pay cash in lieu of work under any of its permit requirements; and

- (f) those claims which may be specifically identified in the Transaction Approval and Reverse Vesting Order, as applicable.

“Companies’ Counsel” means Reconstruct LLP, or such other firm or firms of solicitors as are retained or engaged by the Companies from time to time and notice of which is provided to Keranic.

“Companies’ Interest” means, when used in relation to any asset, undertaking, or property, the entire right, title, and interest, if any, of the Companies, or any one of them, as applicable, in, to, and/or under such asset, undertaking, or property.

“Confidentiality Agreement” means the confidentiality agreement between Companies, Keranic and the Monitor and executed prior to the date hereof in respect of the evaluation by Keranic of potential transactions involving the assets of Vendor.

“Consolidation” means the consolidation of the Existing Shares on an 8:1 basis.

“Convertible Promissory Notes” means the Convertible Promissory Notes of Keranic issued pursuant to the Non-Brokered Financing that will automatically convert into Units immediately prior to Closing pursuant to the terms of the Convertible Promissory Note, entitling the holder to receive Units without any further act or formality, and for no additional consideration.

“Closing” means the completion of the Transactions pursuant to this Agreement.

“Closing Date” means the date on which the Closing occurs, which date shall be seven (7) days from the date on which the Transaction Approval and Reverse Vesting Order has been pronounced, or such further and other date that the Parties may agree in writing.

“Closing Date Cash” means the sum of \$ [REDACTED].

“Closing Time” means 12:00 p.m. Saskatoon time on the Closing Date or such other time on such date as the Parties may agree in writing.

“Court” has the meaning ascribed to that term in the recitals.

“Court Application” has the meaning ascribed to that term in Section 2.21.

“Directions to Pay” has the meaning ascribed to that term in Section 2.21.

“Directors’ Resolution” means a resolution of the directors of Amalco authorizing an intercompany dividend from Amalco to RHL for an amount equal to the Closing Date Cash.

“Effective Date” means the date of this Agreement as set forth on the first page of this Agreement.

“Encumbrances” means all security interests (whether contractual, statutory, or otherwise), hypothecs, pledges, mortgages, liens, trusts or deemed trusts (whether contractual, statutory or otherwise), reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgments, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary, or otherwise, whether or not they have attached or been perfected, registered, or filed and whether secured, unsecured, or otherwise, including, without limiting the generality of the foregoing: (a) any encumbrances or charges created by any Order of this Court or any other Order of this Court; and (b) all charges, security interests or claims evidenced by registrations pursuant to the AB PPSA,

the SK PPSA, the *Land Titles Act* (Alberta), *The Land Titles Act, 2000* (Saskatchewan), or any other real or personal property registry legislation or system in Alberta or any other Canadian or foreign jurisdiction.

“Environment” means the components of the earth and includes the air, the surface and subsurface of the earth, bodies of water (including rivers, streams, lakes and aquifers) and plant and animal life (including humans).

“Environmental Liabilities” means all past, present and future losses and Liabilities, Claims and other duties and obligations, whether arising under equity, common law, the Title Documents and/or Applicable Law or otherwise, arising from, relating to or associated with:

- (a) any damage, pollution, contamination or other adverse situations pertaining to the Environment howsoever and by whomsoever caused and regardless of whether such damage, pollution, contamination or other adverse situations occur or arise in whole or in part prior to, at or subsequent to the date of this Agreement;
- (b) the presence, storage, use, holding, collection, accumulation, assessment, generation, manufacture, processing, treatment, stabilization, disposition, handling, transportation, release, emission or discharge of the Substances, oilfield wastes, water, Hazardous Substances, environmental contaminants and all other Substances and materials regulated under any Applicable Law, including any forms of energy, or any corrosion to or deterioration of any structures or other property;
- (c) compliance with or the consequences of any non-compliance with, or violation or breach of, any Applicable Law;
- (d) sampling, monitoring or assessing the Environment or any potential impacts thereon from any past, present or future activities or operations; or
- (e) the protection, reclamation, remediation or restoration of the Environment,

that relate to or arise by virtue of the Assets or the ownership thereof or any past, present or future operations and activities conducted in connection with the Assets or on or in respect of the Lands or any lands pooled or unitized therewith.

“Equity Claim” has the meaning ascribed to it in the *Bankruptcy and Insolvency Act* (Canada).

“Equity Interest” includes: (a) any shares, interests, participations or other equivalents (however designated) of capital stock or share capital; (b) any phantom stock, phantom stock rights, stock appreciation rights, or stock-based performance securities; (c) any warrants, options, convertible, exchangeable, or exercisable securities, subscriptions, rights (including any pre-emptive or similar rights), calls, or other rights to purchase or acquire any of the foregoing; and (d) any interest that constitutes an “equity interest” as such term is defined in the *Bankruptcy and Insolvency Act* (Canada).

“Escrow Release Conditions” means the following conditions: (a) the completion, satisfaction or waiver of all conditions precedent to the Transactions in accordance with this Agreement, to the satisfaction of the Agent (it being understood that the sequencing of events as described in Schedule D shall be deemed to occur in the order set forth therein); (b) the completion of the Consolidation; (c) the representations and warranties of Keranic contained in the agency agreement to be entered into in connection with the Brokered Financing being true and accurate in all material respects, as if made on and as of the escrow release date (except for representations and warranties made as of a specified date, the accuracy of which shall be

determined as of that specified date); and (d) Keranic and the Agent having delivered a joint notice and direction to the subscription receipt agent appointed pursuant to the terms of the Subscription Receipts confirming that the conditions set forth in (a) to (c) above have been met or waived.

“Excluded Assets” means the:

- (a) the Closing Date Cash;
- (b) Cash;
- (c) Accounts Receivable;
- (d) Tax Refunds;
- (e) Rebates;
- (f) any rights which accrue to ResidualCo; and
- (g) the interest of the Companies in any assets that are added to the Excluded Assets pursuant to Section 2.23;

but does not include the Retained Assets.

“Excluded Liabilities” means all Liabilities of the Companies other than the Retained Liabilities and, for the avoidance of doubt, includes the following Liabilities:

- (a) Liabilities for or in relation to the employment of any Person arising prior to the Closing Time;
- (b) Liabilities for or in relation to the Tax Act, the *Excise Tax Act* (Canada), or any or any transfer tax, sales or use tax, stamp tax, recording tax, or value-added tax and any other similar levies or charges made by any Governmental Authority arising prior to the Closing Time;
- (c) Liabilities for or in relation to any secured or unsecured trade payables arising prior to the Closing Time;
- (d) Liabilities for or in relation to any Equity Claim or Equity Interest arising prior to the Closing Time, except the Existing Shares;
- (e) the BDC Excluded Indebtedness; and
- (f) the NBC Excluded Indebtedness.

“Existing Shares” means all of the existing Class A common shares in the capital of RHL immediately prior to the Consolidation, being in total 377,280,600 Class A common shares.

“Facilities” means the Companies’ Interest in and to: (i) the facility identified in Schedule A under the headings entitled “Facilities”; and (ii) all field facilities whether or not solely located on or under the surface of the Lands (or lands with which the Lands are pooled) and that are, or have been, used for production, gathering, treatment, compression, transportation, injection, water disposal, measurement, processing,

storage or other operations respecting the Leased Substances, including any applicable battery, separator, compressor station, gathering system, pipeline, production storage facility or warehouse, as applicable.

“Governmental Authority” means, in relation to any Person, transaction, or event, any: (i) federal, provincial, state, municipal, or local governmental body (whether administrative, legislative, executive, or otherwise), both domestic and foreign; (ii) agency, authority, commission, instrumentality, regulatory body, court, central bank, or other entity exercising executive, legislative, judicial, taxing, regulatory, or administrative powers or functions of or pertaining to government; (iii) court, arbitrator, commission, or body exercising judicial, quasi-judicial, administrative, or similar functions; and (iv) other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing, including any stock or other securities exchange, in each case having jurisdiction over such Person, transaction, or event, including for greater certainty the AER and SMER.

“Information Technology” means the computer hard drives, and any other computer and information technology equipment and systems owned, used, or held by the Companies, or any one of them, to the extent such items are in the possession or under the control of the Companies, or any one of them.

“Initial Order” has the meaning ascribed to that term in the recitals.

“Intellectual Property” means intellectual property of every nature, whether registered or unregistered, including, without limitation, all copyrights, trademarks, service marks, certification marks, trade names, brand names, corporate names, business names, industrial designs, logos, commercial symbols, inventions, licences, trade secrets, patterns, drawings, computer software, formulae, technical information, research data, concepts, methods, procedures, designs, know-how, website content and domain names, social media accounts (including, without limitation, any Facebook, Instagram, Twitter, or other social media accounts), and all other intellectual property, owned by or licensed to, and used by the Companies, or any one of them, in connection with the Business, including without limitation:

- (a) software, source code, and source materials;
- (b) business names, trade names, domain names, trading styles, logos, trade secrets, industrial designs, and copyrights;
- (c) inventions, formulae, product formulations, processes, and processing methods, technology, and techniques;
- (d) know-how, trade secrets, research, and technical data; and
- (e) studies, findings, algorithms, instructions, guides, manuals, and designs.

“Inventory” means all inventories held by the Companies, or any one of them, for sale in the Business immediately prior to the Closing Time.

“Investment Proposal” has the meaning set out in preamble to this Agreement.

“Keranic” means Keranic Industrial Gas Inc.

“Keranic Amalgamation Resolution” means the special resolution of Keranic Shareholders, immediately prior to the Amalgamation, to approve the Amalgamation.

“Keranic BDC Security” means a general security agreement and an unlimited corporate guarantee, in form and substance agreeable to the Business Development Bank of Canada, provided by Keranic prior to

closing, and to be assumed by Amalco as its successor following the completion of Closing, in favour of the Business Development Bank of Canada in support of the BDC Retained Indebtedness.

“Keranic Broker Warrants” means broker warrants of Keranic issued pursuant to the Brokered Financing, each such Keranic Broker Warrant entitling the holder thereof to acquire one Unit.

“Keranic’s Counsel” means McDougall Gauley LLP or such other firm or firms of solicitors as are retained or engaged by Keranic from time to time and notice of which is provided to the Monitor and the Companies.

“Keranic NBC Security” means a general security agreement and an unlimited corporate guarantee, in form and substance agreeable to the National Bank of Canada, as successor to Canadian Western Bank, provided by Keranic prior to Closing, and to be assumed by Amalco as its successor following the completion of Closing, in favour of the National Bank of Canada, as successor to Canadian Western Bank, in support of the NBC Retained Indebtedness.

“Keranic Security” means the Keranic BDC Security and the Keranic NBC Security.

“Keranic Shareholders” means holders of Keranic Shares.

“Keranic Shares” means the common shares in the capital of Keranic.

“Keranic Warrantholders” means the holders of Keranic Warrants.

“Keranic Warrants” means the common share purchase warrants of Keranic.

“Lands” means the lands set out and described in Schedule A under the heading entitled “LLD”, and the Substances within, upon, or under such lands, subject to any limitations identified or set forth in Schedule A.

“Laws” means, with respect to any Person, property, transaction, event, or other matter, all laws, statutes, bylaws, rules, regulations, treaties, Orders, ordinances, or judgments, guidelines, directives, or other requirements having the force of law, whether federal, provincial, state, or municipal, relating, or applicable to that Person, property, transaction, event, or other matter.

“Leased Substances” means all Substances, rights to or in respect of which are granted, reserved, or otherwise conferred by or under the Title Documents (but only to the extent that the Title Documents pertain to the Lands).

“Liabilities” means any and all present and future Claims, including, without limitation, Claims for contribution or indemnity, Claims for Environmental Liabilities, and Claims for or relating to demands, actions, causes of action, counterclaims, suits, damages, judgments, executions, recoupments, debts, sums of money, expenses, accounts, liens, taxes, recoveries, and indebtedness or obligations of any nature or kind whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured, or due or not yet due, in law or equity, and whether based in statute or otherwise) based in whole or in part on any act or omission, transaction, contract, agreement, dealing, undertaking, or otherwise.

“Licenses” means the Companies’ Interest in any permits, approvals, licenses, and authorizations granted by the AER, SMER, or any other Governmental Authority in relation to the construction, installation, ownership, use, or operation of the Wells or the Facilities, as applicable.

“Miscellaneous Interests” means, subject to any and all limitations and exclusions provided for in this definition, the Companies’ Interest in and to all property, assets, interests, and rights pertaining to the Petroleum and Natural Gas Rights and the Tangibles (other than the Petroleum and Natural Gas Rights and the Tangibles themselves), or either of them, but only to the extent that such property, assets, interests, and rights pertain to the Petroleum and Natural Gas Rights and the Tangibles, or either of them, including any and all of the following:

- (a) all contracts relating to the Petroleum and Natural Gas Rights and the Tangibles, or either of them (including the Title Documents);
- (b) all warranties, guarantees, and similar rights relating to the Petroleum and Natural Gas Rights and the Tangibles, or either of them, including warranties and guarantees made by suppliers, manufacturers, and contractors, and Claims against other third parties in connection with the contracts relating to the Petroleum and Natural Gas Rights and the Tangibles;
- (c) all subsisting rights to carry out operations relating to the Lands, the Tangibles, or the Wells, and without limitation, all easements and other permits, licences, and authorizations pertaining to the Tangibles or the Wells;
- (d) rights to enter upon, use, occupy, and enjoy the surface of any lands which are used or may be used to gain access to or otherwise use the Petroleum and Natural Gas Rights and the Tangibles, or either of them;
- (e) the Books and Records; and
- (f) the Wells, including the wellbores and any and all casing and down-hole monitoring and pumping equipment;

provided that the Miscellaneous Interests shall not include any documents or data to the extent that they are owned or licensed by third parties with restrictions on their deliverability or disclosure by Companies, or any one of them, to an assignee.

“Monitor” has the meaning set out in preamble to this Agreement.

“Monitor’s Certificate” has the meaning set out in Section 4.2.

“Monitor’s Counsel” means Burnet, Duckworth & Palmer LLP or such other firm or firms of solicitors as are retained or engaged by the Companies from time to time and notice of which is provided to Keranic.

“NBC Excluded Indebtedness” means the NBC Indebtedness less the NBC Retained Indebtedness.

“NBC Indebtedness” means the total indebtedness of the Companies to the National Bank of Canada as successor to Canadian Western Bank immediately prior to Closing.

“NBC Retained Indebtedness” means a \$ [REDACTED] portion of the NBC Indebtedness to be retained by the Companies on Closing on the following amended terms: fifteen month term; [REDACTED] % interest per annum; and semi-annual payments.

“NBC Security” means the security granted by the Companies to NBC existing as at the time of the Closing and retained by the Companies in support of the NBC Retained Indebtedness, which security includes without limitation the security listed in Schedule “H” hereto.

“Non-Brokered Financing” means the private placement offering of Convertible Promissory Notes.

“Notice” has the meaning set out in Section 7.2.

“Order” means any order, writ, judgment, injunction, decree, stipulation, determination, decision, verdict, ruling, subpoena, or award entered by or with any Governmental Authority (whether temporary, preliminary, or permanent).

“Outside Date” means the date which occurs 60 days following the date of execution of this Agreement, or such other date as the Parties may agree in writing.

“Parties” means, collectively, the Companies, Subco, ResidualCo, and Keranic, and **“Party”** means any one of them.

“Permitted Encumbrances” means:

- (a) any overriding royalties, net profits, interests, and other burdens, which are provided for under the Title Documents;
- (b) the terms and conditions of the Title Documents, the requirement to pay any rentals or royalties to the grantor thereof to maintain the Title Documents in good standing and any royalty or other burden reserved to the grantor thereof or any gross royalty trusts applicable to the grantor’s interest in any of the Title Documents;
- (c) the right reserved to or vested in any grantor, Governmental Authority, or other public authority by the terms of any Title Document or by Applicable Laws to terminate any Title Document;
- (d) easements, rights of way, servitudes, or other similar rights in land, including rights of way and servitudes for highways, railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light, power, telephone, or cable television conduits, poles, wires, or cables;
- (e) Taxes on the Substances or the income or revenue therefrom, unless specifically excluded and governmental restrictions on production rates from the Wells or on operations being conducted on the Lands or otherwise affecting the value of any of the Retained Assets;
- (f) agreements for the sale, processing, transmission, or transportation of the Substances entered into by the Companies, or any one of them, subsequent to the date of this Agreement;
- (g) any obligation of the Companies, or any one of them, to hold any portion of their interest in and to any of the Retained Assets in trust for third parties;
- (h) any rights reserved to or vested in any Governmental Authority to control or regulate the ownership, use, or operation of any of the Retained Assets in any manner, including governmental requirements imposed by statute or Governmental Authorities as to rates of production from operations or otherwise affecting recoverability of the Substances;

- (i) undetermined or inchoate liens incurred or created as security in favour of any Person with respect to the development or operation of any of the Retained Assets, as regards the Companies' share of the costs and expenses thereof which are not due or delinquent as of the date hereof;
- (j) the reservations, limitations, provisos, and conditions in any grants or transfers from the Crown of any of the Lands or interests therein, and statutory exceptions to title;
- (k) provisions for penalties and forfeitures under Title Documents as a consequence of non-participation in operations;
- (l) any requirement to post or maintain any deposits or other form of security required by any Governmental Authority;
- (m) liens granted in the ordinary course of business to a public utility, municipality, or Governmental Authority with respect to operations pertaining to any of the Retained Assets as regards the Companies share of amounts owing to such public utility, municipality, or Governmental Authority which are not due or delinquent as of the date hereof; and
- (n) the BDC Security and the NBC Security.

“Person” means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, corporation, Governmental Authority, and where the context requires, any of the foregoing when they are acting as trustee, executor, administrator, or other legal representative.

“Petroleum and Natural Gas Rights” means the Companies' Interest in and to all rights to and in respect of the Leased Substances and the Title Documents (but only to the extent that the Title Documents pertain to the Lands).

“Prepaid Expenses” means all the prepaid expenses relating to the Business, including, for clarity, all amounts which may be held by suppliers on account of the Business for product not yet delivered, as of the Closing Date.

“Priority Payables” means any accounts payable of the Companies relating to amounts due and owing to regulatory or governmental agencies, as further set out in Schedule G hereto.

“Rebates” means any refunds, rebates, or other amounts due to the Companies from suppliers or their Affiliates receivable relating to the Business or the Retained Assets that arose or relate to the period prior to the Closing Time.

“Reorganization” means the reorganization transactions contemplated in Schedule D hereto.

“Replacement LOC” means the replacement letter of credit which may be entered into by Keranic in favour of Campus Energy Partners Infrastructure LP, in the same amount as the Campus LOC, issued by a financier selected by Keranic, in its sole discretion, which letter of credit would replace the Campus LOC at the Effective Date.

“ResidualCo” means 102218166 Saskatchewan Ltd., being the corporate entity to which the Excluded Assets and Excluded Liabilities will be transferred as part of the Reorganization, and which has no issued and outstanding shares.

“Retained Assets” means all of the assets, properties, undertakings, and rights of the Companies other than the Excluded Assets and, for the avoidance of doubt, includes the following assets, properties, undertakings, and rights of the Companies:

- (a) the Petroleum and Natural Gas Rights;
- (b) the Tangibles;
- (c) the Miscellaneous Interests;
- (d) Wells;
- (e) the Tradename;
- (f) the Intellectual Property;
- (g) the Information Technology;
- (h) Retained Contracts;
- (i) Prepaid Expenses;
- (j) Inventory; and
- (k) Licenses.

“Retained Contracts” means those contracts, agreements, and commitments described in Schedule C hereto.

“Retained Liabilities” means:

- (a) all Liabilities related to the employees of the Companies arising from and after the Closing Time;
- (b) all Liabilities of Keranic as of the Closing Time, including without limitation the Keranic BDC Security and the Keranic NBC Security;
- (c) all Environmental Liabilities;
- (d) all Abandonment and Reclamation Obligations;
- (e) all Liabilities (i) related to the Retained Contracts whenever arising, and (ii) related to the Retained Assets other than the Retained Contracts arising from and after the Closing Time;
- (f) all Liabilities related to the Licenses arising from and after the Closing Time;
- (g) the Priority Payables;

- (h) the BDC Retained Indebtedness;
- (i) the NBC Retained Indebtedness; and
- (j) any other Liability that the Parties agree to designate as a “Retained Liability” at or before the Closing Time.

“**RHL**” has the meaning given to it in the preamble of this Agreement.

“**RHL Broker Warrants**” means broker warrants of RHL to be issued in exchange for Keranic Broker Warrants pursuant to the Amalgamation.

“**RHL Shares**” has the meaning given to it in Step 1 of Schedule D.

“**RHL Units**” means units of RHL, each such RHL Unit comprised of one RHL Share and one RHL Warrant.

“**RHL Warrants**” means common share purchase warrants of RHL to be issued in exchange for Keranic Warrants pursuant to the Amalgamation.

“**SMER**” means the Saskatchewan Ministry of Energy and Resources.

“**Subco**” means 102218200 Saskatchewan Inc., a wholly owned subsidiary of RHL.

“**Subco Amalgamation Resolution**” means the resolution of RHL, as sole shareholder of Subco, approving the Amalgamation.

“**Subco Shares**” means the common shares in the capital of Subco.

“**Subscription Receipts**” means the Subscription Receipts of Keranic issued pursuant to the Brokered Financing that will convert into Units immediately prior to Closing upon the satisfaction of the Escrow Release Conditions, each entitling the holder to receive, in certain circumstances set forth in the terms attached to the Subscription Receipt, one Unit, without any further act or formality, and for no additional consideration.

“**Substances**” means any of crude oil, natural gas, natural gas liquids, coal bed methane, helium, and any and all other substances related to any of the foregoing, whether liquid, solid or gaseous, and whether hydrocarbons or not, including sulphur.

“**Subsurface Leases**” means the lease agreements that give access to the Substances underneath the Land.

“**Surface Leases**” means the lease agreements which give access to the Lands which includes access to the Facilities and Wells.

“**Tangibles**” means the Companies’ Interest in and to the Facilities and any and all other tangible depreciable property and assets, if any, which are located within, upon, or in the vicinity of the Lands and which are used or are intended to be used to produce, process, gather, treat, measure, store, transport, make marketable, or inject the Leased Substances or any of them.

“**Tax Act**” means the *Income Tax Act* (Canada), as amended from time to time.

“Tax Refunds” means all payments, credits, or refunds (including payments and refunds in respect of Taxes) to which the Companies, or any one of them, are entitled that arose or relate to the period prior to the Closing Time, including (a) any refund of goods and services taxes, provincial sales taxes, or harmonized sales taxes; (b) any refund of federal or provincial income taxes; and (c) any refund of premiums or payments relating to a workers’ compensation fund or program of any province.

“Tax Returns” means all returns, reports, declarations, elections, notices, filings, forms, statements, and other documents in respect of Taxes (whether in tangible, electronic or other form) and including any amendments, schedules, attachments, supplements, appendices, and exhibits thereto made, prepared, or filed by the Companies (or anyone on behalf of the Companies).

“Taxes” means taxes, duties, fees, premiums, assessments, imposts, levies, and other similar charges imposed by any Governmental Authority under Law, including all interest, penalties, fines, additions to tax, or other additional amounts imposed by any Governmental Authority in respect thereof, and including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, transfer, land transfer, sales, goods and services, harmonized sales, use, value-added, excise, stamp, withholding, business, franchising, property, development, occupancy, employer health, payroll, employment, health, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, countervail and anti-dumping, and all employment insurance, health insurance, and governmental pension plan premiums or contributions.

“Title Documents” means, collectively, any and all certificates of title, leases, Surface Leases, and Subsurface Leases, reservations, permits, Licenses, assignments, trust declarations, operating agreements, royalty agreements, gross overriding royalty agreements, participation agreements, farm- in agreements, sale and purchase agreements, pooling agreements, acreage contribution agreements, joint venture agreements, and any other documents and agreements granting, reserving, or otherwise conferring rights to (a) explore for, drill for, produce, take, use, or market Substances; (b) share in the production of the Substances; (c) share in the proceeds from, or measured or calculated by reference to the value or quantity of, Substances which are produced; and (d) rights to acquire any of the rights described in items (a) to (c) of this definition; but only if the foregoing pertain in whole or in part to the Substances within, upon, or under the Lands, including as listed in Schedule A.

“Tradename” means the Companies’ rights to use the name “Royal Helium” and any variations thereof.

“Transaction Approval and Reverse Vesting Order” means an Order of the Court, in substantially the form attached as Schedule B hereto, or in such other form as may be agreed to by the Parties in writing, that, among other things, approves this Agreement and the Transactions and, upon the delivery of a copy of the Monitor’s Certificate to each of RHL and Keranic, among other things: (a) transfers all of the Companies’, Subco’s and, as applicable, Amalco’s right, title, and interest in and to the Excluded Assets to ResidualCo; (b) transfers and novates all Excluded Liabilities to ResidualCo; (c) releases and discharges the Companies from all Excluded Liabilities; and (d) releases the Companies from the purview of the CCAA Proceedings and adds ResidualCo as a new debtor in the CCAA Proceedings in the place of the Companies.

“Transaction Regulatory Approval” means any material license, permit approvals, grants or other approvals required from any Governmental Authority or under any Applicable Laws relating to the business and operations of the Companies or Keranic that would be required to be obtained in order to permit the Companies and Keranic to complete the Transactions contemplated by this Agreement and for the Companies to carry on the Business following the Closing Date, excluding for greater certainty, the approval of the TSXV.

“Transactions” means the Amalgamation and the Reorganization and all matters related or ancillary thereto contemplated by or in the manner provided for in this Agreement or the Transaction Approval and Reverse Vesting Order.

“Transfer Agent” means Computershare Trust Company of Canada.

“Transferred Keranic Shares” has the meaning given to it in Step 7(i) of Schedule D.

“TSXV” means the TSX Venture Exchange.

“Units” means units of Keranic, each unit comprised of one Keranic Share and one Keranic Warrant.

“Wells” means the Companies’ Interest in and to the wells on the Lands, including the wells licenses listed in Schedule A under the heading entitled “Wells”, as applicable.

1.2 Certain Rules of Interpretation

In this Agreement:

- (a) all references to monetary amounts are to the lawful currency of Canada;
- (b) words importing the singular include the plural and vice versa, and words importing gender include the masculine, feminine, and neuter genders;
- (c) the word “include” and “including” and derivatives thereof shall be read as if followed by the phrase “without limitation”;
- (d) the words “hereto”, “herein”, “hereof”, “hereby”, “hereunder,” and similar expressions refer to this Agreement and not to any particular provision of this Agreement;
- (e) the headings contained in this Agreement are for convenience of reference only, and shall not affect the meaning or interpretation hereof;
- (f) reference to any Article, Section, or Schedule means an Article, Section, or Schedule of this Agreement unless otherwise specified;
- (g) if any provision of a Schedule hereto conflicts with or is at variance with any provision in the body of this Agreement, the provisions in the body of this Agreement shall prevail to the extent of the conflict;
- (h) all documents executed and delivered pursuant to the provisions of this Agreement are subordinate to the provisions hereof and the provisions hereof shall govern and prevail in the event of a conflict;
- (i) this Agreement has been negotiated by each Party with the benefit of legal representation, and any rule of construction to the effect that any ambiguities are to be resolved against the drafting Party does not apply to the construction or interpretation of this Agreement;
- (j) reference to an agreement, instrument, or other document means such agreement, instrument, or other document as amended, supplemented, and modified from time to time to the extent permitted by the provisions thereof;

- (k) references to an Applicable Law means such Applicable Law as amended from time to time and includes any successor Applicable Law thereto any regulations promulgated thereunder;
- (l) time is of the essence in the performance of the Parties' respective obligations; and
- (m) unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a Business Day.

1.3 Entire Agreement

This Agreement, the Confidentiality Agreement and the agreements and other documents required to be delivered pursuant to this Agreement constitute the entire agreement between the Parties and set out all the covenants, promises, warranties, representations, conditions, and agreements between the Parties in connection with the subject matter of this Agreement and supersede all prior agreements, understandings, negotiations, and discussions, whether oral or written, pre-contractual, or otherwise with respect to the subject matter of this Agreement.

1.4 Schedules

The schedules to this Agreement, listed below, are an integral part of this Agreement:

Schedule Description

Schedule A – Retained Assets

Schedule B – Form of Transaction Approval and Reverse Vesting Order

Schedule C – Retained Contracts

Schedule D – Reorganization

Schedule E – Keranic Conditions Certificate

Schedule F – Articles of Amalgamation

Schedule G – Priority Payables

Schedule H – BDC Security and NBC Security

ARTICLE 2 AMALGAMATION

2.1 Amalgamation

On the Closing Date, subject to the terms and conditions of this Agreement, each of the Companies, Subco and Keranic agree that Keranic and SubCo shall amalgamate, pursuant to the provisions of the Act, and continue as one corporation (“**Amalco**”) effective at the Closing Time upon and subject to the terms and conditions and in the manner set out in this Agreement.

2.2 Shareholder Approvals

- (a) Keranic shall seek written approval of the Keranic Amalgamation Resolution together with the approval of such matters as are required to effect the Amalgamation.
- (b) RHL shall execute the Subco Amalgamation Resolution.

2.3 Name of Amalco

The name of Amalco will be “Keranic Industrial Gas Inc.”, or such other name acceptable to Keranic.

2.4 Registered Office

The registered office of Amalco shall be located at: 500 – 616 Main Street, Saskatoon, SK, S7H 0J6.

2.5 Directors

- (a) The number of directors of Amalco will be a minimum of 3 and a maximum of 5.
- (b) The number of first directors of Amalco shall be 4. Subject to compliance with all Applicable Laws, the following persons will be the first directors of Amalco:

| Name | Address |
|------------------|------------|
| Andrew Davidson | [REDACTED] |
| Aaron Joyes | [REDACTED] |
| Rick Wingate | [REDACTED] |
| Kenneth MacNeill | [REDACTED] |

The first directors shall hold office until the first annual or general meeting of the holders of Amalco Common Shares or until their successors are duly appointed or elected. The subsequent directors shall be elected each year thereafter as provided for in the bylaws of Amalco. The management and operation of the business and affairs of Amalco shall be under the control of the board of directors as it is constituted from time to time.

2.6 Officers

Effective as of the Closing and subject to compliance with all Applicable Laws, the initial officers of Amalco will be:

| Name | Title |
|-----------------|-----------------|
| Andrew Davidson | President & CEO |
| Michael Gleeson | CFO, Treasurer |

2.7 Financial Year End

The financial year end of Amalco will be December 31.

2.8 Authorized Capital

- (a) Amalco will be authorized to issue an unlimited number of common shares (the “**Amalco Common Shares**”).
- (b) The rights, privileges, restrictions and conditions attaching to the Amalco Common Shares are set forth in Schedule F.

2.9 Amalgamation and Reorganization

On the Closing Date, upon the terms and subject to the conditions set forth in this Agreement and the Transaction Approval and Reverse Vesting Order, the steps set forth in Schedule D to this Agreement, including the conversion into Units of the Convertible Promissory Notes and Subscription Receipts and Amalgamation, shall occur at the time and in the sequence set forth therein, without any further act or formality by any Party (except as may be required pursuant to the terms of the Subscription Receipts).

2.10 Effect of Certificate of Amalgamation

On the Closing Date: (a) the Amalgamation of Keranic and SubCo and their continuance as one corporation shall become effective; (b) the property of each of Keranic and SubCo shall continue to be the property of Amalco; (c) Amalco shall continue to be liable for the obligations of each of Keranic and SubCo; (d) any existing cause of action, claim or liability to prosecution shall be unaffected; (e) any civil, criminal or administrative action or proceeding pending by or against either Keranic or SubCo may be continued to be prosecuted by or against Amalco; (f) a conviction against, or ruling, Order or judgment in favour of or against, either Keranic or SubCo may be enforced by or against Amalco; and (g) the Articles of Amalgamation shall be deemed to be the articles of incorporation of Amalco and the Certificate of Amalgamation shall be deemed to be the certificate of incorporation of Amalco.

2.11 Fractional Securities

No fractional securities of RHL will be issued pursuant to the Amalgamation. In the event that a securityholder of Keranic would otherwise be entitled to a fractional security, the number of securities of RHL issued to such securityholder shall be rounded up to the next greater whole number of such security. In calculating such fractional interests, all securities of RHL, as the case may be, registered in the name of or beneficially held by a RHL securityholder or their nominee shall be aggregated.

2.12 Restrictions on Securities

The Parties acknowledge and agree that any transfers in respect of the RHL Shares will be subject to compliance with applicable Canadian Securities Laws.

2.13 Certificates

- (a) On the Closing Date:
 - (i) the Transferred Keranic Shares held by a Keranic Shareholder will be cancelled and such Keranic Shareholders shall cease to be holders of such Keranic Shares and to have any rights as a holder of Keranic Shares, other than the right to receive RHL Shares in accordance with this Agreement;

- (ii) the Keranic Shareholders' names shall be deemed to be removed as the holders of such Keranic Shares from the registers maintained by or on behalf of Keranic;
 - (iii) such Keranic Shareholder shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer and assign each such Transferred Keranic Share;
 - (iv) the certificates or other statements evidencing Transferred Keranic Shares shall cease to represent any claim upon or interest in Keranic other than the right of the holder to receive, pursuant to the terms of this Agreement, RHL Shares representing the consideration for the Transferred Keranic Shares; and
 - (v) the Companies shall cause the Transfer Agent to register the RHL Shares in the name of the former Keranic Shareholders, and to deliver by first class mail, postage prepaid, or in the case of postal disruption, by such other means as the Transfer Agent deems prudent, such certificates representing RHL Shares or Direct Registration System ("DRS") statements, as the case may be, to such address as such former Keranic Shareholder may properly direct, as soon as practicable.
- (b) On the Closing Date:
- (i) the Keranic Warrants held by a Keranic Shareholder will be cancelled and such Keranic Shareholders shall cease to be holders of such Keranic Warrants and to have any rights as a holder of Keranic Warrants, other than the right to receive RHL Warrants in accordance with this Agreement;
 - (ii) the Keranic Warrantholders' names shall be deemed to be removed as the holders of such Keranic Warrants from the registers maintained by or on behalf of Keranic;
 - (iii) such Keranic Warrantholder shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer and assign each such Keranic Warrant;
 - (iv) the certificates or other statements evidencing Keranic Warrants shall cease to represent any claim upon or interest in Keranic other than the right of the holder to receive, pursuant to the terms of this Agreement, RHL Warrants representing the consideration for the Keranic Warrants; and
 - (v) the Companies shall cause the Transfer Agent to register the RHL Warrants in the name of the former Keranic Warrantholders, and to deliver by first class mail, postage prepaid, or in the case of postal disruption, by such other means as the Transfer Agent deems prudent, such certificates representing RHL Warrants or Direct Registration System ("DRS") statements, as the case may be, to such address as such former Keranic Warrantholder may properly direct, as soon as practicable.
- (c) On the Closing Date:
- (i) the Keranic Broker Warrants will be cancelled and the holders thereof shall cease to be holders of such Keranic Broker Warrants and to have any rights as a holder of Keranic Broker Warrants, other than the right to receive RHL Broker Warrants in accordance with this Agreement;

- (ii) the holders of Keranic Broker Warrants names shall be deemed to be removed as the holders of such Keranic Broker Warrants from the registers maintained by or on behalf of Keranic;
- (iii) such holders of Keranic Broker Warrants shall be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer and assign each such Keranic Broker Warrant;
- (iv) the certificates or other statements evidencing Keranic Broker Warrants shall cease to represent any claim upon or interest in Keranic other than the right of the holder to receive, pursuant to the terms of this Agreement, RHL Broker Warrants representing the consideration for the Keranic Broker Warrants; and
- (v) the Companies shall cause the RHL Broker Warrants to be registered in the name of the former holders of Keranic Broker Warrants, and to deliver by first class mail, postage prepaid, or in the case of postal disruption, by such other means as the Transfer Agent deems prudent, such certificates representing RHL Broker Warrants, to such address as such former holder of Keranic Broker Warrants may properly direct, as soon as practicable.

2.14 Stated Capital

The amounts to be added on the Closing Date to the stated capital accounts to be maintained by Amalco will be determined by Keranic in accordance with IFRS.

2.15 No Restrictions on Business

There will be no restrictions on the business Amalco may carry on or on the powers Amalco may exercise.

2.16 Number of Directors

The number of directors within the minimum and maximum number set out in Section 2.5 may be determined from time to time by resolution of the directors. Any vacancy among the directors resulting from an increase in the number of directors as so determined may be filled by resolution of the directors.

2.17 Articles of Amalgamation and Bylaws

The Articles of Amalgamation of Amalco shall be in the form set forth in Schedule F. The bylaws of Amalco will be the bylaws of Keranic in effect at the Closing Time, such bylaws after the Closing Time to be supplemented, amended or repealed in accordance with the provisions of the Act relating to the making, amending and repealing of bylaws.

2.18 Auditors

The auditors of Amalco, until the first annual meeting of shareholders, will be KPMG LLP unless they resign or are removed in accordance with the Act.

2.19 Agent Shares

- (a) Keranic has delivered [REDACTED] Existing Shares registered in the name of the Agent to the Monitor (the "**Agent Shares**") to be held by the Monitor as a deposit with respect to the Transactions.

- (b) The Agent Shares shall be held in trust by the Monitor and either:
- (i) released to the Agent immediately prior to Closing in accordance with Section 4.3(d) hereof; or
 - (ii) if the Parties hereto fail to close the Transactions by the Outside Date, or in respect of Section 2.19(b)(B) such other date as contemplated thereby, or if this Agreement is terminated in accordance with Section 7.1, the Agent Shares shall be:
 - (A) released to the Agent where:
 - (1) any of the conditions listed in Section 5.2 fail to be fulfilled or performed on or before the Closing Date; or
 - (2) the Companies, for any reason, fail to comply with any of the terms, conditions, covenants, representations, or warranties set out herein as necessary to close the Transactions in accordance with the terms herein on or before the Closing Date; or
 - (B) released for the benefit of the Companies and Keranic shall cause the Agent to transfer the Agent Shares to RHL, or to such other person or entity as RHL may designate in writing, and take all such other steps as may be required to provide the Companies with ownership of the Agent Shares, where Keranic, for any reason, fails to comply with any of the terms, conditions, covenants, representations, or warranties set out herein as necessary to close the Transactions in accordance with the terms herein on or before the Outside Date or such other earlier date whereby the Companies may terminate this Agreement in accordance with the terms hereof.

2.20 Retained Assets and Retained Liabilities; Transfer of Excluded Assets and Excluded Liabilities to ResidualCo

Pursuant to and without limiting the Transaction Approval and Reverse Vesting Order, on the Closing Date:

- (a) the Companies shall retain all of the Retained Assets and the obligation to pay and perform all of the Retained Liabilities;
- (b) all Excluded Assets shall be transferred to and vested in ResidualCo, and all Excluded Liabilities shall be transferred and novated to ResidualCo;
- (c) all Claims and Encumbrances other than the Permitted Encumbrances shall be expunged, discharged, and released as against the Companies and the Retained Assets.

2.21 Application for the Transaction Approval and Reverse Vesting Order

Prior to the Closing Date, the Companies shall apply for the Transaction Approval and Reverse Vesting Order in the form attached hereto as Schedule B (the “**Court Application**”). Prior to the Court Application, Keranic shall, in a timely manner, provide to the Companies and/or the Monitor, as applicable, such information regarding the Financings and the satisfaction of the conditions to the Transaction as the Companies and/or the Monitor may request, acting reasonably (including, for greater certainty, evidence of the approval of the Keranic Amalgamation Resolution).

2.22 Payment of Closing Date Cash by ResidualCo to the Monitor

On the Closing Date, effective upon satisfaction of the Escrow Release Conditions: (i) RHL shall, by written direction to Keranic (and its successor Amalco) irrevocably direct Keranic (and its successor Amalco); and (ii) Keranic shall irrevocably direct the subscription receipt agent appointed pursuant to the terms of the Subscription Receipts (collectively, the “**Directions to Pay**”) to pay, or cause to be paid (as applicable), by one or more wire transfers, to the Monitor, amounts equal (in the aggregate) to the Closing Date Cash (for greater certainty in lieu of the release of the proceeds of the Brokered Financing to Keranic (or its successor Amalco) and the payment of the dividend by Amalco to RHL from the proceeds of the Financings as contemplated by the Directors’ Resolution) to the Monitor for the benefit of RHL’s creditors.

2.23 Right to Modify Designations with Consent of the Companies

At any time on or prior to the day that is one (1) day prior to the Closing Date, Keranic may, in writing, with the consent of the Monitor, on behalf of the Companies, elect to exclude any assets, properties, or undertakings of the Companies from the Retained Assets, and add such assets, properties, or undertakings to the Excluded Assets, provided that no changes to the Retained Assets or Excluded Assets pursuant to this Section 2.23 shall modify the Amalgamation Consideration.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Companies

The Companies make the following representations and warranties to Keranic as of the date hereof and as of the Closing:

- (a) each of the Parties that comprise Companies are corporations duly formed and validly subsisting under the laws of the Province of British Columbia or Saskatchewan and have the requisite power and authority to enter into this Agreement and to complete the Transactions;
- (b) except for the requirement that the Court grant the Transaction Approval and Reverse Vesting Order, the execution, delivery and performance of this Agreement by the Companies does not require any consent, approval, authorization, or other order of, action by, filing with, or notification to any Governmental Authority, except where failure to obtain such consent, approval, authorization, or action, or to make such filing or notification would not prevent or materially delay the consummation by the Companies of the Transactions;
- (c) none of the Parties that comprise the Companies are a non-resident of Canada within the meaning of such term under the Tax Act and is not an agent or trustee for anyone with an interest in the RHL Shares who are a non-resident of Canada within the meaning of such term under the Tax Act (or a partnership that is not a “Canadian partnership” within the meaning of such term under the Tax Act);
- (d) subject to the Court granting the Transaction Approval and Reverse Vesting Order, this Agreement has been duly executed and delivered by the Monitor on behalf of the Companies and constitutes a legal, valid, and binding obligation of the Companies and is enforceable against them in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, or similar Applicable Laws relating to creditors’ rights generally and subject to general principles of equity;

- (e) Keranic will not be liable for any brokerage commission, finder's fee, or other similar payment in connection with the Transactions because of any action taken by, or agreement or understanding reached by the Companies; and
- (f) to Companies' knowledge, there are no outstanding Claims by any Governmental Authority or any other Person regarding any alleged violation by the Companies of any Environmental Law, or any actual or alleged Liability under any Environment Laws.

3.2 Representations and Warranties of Subco

Subco makes the following representations and warranties to Keranic as of the date hereof and as of the Closing:

- (a) Subco is a corporation duly formed and validly subsisting under the laws of the Province of Saskatchewan and has the requisite power and authority to enter into this Agreement and to complete the Transactions;
- (b) except for the requirement that the Court grant the Transaction Approval and Reverse Vesting Order, the execution, delivery and performance of this Agreement by Subco does not require any consent, approval, authorization, or other order of, action by, filing with, or notification to any Governmental Authority, except where failure to obtain such consent, approval, authorization, or action, or to make such filing or notification would not prevent or materially delay the consummation by Subco of the Transactions;
- (c) Subco is not a non-resident of Canada within the meaning of such term under the Tax Act and is not an agent or trustee for anyone with an interest in the RHL Shares who are a non-resident of Canada within the meaning of such term under the Tax Act (or a partnership that is not a "Canadian partnership" within the meaning of such term under the Tax Act);
- (d) subject to the Court granting the Transaction Approval and Reverse Vesting Order, this Agreement has been duly executed and delivered by Subco and constitutes a legal, valid, and binding obligation of the Subco and is enforceable against it in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, or similar Applicable Laws relating to creditors' rights generally and subject to general principles of equity; and
- (e) Keranic will not be liable for any brokerage commission, finder's fee, or other similar payment in connection with the Transactions because of any action taken by, or agreement or understanding reached by Subco.

3.3 Representations and Warranties of Keranic

Keranic makes the following representations and warranties to the Monitor, the Companies and Subco as of the date hereof and as of Closing:

- (a) it is a corporation duly incorporated and validly subsisting under the laws of Saskatchewan and has the requisite power and authority to enter into this Agreement and to complete the Transactions;
- (b) it has taken all necessary corporate or other acts to authorize the execution, delivery, and performance by it of this Agreement;

- (c) neither the execution of this Agreement nor its performance by Keranic will result in a breach of any term or provision or constitute a default under any indenture, mortgage, deed of trust, or any other agreement to which Keranic is a party or by which it is bound which breach could materially affect the ability of Keranic to perform its obligations hereunder;
- (d) except for the requirement that the Court grant the Transaction Approval and Reverse Vesting Order, the execution, delivery, and performance of this Agreement by Keranic does not and will not require any consent, approval, authorization, or other order of, action by, filing with, or notification to any Governmental Authority, except where failure to obtain such consent, approval, authorization or action, or to make such filing or notification, would not prevent or materially delay the consummation by Keranic of the Transactions;
- (e) subject to the Court granting the Transaction Approval and Reverse Vesting Order, this Agreement has been duly executed and delivered by it and constitutes a legal, valid, and binding obligation of Keranic and is enforceable against Keranic in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, or similar Applicable Laws relating to creditors' rights generally and subject to general principles of equity;
- (f) Keranic is not a non-resident of Canada for the purposes of the Tax Act;
- (g) the Companies will not be liable for any brokerage commission, finder's fee or other similar payment in connection with the Transactions because of any action taken by, or agreement or understanding reached by, Keranic;
- (h) immediately prior to Closing, subject only to the satisfaction of the Escrow Release Conditions, the Closing Date Cash shall be an asset of Keranic and immediately following the Amalgamation the Closing Date Cash shall be an asset of Amalco. The Closing Date Cash shall be preserved by Amalco in its entirety and shall not be dealt with in any respect except in accordance with this Agreement (including for greater certainty, the Directions to Pay);
- (i) there is not, as the date hereof, pending or, to Keranic's knowledge, threatened against it or any of its properties, nor has Keranic received notice in respect of, any Claim, potential Claim, litigation, action, suit, arbitration, investigation or other proceeding before any Governmental Authority or legislative body, other than the Court, that, would prevent it from executing and delivering this Agreement, performing its obligations hereunder and consummating the Transactions; and
- (j) Upon completion of the Financings, Keranic will have sufficient unrestricted funds and financial capacity necessary to pay, as and when due, the Closing Date Cash, to the Monitor in accordance with the Directions to Pay, and to pay Keranic's legal fees and expenses, registration costs, and any other amounts payable by Keranic pursuant hereto.

3.4 As Is, Where Is

Notwithstanding any other provision of this Agreement, Keranic acknowledges, agrees and confirms that:

- (a) except for the representations and warranties of the Companies set forth in Section 3.1, it is entering into this Agreement on an "as is, where is" basis with respect to the RHL Shares

issued to Keranic Shareholders (and underlying Retained Assets and Retained Liabilities) as they exist as of the Closing Time;

- (b) it is familiar with the condition of the Retained Assets, including the past and present use of the Lands and the Tangibles, and the Companies have provided Keranic with a reasonable opportunity to inspect the Retained Assets at the sole cost, risk and expense of Keranic (insofar as Companies could reasonably provide such access) and, except as expressly provided for in this Agreement, Keranic is not relying upon any representation or warranty of Companies as to the environmental condition of the Retained Assets, or any Environmental Liabilities or Abandonment and Reclamation Obligations in respect thereof. Once Closing has occurred, the Companies shall be solely responsible for all Environmental Liabilities and Abandonment and Reclamation Obligations of the Companies after Closing Time;
- (c) it has conducted to its satisfaction and has relied on such independent searches, investigations, reviews, and inspections of the Companies, Retained Assets, and Retained Liabilities as it deemed appropriate, and based thereon has determined to proceed with the Transactions;
- (d) except as expressly stated in Section 3.1, the Companies are not making, and Keranic is not relying on, any written or oral representations, warranties, statements, information, promises, or guarantees, express or implied, statutory or otherwise, concerning the Transactions, the Companies, the Business, the Retained Assets, the Retained Liabilities, the Excluded Assets, and the Excluded Liabilities, including the right, title, interest, or obligation of the Companies, or any one of them, in and to any of the foregoing, and any and all conditions, warranties, or representations expressed or implied pursuant to any Applicable Law in any jurisdiction, which Keranic confirms do not apply to this Agreement, are hereby waived in their entirety by Keranic;
- (e) the Companies have not made any representation or warranty as to any regulatory approvals, permits, licences, consents, registrations, filings, or authorizations that may be needed to complete the Transactions or to obtain the benefit of the Retained Assets (including the Licenses) or any portion thereof, and Keranic is relying entirely on its own investigation, due diligence and inquiries in connection with such matters;
- (f) the obligations of Keranic under this Agreement are not conditional upon any additional due diligence;
- (g) except for the representations and warranties of the Companies set forth in Section 3.1, any information regarding or describing the Retained Assets, or in any other agreement or instrument contemplated hereby, is for identification purposes only, is not relied upon by Keranic, and no representation, warranty, or condition, express or implied, has or will be given by the Companies concerning the completeness or accuracy of such information or descriptions;
- (h) there are no covenants, promises, warranties, representations, conditions, understandings, or other agreements, whether oral or written, pre-contractual or otherwise, express, implied, or collateral, whether statutory or otherwise, between the Parties in connection with the subject matter of this Agreement except as specifically set forth in this Agreement and any document required to be delivered pursuant to this Agreement, and this Agreement is being entered into on an as is and where is basis with respect to the RHL Shares issued to Keranic

Shareholders (and the underlying Retained Assets and Retained Liabilities) subject to the benefit of the representations and warranties in this Agreement;

- (i) Keranic hereby unconditionally and irrevocably waives any and all actual or potential rights or Claims Keranic might have against the Companies pursuant to any warranty, express or implied, legal or conventional, of any kind or type. Except as set out above in this subsection (h) such waiver is absolute, unlimited, and includes, but is not limited to, waiver of express warranties, completeness of warranties, implied warranties, warranties of fitness for a particular use, warranties of merchantability, warranties of occupancy, strict liability and Claims of every kind and type, including Claims regarding defects, whether or not discoverable or latent, and all other Claims that may be later created or conceived in strict liability or as strict liability type Claims and rights; and
- (j) the provisions of Section 3.4 shall survive and not merge on Closing.

ARTICLE 4 CLOSING

4.1 Date, Time, and Place of Closing

The Closing shall take place electronically at the Closing Time, or at such other place, on such other date and at such other time as the Parties may agree in writing.

4.2 Delivery of the Monitor's Certificate

Upon the satisfaction or waiver, as applicable, of the conditions set out in Article 5 hereof pursuant to this Agreement, Keranic shall deliver to the Monitor written confirmation that such conditions have been satisfied and/or waived, as applicable, substantially in the form attached hereto as Schedule E. Upon receipt of such written confirmation from Keranic, the Monitor shall issue and deliver a duly executed certificate in the form contemplated by the Transaction Approval and Reverse Vesting Order (the “**Monitor's Certificate**”) confirming that the conditions to Closing set out in this Agreement have been satisfied or waived, as applicable.

4.3 Companies' Closing Deliveries

On the Closing Date, the Companies shall deliver or cause to be delivered to Keranic's Counsel, as applicable:

- (a) a Court certified copy of the Transaction Approval and Reverse Vesting Order;
- (b) share certificates or DRS statements representing the RHL Shares and RHL Warrants issuable to the shareholders and warrant holders of Keranic in accordance with this Agreement;
- (c) a certificate of the Companies confirming the accuracy of the matters provided for in Section 3.1;
- (d) the Agent Shares to the Agent immediately prior to Closing;
- (e) an amended loan agreement to evidence the BDC Retained Indebtedness;
- (f) an amended loan agreement to evidence the NBC Retained Indebtedness; and

- (g) all such other assurances, consents, agreements, documents, and instruments as may be reasonably required by Keranic to complete the Transactions.

4.4 Keranic's Closing Deliveries

On the Closing Date, Keranic shall deliver or cause to be delivered to the Monitor or Monitor's Counsel, as applicable, the following in form and substance satisfactory to the Monitor, on behalf of the Companies, acting reasonably:

- (a) in accordance with the Directions to Pay, the Closing Date Cash to the Monitor, by way of wire transfer;
- (b) a certificate of Keranic confirming the accuracy of the matters provided for in Section 3.2 and Section 3.4;
- (c) a certified copy of the Directors' Resolution;
- (d) a certified copy of the Keranic Amalgamation Resolution;
- (e) evidence of the Replacement LOC or evidence that the Campus LOC will be terminated immediately following Closing;
- (f) copies of the Keranic Security duly executed by the appropriate party or parties; and
- (g) all such other assurances, consents, agreements, documents and instruments as may be reasonably required by the Companies to complete the Transactions.

ARTICLE 5 CONDITIONS PRECEDENT

5.1 Conditions for the Benefit of the Companies

The obligation of the Companies to complete the Transactions is subject to fulfillment of each of the following conditions on the date stated for fulfillment thereof, and if not so stated on or before the Closing Time, each of which is acknowledged to be for the exclusive benefit of the Companies and may be waived by the Companies in whole or in part:

- (a) **Representations and Warranties.** The representations and warranties of Keranic in Section 3.2 and 3.4 shall be true and accurate in all material respects as at the Closing Time with the same force and effect as if made at and as of such time, and Keranic shall have executed and delivered a certificate to that effect;
- (b) **Fulfillment of Keranic's Covenants.** All of the terms, covenants and conditions of this Agreement to be complied with or performed by Keranic at or before the Closing Time shall have been complied with or performed in all material respects and Keranic shall not be in material breach of any agreement or covenant on its part contained in this Agreement;
- (c) **Delivery.** Keranic shall have delivered or have caused to be delivered to the Monitor the Closing Date Cash, pursuant to the Directions to Pay and delivered the documents and other items referred to in Section 4.4; and
- (d) **Campus LOC.** Conditional upon the completion of the transactions contemplated herein:
 - (i) the Campus LOC shall have been returned to National Bank of Canada, as successor to

Canadian Western Bank, and cancelled; and (ii) the Replacement LOC, if any, shall comply with the applicable terms and conditions as set forth in the Campus LOC and any relevant regulatory requirements and shall have been consented to by Campus Energy Partners Infrastructure LP;

5.2 Conditions for the Benefit of Keranic

The obligation of Keranic to complete the Transactions is subject to fulfillment of each of the following conditions on or before the Closing Time, except where otherwise stipulated, each of which is included for the exclusive benefit of Keranic and may be waived by Keranic in whole or in part:

- (a) **Representations and Warranties.** The representations and warranties of the Companies in Section 3.1 shall be true and accurate in all material respects as at the Closing Time with the same force and effect as if made at and as of such time, and the Companies shall have executed and delivered a certificate to that effect;
- (b) **Fulfillment of the Companies' Covenants.** All of the terms, covenants, and conditions of this Agreement to be complied with or performed by the Companies at or before the Closing Time shall have been complied with or performed in all material respects and the Companies shall not be in material breach of any agreement or covenant on its part contained in this Agreement;
- (c) **Delivery.** The Companies shall have delivered the documents and other items referred to in Section 4.3; and
- (d) **Contrary Order.** The Companies have not lost their ability to complete the Transaction due to the appointment of a receiver or a receiver-manager, an Order of the Court, or otherwise pursuant to the CCAA Proceedings.

5.3 Mutual Conditions for the Benefit of the Companies and Keranic

The obligation of each of the Companies and Keranic to complete the Transactions is subject to the fulfillment of each of the following conditions or before the Closing Time, each of which is included for the benefit of the Companies and Keranic and may only be waived in whole or in part upon the mutual agreement of the Parties:

- (a) **Actions or Proceedings.** No Order shall have been issued and no action or proceeding shall have been commenced or threatened to enjoin, restrict, or prohibit the Transactions contemplated hereby;
- (b) **Government Prohibitions.** No Governmental Authority shall have enacted, issued, or promulgated any final or non-appealable Order or Applicable Law subsequent to the date hereof which has the effect of: (i) making any of the transactions contemplated by this Agreement illegal; or (ii) otherwise prohibiting, preventing, or restraining the Companies from the issuance of the RHL Shares;
- (c) **Lawful.** The Closing is not otherwise prohibited by Applicable Law;
- (d) **Transaction Approval and Reverse Vesting Order.** The Transaction Approval and Reverse Vesting Order shall have been issued; and

- (e) Transaction Regulatory Approvals. All Transaction Regulatory Approvals will have been obtained.

5.4 Non-Satisfaction of Conditions

If any condition set out in Section 5.1, 5.2 or 5.3 is not satisfied or performed prior to the Outside Date, or such other date as contemplated in such condition, the Party for whose benefit the condition is inserted may:

- (a) in writing, waive compliance with the condition in whole or in part in its sole discretion by notice to the other Parties and without prejudice to any of its rights of termination in the event of non-fulfillment of any other condition in whole or in part; or
- (b) elect to terminate this Agreement, in which case none of the Parties shall be under any further obligation to the others to complete the Transactions, except that if this Agreement is terminated by a Party because of a breach of this Agreement by another Party or because a condition for the benefit of the terminating Party has not been satisfied because another Party has failed to perform any of its obligations or covenants under this Agreement, the terminating Party's right to pursue all legal remedies will survive such termination unimpaired.

5.5 Satisfaction of Conditions

Each of the Parties shall proceed diligently and in good faith and use all commercially reasonable efforts to fulfill and assist in the fulfillment of the conditions set forth in Sections 5.1, 5.2 and 5.3. In addition, each of the Parties agrees not to take any action that could reasonably be expected to preclude, delay, or have an adverse effect on the Transactions or that would render, or may reasonably be expected to render, any representation or warranty made by it in this Agreement untrue in any material respect.

ARTICLE 6 COVENANTS OF THE PARTIES

6.1 Payments in Respect of Excluded Assets

If at any time after Closing, the Companies or Keranic receive a payment or other consideration in respect of or relating to an Excluded Asset (including Accounts Receivable, Tax Refunds, or any Rebates), the recipient of such payment or other consideration shall hold such funds in trust, promptly notify the Monitor and transfer such payment or other consideration to the Monitor, on behalf of ResidualCo. From and after Closing, the Companies and Keranic shall use all reasonable efforts to cooperate with the Companies, ResidualCo, and the Monitor to enable the Companies, ResidualCo, and the Monitor to obtain the benefit of any Excluded Asset, including by providing banking statements upon request.

6.2 Access to Books and Records

The Monitor shall be entitled to retain a copy of the Books and Records and, from and after Closing, the Companies and Keranic shall provide the Monitor and ResidualCo with reasonable access to information in respect of the Companies as requested by the Monitor and/or ResidualCo, as may be required by the Monitor and/or ResidualCo to comply with Applicable Law or in connection with the completion of the CCAA Proceedings, provided that such access shall be granted during normal business hours upon reasonable notice.

6.3 Regulatory Approvals and Consents

- (a) The Parties shall use commercially reasonable efforts to apply for and obtain any Transaction Regulatory Approvals as soon as reasonably practicable and no later than the time limits imposed by Applicable Laws, in accordance with Section 5.5(b), in each case at the sole cost and expense of Keranic.
- (b) Without limiting the generality of the foregoing, the Parties shall: (i) give each other reasonable advance notice of all meetings or other oral communications with any Governmental Authority relating to the Transaction Regulatory Approvals, as applicable, and provide as soon as practicable but in any case, if any, within the required time, any additional submissions, information and/or documents requested by any Governmental Authority necessary, proper or advisable to obtain the Transaction Regulatory Approvals; (ii) not participate independently in any such meeting or other oral communication without first giving the other Party (or their outside counsel) an opportunity to attend and participate in such meeting or other oral communication, unless otherwise required or requested by such Governmental Authority; (iii) if any Governmental Authority initiates an oral communication regarding the Transaction Regulatory Approvals, promptly notify the other Party of the substance of such communication; (iv) subject to Applicable Laws relating to the exchange of information, provide each other with a reasonable advance opportunity to review and comment upon and consider in good faith the views of the other in connection with all written communications (including any filings, notifications, submissions, analyses, presentations, memoranda, briefs, arguments, opinions and proposals) made or submitted by or on behalf of a Party with a Governmental Authority regarding the Transaction Regulatory Approvals as applicable; and (v) promptly provide each other with copies of all written communications to or from any Governmental Authority relating to the Transaction Regulatory Approvals as applicable.
- (c) Each of the Parties may, as advisable and necessary, reasonably designate any competitively or commercially sensitive material provided to the other under this Section 8.3 as “Outside Counsel Only Material”, provided that the disclosing Party also provides a redacted version to the receiving Party. Such materials and the information contained therein shall be given only to the outside legal counsel of the recipient and, subject to any additional agreements between the Parties, will not be disclosed by such outside legal counsel to employees, officers or directors of the recipient unless express written permission is obtained in advance from the source of the materials or its legal counsel.
- (d) The obligations of either Party to use its commercially reasonable efforts to obtain the Transaction Regulatory Approvals does not require either Party to undertake any divestiture of any business or business segment of such Party, to agree to any material operating restrictions related thereto or to incur any material expenditure(s) related therewith, unless agreed to by the Parties.

6.4 Covenants Relating to this Agreement

Each of the Parties shall perform all obligations required to be performed by the applicable Party under this Agreement, cooperate with the other Parties in connection therewith and do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated by this Agreement and, without limiting the generality of the foregoing, from the date hereof until the Closing Date, each Party shall:

- (a) facilitate the implementation of the Amalgamation and all related matters in connection therewith;
- (b) negotiate in good faith and use its commercially reasonable efforts to take or cause to be taken all actions and to do, or cause to be done, all things necessary, proper or advisable to satisfy the conditions precedent to the obligations of such Party hereunder (including, where applicable,

negotiating in good faith with the applicable Governmental Authorities and/or third Persons in connection therewith), and to cause the fulfillment at the earliest practicable date of all of the conditions precedent to the other Party's obligations to consummate the transactions contemplated hereby;

- (c) not take any action, or refrain from taking any action, or permit any action to be taken or not taken, which would reasonably be expected to prevent, materially delay or otherwise impede the consummation of the Transactions contemplated by this Agreement.
- (d) from the date hereof until the Closing Date, Keranic hereby agrees, and hereby agrees to cause its representatives to, keep the Companies and the Monitor informed on a reasonably current basis, and no less frequently than on a weekly basis through teleconference or other meeting, and as reasonably requested by each of the Companies or the Monitor, as to Keranic's progress in terms of the satisfaction of the conditions precedent contained herein.
- (e) each of the Companies and Keranic agree to execute and deliver such other documents, certificates, agreements and other writings, reasonably necessary for the consummation of the transactions contemplated by this Agreement, and to take such other actions to consummate or implement as soon as reasonably practicable, the Transactions contemplated by this Agreement.
- (f) each of the Companies and Keranic agree to use commercially reasonable efforts to timely prepare and file all documentation and pursue all steps reasonably necessary to obtain any material third-party consents and approvals, including without limitation the Transaction Regulatory Approvals, as may be required in connection with the Transactions contemplated by this Agreement.

6.5 Covenant Relating to the Brokered Financing

Keranic hereby agrees to not modify, waive or amend any of the Escrow Release Conditions without the prior written consent of the Companies and the Monitor.

6.6 Directors and Officers

Upon completion of the Amalgamation:

- (a) the directors of RHL will resign and there will be appointed in their place as directors of RHL persons who will be individuals designated by Keranic; and
- (b) the officers of RHL will resign and there will be appointed in their place as officers of RHL the persons who will be individuals designated by Keranic.

6.7 Survival of Covenants

The provisions of this Article 6 shall survive and not merge on Closing.

ARTICLE 7 TERMINATION

7.1 Termination

This Agreement may be terminated at any time prior to Closing as follows:

- (a) by mutual written consent of each of the Companies, Keranic and ResidualCo;

- (b) without limitation to Section 7.1(d), by any of the Parties, if Closing has not occurred by the Closing Date, provided that the terminating Party is not in breach of any representation, warranty, covenant or other agreement in this Agreement which would prevent the satisfaction of the conditions in Article 5 by the Outside Date;
- (c) without limitation to Section 7.1(d), by any of the Parties, if at any time after the date hereof any of the conditions in Article 5 are not capable of being satisfied by the applicable Party required in Article 5 of this Agreement by the Outside Date, provided that the terminating Party is not in breach of any representation, warranty, covenant or other agreement in this Agreement which would prevent the satisfaction of the conditions in Article 5 by the Outside Date;
- (d) by the Companies:
 - (i) if there has been a material violation or breach by Keranic of any covenant, representation, or warranty which would prevent the satisfaction of the conditions set forth in Sections 5.1 and 5.3, as applicable, by the Outside Date, and such violation or breach has not been waived by the Companies or cured by Keranic within ten (10) Business Days after written notice thereof from the Companies, unless the Companies are in material breach of their obligations under this Agreement which would prevent the satisfaction of the conditions set forth in Section 5.2 or Section 5.3, as applicable, by the Outside Date; or
 - (ii) there has been a material violation or breach by Keranic of the covenant set forth in Section 6.5; and
- (e) by Keranic, if there has been a material violation or breach by the Companies of any covenant, representation or warranty which would prevent the satisfaction of the conditions set forth in Sections 5.2 and 5.3, as applicable, by the Outside Date, and such violation or breach has not been waived by Keranic or cured by the Companies within ten (10) Business Days after written notice thereof from Keranic, unless Keranic is in material breach of its obligations under this Agreement which would prevent the satisfaction of the conditions set forth in Section 5.1 or Section 5.2, as applicable, by the Outside Date.

The Party desiring to terminate this Agreement pursuant to this Section 7.1 (other than pursuant to Section 7.1(a)) shall give written notice of such termination to the other Party or Parties, as applicable, specifying in reasonable detail the basis for such Party's exercise of its termination rights.

7.2 Effect of Termination

In the event of termination of this Agreement pursuant to Section 7.1, this Agreement shall become void and of no further force or effect without liability of any Party to any other Party to this Agreement. No termination of this Agreement shall relive any Party of any liability for any wilful breach by it of this Agreement, or impair the right of any Party to compel specific performance by any other Party of its obligations under this Agreement. Upon termination, the Agent Shares shall be treated in accordance with the provisions of Section (i).

ARTICLE 8 GENERAL

8.1 Expenses

Unless otherwise provided for in this Agreement, each Party shall be responsible for all costs and expenses (including the fees and disbursements of legal counsel, bankers, investment bankers, accountants, brokers,

and other advisors) incurred by it in connection with this Agreement and the Transactions. Notwithstanding any other provision of this Agreement, Keranic shall pay the cost of all surveys, title insurance policies, and title reports ordered by Keranic.

8.2 Notices

Any notice, direction or other communication given regarding the matters contemplated by this Agreement must be in writing, sent by personal delivery, courier or electronic mail and addressed:

(a) In the case of Keranic:

Attention: Andrew Davidson
Email: adavidson@keranic.com

With a copy, which shall not constitute notice, to Keranic's Counsel:

McDougall Gauley LLP
500 – 616 Main Street
Saskatoon, SK S7H 0J6

Attention: Craig Frith / Rylund Hunter
Email: cfrith@mcdougallgauley.com / rhunter@mcdougallgauley.com

(b) In the case of the Monitor and the Companies:

Alvarez & Marsal Canada Inc.
Attention: Orest Konowalchuk / Bryan Krol
Email: okonowalchuk@alvarezandmarsal.com / brkol@alvarezandmarsal.com

With a copy, which shall not constitute notice, to the Monitor's Counsel:

Burnet, Duckworth & Palmer LLP
2400, 525 – 8th Avenue SW
Calgary, AB T2P 1G1

Attention: David LeGeyt
Email: dlegeyt@bdplaw.com

A notice is deemed to be given and received if: (i) sent by personal delivery or courier, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day; or (ii) email, on the date of transmission if it is a Business Day and the transmission was made prior to 4:00 p.m. (local time in place of receipt), and otherwise on the next Business Day. A Party may change its address for service from time to time by providing a notice in accordance with the foregoing. Any subsequent notice must be sent to the Party at its changed address. Any element of a Party's address that is not specifically changed in a notice will be assumed not to be changed. Sending a copy of a notice to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the notice to that Party. The failure to send a copy of a notice to legal counsel does not invalidate delivery of that notice to a Party.

8.3 Time of Essence

Time shall be of the essence of this Agreement in all respects.

8.4 Successors and Assigns

This Agreement shall become effective only when executed by each of the Parties and shall thereafter be binding on and enure to the benefit of the Parties and their respective successors and permitted assigns.

8.5 Assignment

Neither this Agreement nor any of the rights or obligations under this Agreement may be assigned or transferred, in whole or in part, by any Party without the prior written consent of each of the other Parties.

8.6 Amendment

This Agreement may only be amended, supplemented or otherwise modified by written agreement by the Parties.

8.7 Waiver

No waiver of any of the provision of this Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the Party to be bound by the waiver. A Party's failure or delay in exercising any right under this Agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a Party from any other or further exercise of that right or the exercise of any other right.

8.8 Survival

Other than those representations, warranties, covenants, or other agreements which by their terms contemplate performance after Closing (including those set forth in Article 6) or unless otherwise expressly provided in this Agreement (including Section 3.4 (which in each case shall remain in full force and effect after Closing), the representations, warranties, covenants, and other agreements contained in this Agreement shall not survive Closing.

8.9 Further Assurances

The Parties shall, with reasonable diligence, do all such things and provide all such reasonable assurances as may be required to consummate the Transactions, and each Party shall provide such further documents or instruments required by any other Party as may be reasonably necessary or desirable to effect the purpose of this Agreement and carry out its provisions, whether before or after the Closing provided that the costs and expenses of any actions taken after Closing at the request of a Party shall be the responsibility of the requesting Party.

8.10 Severability

If any covenant or other provision of this Agreement is invalid, illegal, or incapable of being enforced by reason of any rule of Law or public policy, then such covenant or other provision will be severed from and will not affect any other provision of this Agreement and this Agreement will be construed as if such invalid, illegal, or unenforceable provision had never been contained in this Agreement. All other covenants and provisions of this Agreement will, nevertheless, remain in full force and effect and no covenant or provision will be deemed dependent upon any other covenant or provision unless so expressed herein.

8.11 Governing Law and Jurisdiction

This Agreement, the rights and obligations of the Parties hereunder, and any Claim based upon or arising out of this Agreement or the Transactions (or any part thereof) shall be governed by and interpreted and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein. Each Party irrevocably attorns and submits to the exclusive jurisdiction of the Court in any action, application, reference, or other proceeding arising out of or relating to this Agreement or the Transactions (including any part thereof) and consents to all Claims in respect of any such action, application, reference, or other proceeding being heard and determined in the Court.

8.12 Execution and Delivery

This Agreement may be executed in any number of counterparts, each of which is deemed to be an original, and such counterparts together constitute one and the same instrument. Transmission of an executed signature page by email or other electronic means is as effective as a manually executed counterpart of this Agreement.

[Remainder of page intentionally left blank]

IN WITNESS OF WHICH the Parties have executed this Agreement as of the Effective Date.

ROYAL HELIUM LTD., by its Monitor Alvarez and Marsal Canada Inc., acting in its capacity as Monitor and not in its personal or corporate capacity.



PER: _____

Name: Orest Konowalchuk, LIT
Title: Senior Vice President

ROYAL HELIUM EXPLORATION LIMITED, by its Monitor Alvarez and Marsal Canada Inc., acting in its capacity as Monitor and not in its personal or corporate capacity.



PER: _____

Name: Orest Konowalchuk, LIT
Title: Senior Vice President

IMPERIAL HELIUM CORP., by its Monitor Alvarez and Marsal Canada Inc., acting in its capacity as Monitor and not in its personal or corporate capacity.



PER: _____

Name: Orest Konowalchuk, LIT
Title: Senior Vice President

KERANIC INDUSTRIAL GAS INC.



PER: _____

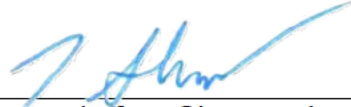
Name: Andrew Davidson
Title: President & CEO

102218166 SASKATCHEWAN LTD.

PER: 

Name: Andrew Davidson
Title: President & CEO

102218200 SASKATCHEWAN INC.

PER: 

Name: Jeffrey Sheppard
Title: Director

SCHEDULE A
RETAINED ASSETS
Part 1 - Assets Listing

Wells:
IHC

| Licensee | Licensors | License No. | Well Name | Surface Location |
|-----------------------|--------------------------|--------------------|---|-------------------------|
| Imperial Helium Corp. | Alberta Energy Regulator | 0500470 | IMPERIAL HELIUM 102 PRIN 3-1-20-12 | 3-1-20-12W4 |
| Imperial Helium Corp. | Alberta Energy Regulator | 0502181 | IMPERIAL HELIUM DD PRIN 12-12-20-12 | 14-12-20-12W4 |
| Imperial Helium Corp. | Alberta Energy Regulator | 0500791 | IMPERIAL HELIUM DD PRIN 10-22-20-12 | 12-23-20-12W4 |

RHEL

| Licensee Name | Licensee ID | Licensee Reference (#) | Licensors | CWI |
|----------------------------------|--------------------|-------------------------------|---|------------|
| Royal Helium Exploration Limited | 36108 | 169976 | Saskatchewan's Ministry of Energy and Resources | SK0140232 |
| Royal Helium Exploration Limited | 36108 | 196128 | Saskatchewan's Ministry of Energy and Resources | SK0141231 |
| Royal Helium Exploration Limited | 36108 | 211991 | Saskatchewan's Ministry of Energy and Resources | SK0141728 |
| Royal Helium Exploration Limited | 36108 | 207567 | Saskatchewan's Ministry of Energy and Resources | SK0141533 |
| Royal Helium Exploration Limited | 36108 | 169545 | Saskatchewan's Ministry of Energy and Resources | SK0140209 |
| Royal Helium Exploration Limited | 36108 | 169888 | Saskatchewan's Ministry of Energy and Resources | SK0140401 |

| Licensee Name | Licensee ID | Licensee Reference (#) | Licensor | CWI |
|----------------------------------|--------------------|-------------------------------|---|------------|
| Royal Helium Exploration Limited | 36108 | 240868 | Saskatchewan's Ministry of Energy and Resources | SK0143450 |

Facilities:

A cryogenic helium purification facility located in Steeveville, Alberta.

License to operate the Facilities:

| Licensee | Licensor | License No. | Description | Location |
|-----------------------|--------------------------|--------------------|---|------------------------|
| Imperial Helium Corp. | Alberta Energy Regulator | F53280 | Gas processing plant < 0.01 mol/kmol H ₂ S in inlet stream | 00/14-12-020-12 W4M |

Part 2 - Title Documents

IHC

Subsurface Leases

| Lease ID | Type |
|-------------------------------------|------------------------|
| 004 0420120001 | Crown PNG Lease |
| 004 0421100001 TRACT 1 | Crown PNG Lease |
| 004 0421100001 TRACT 2 | Crown PNG Lease |
| 004 0421100001 TRACT 3 | Crown PNG Lease |
| 004 0421100002 | Crown PNG Lease |
| Heritage Lease File: M122817A | Freehold Mineral Lease |
| Heritage Lease File: M122818A | Freehold Mineral Lease |
| Heritage Lease File: M122819A | Freehold Mineral Lease |
| Heritage Lease File: M122820A | Freehold Mineral Lease |
| Heritage Lease File: M122821A | Freehold Mineral Lease |
| Heritage Lease File: M122822A | Freehold Mineral Lease |
| Heritage Lease File: M122823A | Freehold Mineral Lease |
| Heritage Lease File: M122824A | Freehold Mineral Lease |
| Heritage Lease File: M122825A | Freehold Mineral Lease |

| Lease ID | Type |
|-------------------------------------|------------------------|
| Heritage Lease File: M122826A | Freehold Mineral Lease |
| Heritage Lease File: M122827A | Freehold Mineral Lease |
| Heritage Lease File: M122828A | Freehold Mineral Lease |
| Heritage Lease File: M122829A | Freehold Mineral Lease |
| Heritage Lease File: M122830A | Freehold Mineral Lease |
| Heritage Lease File: M122831A | Freehold Mineral Lease |
| Heritage Lease File: M122832A | Freehold Mineral Lease |
| Heritage Lease File: M122833A | Freehold Mineral Lease |
| Heritage Lease File: M122834A | Freehold Mineral Lease |
| Heritage Lease File: M122835A | Freehold Mineral Lease |
| Heritage Lease File: M122836A | Freehold Mineral Lease |
| Heritage Lease File: M122837A | Freehold Mineral Lease |
| Heritage Lease File: M122838A | Freehold Mineral Lease |
| Heritage Lease File: M122839A | Freehold Mineral Lease |
| Heritage Lease File: M122840A | Freehold Mineral Lease |
| Heritage Lease File: M122841A | Freehold Mineral Lease |

| Lease ID | Type |
|-------------------------------------|------------------------|
| Heritage Lease File: M122842A | Freehold Mineral Lease |
| Heritage Lease File: M122843A | Freehold Mineral Lease |
| Heritage Lease File: M122844A | Freehold Mineral Lease |
| Heritage Lease File: M122845A | Freehold Mineral Lease |

Surface Leases

| Lessor | License Number | Land Use/ Well or Facility | LLD |
|------------------------------------|-----------------------|---|-------------------|
| Eastern Irrigation District | 0500470 | Wellsite / IMPERIAL HELIUM 102 PRIN 3-1-20-12 | SW-01-20-12W4 |
| Canadian Natural Resources Limited | 0500791 | Wellsite / IMPERIAL HELIUM DD PRIN 10-22-20-12 | LSD 12-23-20-12W4 |
| Canadian Natural Resources Limited | 0502181 | Wellsite & Access Road / IMPERIAL HELIUM DD PRIN 12-12-20-12 | NW 12-20-12W4 |
| Canadian Natural Resources Limited | F53280 | Facility Site / N.W.¼ Sec.12 Twp.20 Rge.12 W.4M. | NW 12-20-12W4 |

RHEL*Subsurface Leases*

| Disposition ID | Type |
|-----------------------|--------------|
| PN41514 | PNG Lease |
| PN44713 | PNG Lease |
| PN45895 | PNG Lease |
| PH00067 | Helium Lease |
| PH00068 | Helium Lease |
| PH00069 | Helium Lease |
| PH00070 | Helium Lease |
| PH00077 | Helium Lease |
| PH00078 | Helium Lease |
| PH00079 | Helium Lease |
| PH00080 | Helium Lease |
| PH00081 | Helium Lease |
| PH00084 | Helium Lease |
| PH00085 | Helium Lease |
| PH00087 | Helium Lease |
| PH00088 | Helium Lease |
| PH00090 | Helium Lease |
| PH00091 | Helium Lease |
| PH00092 | Helium Lease |
| PH00093 | Helium Lease |
| PH00094 | Helium Lease |
| PH00095 | Helium Lease |
| PH00096 | Helium Lease |
| PH00097 | Helium Lease |
| PH00098 | Helium Lease |
| PH00099 | Helium Lease |
| PH00100 | Helium Lease |
| PH00101 | Helium Lease |
| PH00102 | Helium Lease |
| PH00103 | Helium Lease |
| PH00104 | Helium Lease |
| PH00106 | Helium Lease |
| PH00107 | Helium Lease |
| PH00108 | Helium Lease |
| PH00109 | Helium Lease |
| PH00110 | Helium Lease |
| PH00111 | Helium Lease |

| Disposition ID | Type |
|-----------------------|--------------|
| PH00112 | Helium Lease |
| PH00113 | Helium Lease |
| PH00114 | Helium Lease |
| PH00116 | Helium Lease |
| PH00117 | Helium Lease |
| PH00118 | Helium Lease |
| PH00119 | Helium Lease |
| PH00120 | Helium Lease |
| PH00125 | Helium Lease |
| PH00126 | Helium Lease |
| PH00128 | Helium Lease |
| PH00129 | Helium Lease |
| PH00131 | Helium Lease |
| PH00135 | Helium Lease |
| PH00137 | Helium Lease |
| PH00138 | Helium Lease |
| PH00139 | Helium Lease |
| PH00140 | Helium Lease |
| PH00141 | Helium Lease |
| PH00362 | Helium Lease |
| PH00363 | Helium Lease |
| PH00364 | Helium Lease |
| PH00365 | Helium Lease |
| PH00366 | Helium Lease |
| PH00367 | Helium Lease |
| PH00368 | Helium Lease |
| PH00369 | Helium Lease |
| PH00370 | Helium Lease |
| PH00371 | Helium Lease |
| PH00372 | Helium Lease |
| PH00373 | Helium Lease |
| PH00374 | Helium Lease |
| PH00375 | Helium Lease |
| PH00376 | Helium Lease |
| PH00693 | Helium Lease |
| PH00694 | Helium Lease |
| PH00695 | Helium Lease |
| PH00706 | Helium Lease |
| PH00707 | Helium Lease |
| PH00798 | Helium Lease |
| PH00799 | Helium Lease |

| Disposition ID | Type |
|-----------------------|---------------|
| PH00800 | Helium Lease |
| PH00801 | Helium Lease |
| PH00802 | Helium Lease |
| PH00805 | Helium Lease |
| PH00806 | Helium Lease |
| PH00807 | Helium Lease |
| PH00808 | Helium Lease |
| PH00809 | Helium Lease |
| PH00810 | Helium Lease |
| PH00811 | Helium Lease |
| PH00812 | Helium Lease |
| PH00869 | Helium Lease |
| PH00870 | Helium Lease |
| PH00871 | Helium Lease |
| PH00872 | Helium Lease |
| PH00876 | Helium Lease |
| PH00877 | Helium Lease |
| PH00878 | Helium Lease |
| PH00879 | Helium Lease |
| PH00880 | Helium Lease |
| PH00881 | Helium Lease |
| H00560 | Helium Permit |
| H00654 | Helium Permit |
| H00713 | Helium Permit |
| H00714 | Helium Permit |
| H00715 | Helium Permit |
| H00716 | Helium Permit |
| H00717 | Helium Permit |

Surface Leases

| Lessor | License Number | Land Use/ Well or Facility | LLD |
|---|------------------------------|---|----------------|
| Saskatchewan Ministry of Agriculture P&NG Lease No. 362234 | (Licensee: Saturn) 00B208 | Roads (2.88 acres) & Wellsite / BERKLEY ET AL HARDY S HZ 3A7-31 3D15-4-21 UWI: 191/15-30-004- 21W2/00 | 07-31-004-21W2 |

| Lessor | License Number | Land Use/ Well or Facility | LLD |
|---|------------------------------|---|----------------|
| Saskatchewan Ministry of Agriculture P&NG Lease No. 362270 | (Licensee: Saturn) 00F171 | Wellsite / BERKLEY ET AL HARDY S HZ 3A10-30 2A7-30-4-21 UWI: 191/07-30-004-21W2/00 | 10-30-004-21W2 |
| Saskatchewan Ministry of Agriculture P&NG Lease No. 362261 | (Licensee: Saturn) 99L128 | Wellsite / BERKLEY ET AL HARDY S HZ 3A10-30 2A7-30-4-21 UWI: 191/07-30-004-21W2/00 | 10-30-004-21W2 |
| Saskatchewan Ministry of Agriculture P&NG Lease No. 362297 | (Licensee: Saturn) 00H008 | Roads (7.85 acres) & Wellsite / BERKLEY ET AL HARDY S HZ 4B16-19 4A9-19-4-21 UWI: 191/05-20-004-21W2/00 | 16-19-004-21W2 |
| Saskatchewan Ministry of Agriculture P&NG Lease No. 362368 (Canada) | (Licensee: Saturn) 06I229 | Wellsite & Access Road / AVN ET AL HARDY HZ 2D2-31 2D10-4-21 UWI: 191/10-30-004-21W2/00 | 02-31-004-21W2 |
| Kaliciak Farms Ltd. c/o Vern Kaliciak | 169888 196128 | Wellsite / ROYAL CLIMAX 14-23-3-17 ROYAL CLIMAX DD 3D14-23-4D14-23-3-17 | NW 23-03-17W3 |
| Gregory James Honey and Linda Sue Honey | 169976 | Wellsite / ROYAL CLIMAX 8-15-3-17 | SE 15-03-17W3 |
| Kaliciak Farms Ltd. c/o Vern Kaliciak | 169545 | Wellsite & Access Road / ROYAL CLIMAX 13-22-3-17 | NW 22-03-17W3 |
| Richard Linton | 207657 | Wellsite & Access Road / ROYAL OGEMA 11-17-9-21 | NW 17-09-21W2 |
| Ida Pearl Hingtgen and Donald Vernon Hingtgen | 211991 | Wellsite / ROYAL OGEMA 1-18-9-21 | SE 18-09-21W2 |

| Lessor | License Number | Land Use/ Well or Facility | LLD |
|--|----------------|--|---------------|
| Sand Lake Hutterian Brethren Inc. c/o Albert Kleinsasser | 240868 | Wellsite & Temp. Access Road (3.39 acres) ROYAL MONCHY DD 1A9-20-4B8-20-1-14 | NE 20-01-14W3 |

SCHEDULE B

FORM OF TRANSACTION APPROVAL AND REVERSE VESTING ORDER

(See attached)

COURT FILE NUMBER 2501-02606
 COURT COURT OF KING'S BENCH OF ALBERTA
 JUDICIAL CENTRE CALGARY

Clerk's Stamp

IN THE MATTER OF THE COMPANIES' CREDITORS
 ARRANGEMENT ACT, RSC 1985, c C-36, AS AMENDED

AND IN THE MATTER OF THE PLAN OF COMPROMISE OR
 ARRANGEMENT OF ROYAL HELIUM LTD., IMPERIAL HELIUM
 CORP., AND ROYAL HELIUM EXPLORATION LIMITED

DOCUMENT **TRANSACTION APPROVAL AND REVERSE
 VESTING ORDER**

ADDRESS FOR
 SERVICE AND
 CONTACT
 INFORMATION OF
 PARTY FILING THIS
 DOCUMENT

Burnet, Duckworth & Palmer LLP

2400, 525 – 8th Avenue SW

Calgary, AB T2P 1G1

Lawyers: David LeGeyt / Ryan Algar / Jessica MacKinnon

Phone Number: (403) 260-0210 / 0126 / 0112

Fax Number: (403) 260-0332

Email Address: dlegeyt@bdplaw.com

ralgar@bdplaw.com

jmackinnon@bdplaw.com

File No.: 64793-8

DATE ON WHICH ORDER WAS PRONOUNCED: October 1, 2025

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: Justice B.B. Johnston

UPON THE APPLICATION by Alvarez & Marsal Canada Inc. ("**A&M**"), in its capacity as court-appointed monitor (A&M in such capacity, the "**Monitor**") of Royal Helium Ltd. ("**RHL**"), Imperial Helium Corp. ("**IHC**"), and Royal Helium Exploration Limited ("**RHEL**" and collectively with RHL and IHC, the "**Companies**"), for an order, among other things, approving the transactions (the "**Transactions**") contemplated by the reorganization and amalgamation agreement among the Companies, Keranic Industrial Gas Inc. ("**Keranic**" and the existing shareholders of Keranic being the "**Purchaser**"), 102218166 Saskatchewan Ltd. ("**ResidualCo**"), and 102218200 Saskatchewan Inc. ("**SubCo**") dated September 23, 2025

(the "**Amalgamation Agreement**"), and appended as a confidential supplemental appendix to the Sixth Report of the Monitor dated September 24, 2025 (the "**Sixth Report**");

AND UPON HAVING READ the Order granted by Justice J.T. Neilson on June 10, 2025 (the "**Enhanced Powers Order**"), the application filed by the Monitor on September 24, 2025, the Sixth Report, including the Confidential Appendices appended thereto, the draft Transaction Approval and Reverse Vesting Order, and the Bench Brief of the Monitor; **AND UPON HEARING** the submissions of counsel for the Monitor, the Purchaser, and [names of other parties appearing], no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service, filed;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this application, and the time for service of this application is abridged to that actually given.

CAPITALIZED TERMS

2. Unless otherwise defined herein, capitalized terms appearing in this Order shall have the meanings given to them in the Amalgamation Agreement.

APPROVAL OF THE TRANSACTIONS

3. The Amalgamation Agreement and the Transactions are hereby approved, and the Monitor's execution of the Amalgamation Agreement for and on behalf of the Companies is hereby authorized and approved, with such amendments as the Monitor and the Purchaser may agree upon. The Monitor, for and on behalf of the Companies, is hereby authorized and directed to cause the Companies to complete the Transactions in accordance with the terms of the Amalgamation Agreement, perform their obligations under the Amalgamation Agreement (and any ancillary documents related thereto), and take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transactions.

REORGANIZATION AND ISSUANCE OF SHARES OF THE COMPANY

4. On the Closing Date, the Monitor, for and on behalf of the Companies, is hereby authorized and directed to cause the Companies to complete the Transactions in accordance with the Amalgamation Agreement, and without limiting the generality of the foregoing, upon the delivery of the Monitor's certificate to the Purchaser (the "**Effective Time**") substantially in the form set out in Schedule "A" hereto (the "**Monitor's Certificate**"), the following shall be deemed to occur in accordance with the timing, sequence, terms, and conditions set forth in the Amalgamation Agreement:
 - (a) the Agent Shares shall be released to the Agent in accordance with the terms of the Amalgamation Agreement;
 - (b) RHL shall:
 - (i) consolidate the Existing Shares on an 8:1 basis resulting in the total issued and outstanding common shares of RHL being reduced to 47,160,078 (the "**RHL Shares**");
 - (ii) amend RHL's articles of incorporation as follows:
 - A. the classes of the Existing Shares will be amended to distinguish two classes of shares: Class A common voting shares ("**Class A shares**") and Class B preferred non-voting shares ("**Class B shares**");
 - B. the Class A shares shall contain a restriction providing that, until RHL returns to trading on the TSX Venture Exchange, the Class A Shares shall be voted in accordance with the Purchaser or its successor's chosen vote on all matters;
 - C. the Class B shares shall contain a right of conversion; and
 - D. the RHL Shares will be re-designated as Class A shares;

- (c) the Companies shall each cancel all existing warrants, options, convertible debentures, and any other instruments granting the right to purchase or acquire any shares, interests, participations, or other equivalents of capital stock or share capital in the Companies;
- (d) the Convertible Promissory Notes and the Subscription Receipts will convert into Units;
- (e) the Subscription Receipt Agent appointed under the Subscription Receipt Agreement pursuant to the Brokered Financing shall pay the proceeds of the Brokered Financing to the Monitor in accordance with the Directions to Pay;
- (f) the Purchaser shall pay the remainder of the Closing Date Cash to the Monitor, in accordance with the Directions to Pay;
- (g) the Amalgamation shall occur pursuant to the following steps and in accordance with Article 2 of the Amalgamation Agreement:
 - (i) each Keranic Share issued and outstanding before the Closing Time (the "**Transferred Keranic Shares**") shall be cancelled without any repayment of capital in respect thereof and its holder shall receive therefor one (1) fully paid and non-assessable RHL Share, free and clear of all Claims and Encumbrances, at a deemed price of \$0.50 per RHL Share;
 - (ii) each SubCo Share issued and outstanding immediately before the Closing Time shall be replaced by one Amalco Common Share issued to RHL;
 - (iii) in consideration of the issue of the RHL Shares to effect the Amalgamation, Amalco will issue to RHL one fully paid and non-assessable Amalco Common Share for each RHL Share issued pursuant to subparagraph 4(g)(i) of this Order;
 - (iv) all issued and outstanding Keranic Warrants shall be exchanged for RHL Warrants on the basis of one (1) RHL Warrant for each Keranic Warrant, and each RHL Warrant so issued shall entitle the holder thereof to receive, upon the subsequent exercise thereof, that number of RHL Shares equal

- to the number of Keranic Shares issuable under the Keranic Warrants immediately prior to the Closing Time on the same terms and conditions as such Keranic Warrants, and all such Keranic Warrants shall be cancelled;
- (v) all issued and outstanding Keranic Broker Warrants shall be exchanged for RHL Broker Warrants on the basis of one (1) RHL Broker Warrant for each Keranic Broker Warrant, and each RHL Broker Warrant so issued shall entitle the holder thereof to receive, upon the subsequent exercise thereof, that number of RHL Units equal to the number of Units issuable under the Keranic Broker Warrants immediately prior to the Closing Time on the same terms and conditions as such Keranic Broker Warrants, and all such Keranic Broker Warrants shall be cancelled; and
 - (vi) Amalco shall be a wholly-owned Subsidiary of RHL with RHL holding all of the issued and outstanding Amalco Common Shares;
 - (h) Amalco shall authorize an intercompany dividend to RHL in the amount of the Closing Date Cash in accordance with the Directors' Resolution;
 - (i) Amalco shall deliver (or cause to be delivered) the Closing Date Cash to the Monitor in accordance with the Directions to Pay;
 - (j) all of the Companies' right, title, and interest in and to the Excluded Assets, including the Closing Date Cash, shall be transferred to and vest absolutely and exclusively in the name of ResidualCo and all Claims and Encumbrances attached to the Excluded Assets shall continue to attach to the Excluded Assets with the same nature and priority as they had immediately prior to their transfer;
 - (k) concurrently with step (j) above, all Excluded Liabilities shall be transferred to, assumed by, and vest absolutely and exclusively in the name of ResidualCo, and the Excluded Liabilities shall be novated and become obligations of ResidualCo and shall no longer be obligations of the Companies;

- (l) concurrently with steps (j) and (k) above, the Companies shall be forever released and discharged from all such Excluded Liabilities, and all Encumbrances securing the Excluded Liabilities shall be forever released and discharged in respect of the Companies and the Retained Assets;
 - (m) each of the directors, officers and employees of the Companies shall be terminated or resign effective as of the Closing Date;
 - (n) each of the Companies shall appoint the following individuals as officers:
 - (i) Andrew Davidson as CEO and President;
 - (ii) Michael Gleeson as CFO and Treasurer; and
 - (o) each of the Companies shall appoint Andrew Davidson, Aaron Joyes, Kenneth MacNeill, and Richard Wingate as directors.
5. The Companies, the Purchaser, SubCo, and ResidualCo are hereby permitted to execute and file articles of amendment, amalgamation, continuance, or reorganization or such other documents or instruments as may be required to permit or enable and effect the Amalgamation, including, without limitation, the steps set out in paragraph 4 of this Order, and such articles, documents, or other instruments shall be deemed to be duly authorized, valid, and effective notwithstanding any requirement under federal or provincial law to obtain director or shareholder approval with respect to such actions or to deliver any statutory declarations that may otherwise be required under corporate law to effect the Amalgamation.
6. This Order shall constitute the only authorization required by the Companies, SubCo, or ResidualCo to proceed with the Transactions, including, without limitation, the Amalgamation and no director or shareholder approval shall be required and no authorization, approval, or other action by, notice to, or filing with any governmental authority or regulatory body exercising jurisdiction in respect of the Companies is required for the due execution, delivery, and performance by the Companies, SubCo, or ResidualCo of their obligations under the Amalgamation Agreement and the completion of the Transactions.

7. The Registrar of Corporations and any Deputy Registrars appointed pursuant to section 22-1(1) of *The Business Corporations Act, 2021*, SS 2021, c 6 shall accept and receive any documents or instruments as may be required to permit or effect the Transactions contemplated in the Amalgamation Agreement.

VESTING OF ASSETS AND LIABILITIES

8. Subject to the terms of the Amalgamation Agreement, upon delivery of the Monitor's Certificate, the following shall be deemed to sequentially occur:
 - (a) all of the Companies' right, title, and interest in and to the Excluded Assets (including, for certainty, the right to receive the Closing Date Cash) shall vest absolutely and exclusively in the name of ResidualCo and all Claims and Encumbrances attached to the Excluded Assets shall continue to attach to the Excluded Assets with the same nature and priority as they had immediately prior to their transfer;
 - (b) all Excluded Liabilities shall be transferred to, assumed by, and vest absolutely and exclusively in the name of ResidualCo, the Excluded Liabilities shall be novated and become obligations of ResidualCo and not obligations of the Companies, the Companies shall be forever released and discharged from the Excluded Liabilities, and all Encumbrances securing the Excluded Liabilities shall be forever released and discharged in respect of the Companies; provided, however, that nothing in this Order shall be deemed to cancel any Encumbrances against the Companies that are expressly permitted by the Amalgamation Agreement, including without limitation, any Encumbrances which relate in whole or in part to any Retained Liabilities, all of which shall continue to apply with respect to such Retained Liabilities;
 - (c) the commencement or prosecution, whether directly, indirectly, derivatively, or otherwise of any demands, claims, actions, counterclaims, suits, judgements, or other remedies or recoveries with respect to any indebtedness, liability, obligation, or cause of action against the Companies in respect of the Excluded Liabilities shall be permanently enjoined;

- (d) the nature of the Retained Liabilities retained by the Companies, including, without limitation, their amount or secured or unsecured status, shall not be affected or altered as a result of the Amalgamation Agreement or the steps and actions taken in accordance with the terms thereof;
 - (e) the nature and priority of the Excluded Liabilities assumed by ResidualCo, including, without limitation, their amount and their secured or unsecured status, shall not be affected or altered as a result of their transfer to and assumption by ResidualCo; and
 - (f) any Person that, prior to the Effective Time, had a valid Claim against the Companies in respect of the Excluded Liabilities shall no longer have such Claim against the Companies but will have an equivalent Claim against ResidualCo (including, without limitation, in respect of the Closing Date Cash received by ResidualCo pursuant to the Amalgamation Agreement) in respect of the Excluded Liabilities from and after the Effective Time in its place and stead, and nothing in this Order limits, lessens, or extinguishes the Excluded Liabilities or the Claims of any person as against ResidualCo.
9. Upon the delivery of the Monitor's Certificate and the Purchaser filing a certified copy of this Order, together with any applicable registration fees, all governmental authorities (collectively, the "**Governmental Authorities**") are hereby authorized, requested, and directed to accept delivery of the Monitor's Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges, and discharge statements of conveyance as may be required in order to give effect to the terms of this Order and the Amalgamation Agreement.
 10. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Amalgamation Agreement. Presentment of this Order and the Monitor's Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations such that the Retained Assets of the Companies shall be free from all Encumbrances.

11. Without limiting the generality of the preceding paragraph, the Registrar of Personal Property Security for Saskatchewan and the Registrar of Personal Property Security for Alberta shall be and are hereby directed to forthwith cancel and discharge the following registrations:

| Jurisdiction | Registration Number | Registration Date | Debtor | Secured Party |
|--------------|---------------------|-------------------|--|--------------------|
| Saskatchewan | 302449197 | 08/01/2023 | IMPERIAL HELIUM CORP. | CERTARUS LTD. |
| Saskatchewan | 302518948 | 02/22/2024 | IMPERIAL HELIUM CORP. | CERTARUS LTD. |
| Saskatchewan | 302597241 | 09/11/2024 | ROYAL HELIUM LTD. | REMOTE POWER CORP. |
| Alberta | 23080108668 | 08/01/2023 | IMPERIAL HELIUM CORP. | CERTARUS LTD. |
| Alberta | 24022225032 | 02/22/2024 | IMPERIAL HELIUM CORP. | CERTARUS LTD. |
| Alberta | 24091102404 | 09/11/2024 | IMPERIAL HELIUM CORP. ROYAL HELIUM LTD. | REMOTE POWER CORP. |
| Alberta | 24091107657 | 09/11/2024 | IMPERIAL HELIUM CORP. ROYAL HELIUM LTD. | REMOTE POWER CORP. |

12. The Purchaser shall be authorized to take all steps necessary to effect the discharge of the Encumbrances (other than the Permitted Encumbrances) as against the Retained Assets. For certainty, the following registrations made in connection with the Permitted Encumbrances shall not be discharged: **[NTD: To be populated.]**

COURT PROCEEDINGS

13. Upon the filing of the Monitor's Certificate:
- (a) ResidualCo shall be added as an applicant in these proceedings and any reference in any Order of this Court in respect of these proceedings to the "Applicants", "Companies", RHL, IHC, or RHEL shall be deemed to refer to ResidualCo, *mutatis mutandis*;
 - (b) RHL, IHC, and RHEL each shall be deemed to cease to be an "Applicant" in these proceedings and shall be deemed to be released from the purview of any Order of this Court granted in respect of these proceedings, save and except for this Order, the terms of which shall continue to apply in relation to RHL, IHC, and RHEL: and
 - (c) the title of these proceedings shall be amended as follows:

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT*,
RSC 1985, c. C-36, as amended

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF 102218166 SASKATCHEWAN LTD.

RELEASES

14. Effective upon the filing of the Monitor's Certificate, (i) each of the current directors, officers, employees, contractors, executive team, agents, representatives, and all of their respective advisors, including financial advisors and legal counsel of the Companies and Keranic; (ii) David Young and Jeff Shephard, in their capacities as current and former directors and officers of the Companies (iii) the Monitor and its legal counsel; and (iv) Andrew Davidson in his capacity as a director of ResidualCo (the persons listed in (i), (ii), (iii) and (iv) being collectively, the "**Released Parties**") shall be deemed to be forever

irrevocably released and discharged from any and all present and future claims (including, without limitation, claims for contribution or indemnity), liabilities, indebtedness, demands, actions, causes of actions, counterclaims, suits, damages, judgements, executions, recoupments of debts, sums of money, expenses, accounts liens, taxes, recoveries, and obligations of any nature or kind whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise) based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place prior to the issuance of the Monitor's Certificate in connection with the Transactions (including the Amalgamation) or completed pursuant to the terms of this Order (collectively, the "**Released Claims**"), which Released Claims are hereby fully, finally, irrevocably and forever waived, discharged, released, cancelled and barred as against the Released Parties, save and except for any and all Released Claims arising out of or in connection with any fraud, gross negligence, or willful misconduct on the part of the Released Parties, or any claim that is not permitted to be released pursuant to section 5.1(2) of the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended ("**CCAA**").

15. From and after the Effective Time, all Persons shall be absolutely and forever barred, estopped, foreclosed, and permanently enjoined from pursuing, asserting, exercising, enforcing, issuing, or continuing any steps or proceedings, or relying on any rights, remedies, claims, or benefits in respect of or against the Monitor, the Companies, Keranic, Amalco, or the Retained Assets in any way relating to, arising from, or in respect of:
 - (a) the Excluded Assets;
 - (b) the Excluded Liabilities;
 - (c) any and all Claims and Encumbrances (other than the Retained Liabilities) against or relating to the Companies, the Excluded Assets, the Excluded Liabilities, or the Retained Assets existing immediately prior to the Effective Time;
 - (d) the Companies' insolvency prior to the Effective Time;

- (e) the commencement or existence of these CCAA proceedings and any subsequent bankruptcy proceedings in respect of ResidualCo; or
- (f) the completion of the Transactions.

THE MONITOR

16. Without in any way limiting the Monitor's powers set out in the Initial Order, the Enhanced Powers Order and any other Order of this Court in these CCAA proceedings, or under the CCAA or applicable law, the Monitor is hereby authorized to undertake and perform such activities and obligations as are contemplated to be undertaken or performed by the Monitor pursuant to this Order and the Amalgamation Agreement or any ancillary document related thereto.
17. Notwithstanding anything contained in this Order, the Monitor, its employees and representatives are not and shall not be or deemed to be a director, officer or employee of ResidualCo, de facto or otherwise, and shall incur no liability in connection therewith, save and except for any gross negligence or willful misconduct on its part. Nothing in this Order shall affect, vary, derogate from, limit or otherwise amend any protections in favour of the Monitor at law or pursuant to the CCAA, the Initial Order or any other Order granted in these CCAA proceedings. For greater certainty, the terms of the Initial Order and any other Orders granted in these proceedings shall apply in respect of authorizing the Monitor to take such steps and actions on behalf of the Companies as necessary or desirable to complete the Transaction pursuant to this Order.
18. No action lies against the Monitor by reason of this Order or the performance of any act authorized by this Order, except with leave of the Court following an action brought on not less than ten (10) days' notice to the Monitor and its legal counsel. The entities related to

or affiliated with the Monitor or belonging to the same group as the Monitor (including without limitation, any agents, employees, legal counsel or other advisors retained or employed by the Monitor) shall benefit from the protection granted to the Monitor under this paragraph.

19. The Monitor may rely on written notice from the Keranic or its counsel regarding the fulfilment of the conditions to closing under the Amalgamation Agreement and shall incur no liability with respect to the delivery of the Monitor's Certificate.
20. The Monitor shall file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof in connection with the Transactions, but, for greater certainty, any delay in the filing of the Monitor's Certificate shall not delay closing.
21. The Monitor, in addition to its prescribed rights and obligations under the CCAA, is authorized, entitled, and empowered to:
 - (a) assign or cause to be assigned, at any time after the Closing Date, ResidualCo into bankruptcy and the Monitor shall be entitled but not obligated to act as trustee in bankruptcy thereof; and
 - (b) apply to this Court for advice and directions or any orders necessary or advisable to carry out its powers and obligations under this Order or any other Order granted by this Court, including for advice and directions with respect to any matter.

TRANSACTION AND AMALGAMATION BINDING

22. Notwithstanding:
 - (a) the pendency of these proceedings and any declaration of insolvency made herein;

- (b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (the "**BIA**"), in respect of ResidualCo, and any bankruptcy order issued pursuant to any such applications;
- (c) any assignment in bankruptcy made by ResidualCo; and
- (d) the provisions of any federal or provincial statute;

the execution of the Amalgamation Agreement and the implementation of the Amalgamation and the Transactions shall be binding on any trustee in bankruptcy that may be appointed in respect of ResidualCo, and shall not be void or voidable by creditors of ResidualCo, nor shall it constitute or be deemed to be a transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, or other reviewable transaction under the *BIA* or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

MISCELLANEOUS MATTERS

- 23. The Monitor, the Companies, Keranic, and any other interested party shall be at liberty to apply for further advice, assistance, and direction as may be necessary to give full force and effect to the terms of the Amalgamation Agreement and this Order.
- 24. The Court shall retain exclusive jurisdiction to, among other things, interpret, implement, and enforce the terms and provisions of the Amalgamation Agreement and this Order, including any dispute arising from the same.
- 25. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory, or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, to give effect to this Order, and to assist the Monitor and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Monitor, as an officer of the Court, as may

be necessary or desirable to give effect to this Order or to assist the Monitor and its agents in carrying out the terms of this Order.

26. Service of this Order shall be deemed good and sufficient by serving the same on the members of the service list created in these proceedings and posting a copy of this Order on the Monitor's website.
27. Service of this Order may be effected by facsimile, electronic mail, personal delivery, or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

Justice of the Court of King's Bench of Alberta

SCHEDULE "A"
FORM OF MONITOR'S CERTIFICATE

COURT FILE NUMBER 2501-02606

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

Clerk's Stamp

IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, RSC 1985, c C-36, AS AMENDED

AND IN THE MATTER OF THE PLAN OF COMPROMISE OR
ARRANGEMENT OF ROYAL HELIUM LTD., IMPERIAL HELIUM
CORP., AND ROYAL HELIUM EXPLORATION LIMITED

DOCUMENT

MONITOR'S CERTIFICATE

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

Burnet, Duckworth & Palmer LLP
2400, 525 – 8th Avenue SW
Calgary, AB T2P 1G1
Lawyers: David LeGeyt / Ryan Algar / Jessica MacKinnon
Phone Number: (403) 260-0210 / 0126 / 0112
Fax Number: (403) 260-0332
Email Address: dlegeyt@bdplaw.com
 ralgar@bdplaw.com
 jmackinnon@bdplaw.com
File No.: 64793-8

RECITALS

- A. Royal Helium Ltd., Royal Helium Exploration Limited, and Imperial Helium Corp. (collectively, the "**Companies**") commenced proceedings (the "**CCAA Proceedings**") in the Court of King's Bench for Alberta, Judicial Centre of Calgary (the "**Court**") under the *Companies' Creditors Arrangement Act* (Canada) and the Court granted an initial order in the CCAA Proceedings on February 19, 2025.
- B. Pursuant to an Order of the Court granted on October 1, 2025, the Court granted a Transaction Approval and Reverse Vesting Order (the "**RVO**") approving the transactions contemplated by an Amalgamation Agreement dated September 23, 2025 (the "**Amalgamation Agreement**") among the Companies, Keranic Industrial Gas Inc.

("Keranic" and the existing shareholders of Keranic being the "**Purchaser**"), 102218166 Saskatchewan Ltd. ("**ResidualCo**") and 102218200 Saskatchewan Inc. (and together with Keranic, post Amalgamation, being "**Amalco**"), and ordered that, *inter alia*: (i) all of the Applicant's right, title and interest to the Excluded Assets shall be transferred and vest absolutely and exclusively in ResidualCo; and (ii) all Excluded Liabilities shall be transferred to, assumed by and vest in ResidualCo, in each case, effective upon the delivery by the Monitor to the Companies and the Purchaser of a certificate confirming that all conditions to closing have been satisfied or waived by the parties to the Amalgamation Agreement.

- C. Unless otherwise defined herein, capitalized terms have the meanings given to them in the Amalgamation Agreement.

THE MONITOR CERTIFIES that:

1. Amalco has paid and the Monitor has received the Closing Date Cash payable pursuant to the Amalgamation Agreement.
2. The Monitor has received written confirmation from Keranic, in form and substance satisfactory to the Monitor, that the Amalgamation Agreement's conditions to closing have been satisfied or waived by the Companies and Keranic, including evidence of the Term Loans.
3. The Transactions contemplated by the Amalgamation Agreement and RVO have been completed to the Monitor's satisfaction.
4. This Certificate was delivered by the Monitor at **[time]** on **[date]**.

Alvarez & Marsal Canada Inc., in its capacity as monitor of Royal Helium Ltd., Royal Helium Exploration Limited, and Imperial Helium Corp., and not in its personal or corporate capacity.

Per: _____
Orest Konowalchuk, Managing Director

SCHEDULE C

RETAINED CONTRACTS

- Product Supply Agreement – Bulk, between RHL and Space Exploration Technologies Corp. effective January 1, 2023 and amended on May 24, 2023.
- Pipeline Construction and Gas Gathering Agreement, between Campus Energy Partners Infrastructure LP and Imperial Helium Corp., dated February 6, 2023 and amended on March 29, 2023 and March 1, 2024.
- All helium and other mineral leases and permit agreements
- Liquefaction tolling agreement with Tumbleweed Midstream
- All surface access agreements
- All insurance contracts
- All contracts pertaining to the Retained Assets as may be identified by Keranic prior to Closing
- A Commitment Letter dated February 1, 2023, between Canadian Western Bank as Lender, Imperial Helium Corp as Borrower, and each of Royal Helium Ltd. and Royal Helium Exploration Limited as Guarantors, as amended by: (a) the First Amendment to the Commitment Letter dated February 15, 2023 (b) the Second Amendment to the Commitment Letter dated August 21, 2023 (c) the Third Amendment to the Commitment Letter dated September 7, 2023 (d) the Fourth Amendment to the Commitment Letter dated December 7, 2023 (e) the Fifth Amendment to the Commitment Letter dated December 19, 2023 (f) the Sixth Amendment to the Commitment Letter dated June 26, 2024 and (g) the Seventh Amendment to the Commitment Letter dated July 19, 2024;
- Revolving Credit Agreement dated April 23, 2023, granted by Imperial Helium Corp. to and in favour of Canadian Western Bank;
- Purchase Order Tri-Party Agreement dated April 21, 2023 between Arjae Design Solutions Ltd., Imperial Helium Corp., Canadian Western Bank, and Business Development Bank of Canada;
- A full liability guarantee dated April 21, 2023, granted by Royal Helium Exploration Limited to and in favour of Canadian Western Bank guaranteeing the obligations owed by Imperial Helium Corp.;
- a full liability guarantee dated April 21, 2023, granted by Royal Helium Ltd. to and in favour of Canadian Western Bank guaranteeing the obligations owed by Imperial Helium Corp.;
- a full liability guarantee dated December 2023, granted by Royal Helium Exploration Limited to and in favour of Business Development Bank of Canada guaranteeing the obligations owed by Imperial Helium Corp.;
- a full liability guarantee dated December 2023, granted by Royal Helium Ltd. to and in favour of Business Development Bank of Canada guaranteeing the obligations owed by Imperial Helium Corp. guaranteeing the obligations owed by Imperial Helium Corp.
- a general security agreement dated April 21, 2023 granted by Imperial Helium Corp. in favour of Canadian Western Bank
- an amended general security agreement dated December 15, 2023 granted by Imperial Helium Corp. in favour of Canadian Western Bank
- a leasehold mortgage dated April 21, 2023, as amended on December 15, 2023, granted by Imperial Helium Corp. in favour of Canadian Western Bank;
- a general security agreement dated April 21, 2023, granted by Royal Helium Exploration Limited in favour of Canadian Western Bank;
- a general security dated April 21, 2023, granted by Royal Helium Ltd. in favour of Canadian Western Bank;
- a Letter of Credit dated November 27, 2023, among Business Development Bank of Canada as

- Lender, Imperial Helium Corp. as Borrower, as amended on December 21, 2023 and June 25, 2025;
- a general security agreement dated December 15, 2023, granted by Imperial Helium Corp. in favour of Business Development Bank of Canada;
 - a leasehold mortgage dated April 21, 2023, as amended on December 15, 2023, among Imperial Helium Corp. in favour of Business Development Bank of Canada;
 - a general security dated April 21, 2023, granted by Royal Helium Exploration Limited in favour of Business Development Bank of Canada;
 - a general security dated April 21, 2023, granted by Royal Helium Ltd. in favour of Business Development Bank of Canada
 - Second Interlender Agreement between Business Development Bank of Canada, Canada Western Bank, Imperial Helium Corp., Royal Helium Ltd. and Royal Helium Exploration Limited dated December 20, 2023
 - Environmental Agreement and Indemnity among Imperial Helium Corp., Royal Helium Ltd. and Royal Helium Exploration Limited and Business Development Bank of Canada dated April 21, 2023
 - Environmental Agreement and Indemnity among Imperial Helium Corp., Royal Helium Ltd. and Royal Helium Exploration Limited and Canadian Western Bank dated April 21, 2023
 - Assignment of Contract among Royal Helium Ltd., Space Exploration Technologies Corp. and Canadian Western Bank dated April 21, 2023

SCHEDULE D
REORGANIZATION

All steps shall occur on the Closing Date in the order set out below:

| STEP | Description |
|------|--|
| 1 | Consolidate the Existing Shares on an 8:1 basis, resulting in the total issued and outstanding common shares of RHL being reduced to 47,160,078 (the “ RHL Shares ”). |
| 2 | <p>Amend the articles of incorporation of RHL as follows:</p> <ul style="list-style-type: none"> (i) the existing share classes will be amended to distinguish two classes of shares: Class A common voting shares (“Class A Shares”) and Class B preferred non-voting shares (“Class B Shares”); (ii) the Class A Shares shall contain a restriction providing that, until RHL returns to trading on the TSXV, the Class A Shares shall be voted in accordance with Keranic or its successor’s chosen vote on all matters; (iii) the Class B Shares shall contain a right of conversion; and (iv) the RHL Shares will be re-designated as Class A shares. |
| 3 | The Companies shall each cancel all existing warrants, options, convertible debentures, and any other instruments granting the right to purchase or acquire any shares, interests, participations, or other equivalents of capital stock or share capital in the Companies. |
| 4 | The Convertible Promissory Notes and the Subscription Receipts will convert into Units. |
| 5 | The Subscription Receipt Agent appointed under the Subscription Receipt Agreement pursuant to the Brokered Financing pays the proceeds of the Brokered Financing to the Monitor, in accordance with the Directions to Pay. |
| 6 | Keranic pays the remainder of the Closing Date Cash to the Monitor, in accordance with the Directions to Pay. |

| | |
|---|--|
| 7 | <p>The Amalgamation shall occur pursuant to the following steps and in accordance with Article 2:</p> <ul style="list-style-type: none"> (i) each Keranic Share issued and outstanding before the Closing Time (the “Transferred Keranic Shares”) shall be cancelled without any repayment of capital in respect thereof and its holder shall receive therefor one (1) fully paid and non-assessable RHL Share, free and clear of all Claims and Encumbrances, at a deemed price of \$ [REDACTED] per RHL Share; (ii) each SubCo Share issued and outstanding immediately before the Closing Time shall be replaced by one Amalco Common Share issued to RHL; (iii) in consideration of the issue of the RHL Shares to effect the Amalgamation, Amalco will issue to RHL one fully paid and non-assessable Amalco Common Share for each RHL Share issued pursuant to Step 7(i); (iv) all issued and outstanding Keranic Warrants shall be exchanged for RHL Warrants on the basis of one (1) RHL Warrant for each Keranic Warrant, and each RHL Warrant so issued shall entitle the holder thereof to receive, upon the subsequent exercise thereof, that number of RHL Shares equal to the number of Keranic Shares issuable under the Keranic Warrants immediately prior to the Closing Time on the same terms and conditions as such Keranic Warrants, and all such Keranic Warrants shall be cancelled; (v) all issued and outstanding Keranic Broker Warrants shall be exchanged for RHL Broker Warrants on the basis of one (1) RHL Broker Warrant for each Keranic Broker Warrant, and each RHL Broker Warrant so issued shall entitle the holder thereof to receive, upon the subsequent exercise thereof, that number of RHL Units equal to the number of Units issuable under the Keranic Broker Warrants immediately prior to the Closing Time on the same terms and conditions as such Keranic Broker Warrants, and all such Keranic Broker Warrants shall be cancelled; and (vi) Amalco shall be a wholly-owned Subsidiary of RHL with RHL holding all of the issued and outstanding Amalco Common Shares. |
| 8 | Amalco authorizes an intercompany dividend to RHL in the amount of the Closing Date Cash in accordance with the Directors' Resolution. |
| 9 | Amalco shall deliver (or cause to be delivered) the Closing Date Cash to the Monitor in accordance with the Directions to Pay. |

| | |
|-----------|---|
| 10 | The Companies transfer all of their right, title, and interest in and to the Excluded Assets (including the Closing Date Cash) to ResidualCo as consideration for the Excluded Liabilities and in accordance with the Transaction Approval and Vesting Order. |
| 11 | The Companies shall terminate the appointment of all the current directors, officers, and employees of the Companies. |
| 12 | The Companies shall appoint the following officers to each of the Companies: Andrew Davidson as CEO and President and Michael Gleeson as CFO and Treasurer. |
| 13 | The Companies shall appoint Andrew Davidson, Aaron Joyes, Kenneth MacNeill and Richard Wingate as directors of each of the Companies. |

FORM OF KERANIC CONDITIONS CERTIFICATES

TO: ALVAREZ & MARSAL CANADA INC. (the “**Monitor**”)

This Conditions Certificate (this “**Certificate**”) is delivered pursuant to Section 5.2(a) of that certain amalgamation agreement, dated as of September [•], 2025 (the “**Agreement**”) among Royal Helium Ltd. (“**RHL**”), Imperial Helium Corp. (“**IHC**”), and Royal Helium Exploration Limited (“**RHEL**”, collectively, with RHL and IHC, the “**Companies**”), Keranic Industrial Gas Inc. (“**Keranic**”), 102218166 Saskatchewan Ltd. and 102218200 Saskatchewan Ltd. All capitalized terms used herein which have not been defined herein shall have the same meaning attributed thereto in the Agreement unless the context requires otherwise.

The undersigned officer of Keranic hereby confirms to the Monitor, for and on behalf of Keranic, but solely in his or her capacity as an officer of Keranic and not in his or her personal capacity (and without incurring any personal liability), that the conditions to Closing set out in Sections 5.2 and 5.3 of the Agreement for the benefit of Keranic have been fulfilled or performed to Keranic’s satisfaction and/or waived by Keranic;

IN WITNESS WHEREOF, the undersigned has executed this Certificate as of the [•] day of [•], 2025.

KERANIC INDUSTRIAL GAS INC.

Per: _____

Name: _____

Title: _____

SCHEDULE F**ARTICLES OF AMALGAMATION**

Province of Saskatchewan
The Business Corporations Act, 2021
Articles of Amalgamation

078

1. Name of Corporation:

KERANIC INDUSTRIAL GAS INC.

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

The attached Schedule I is incorporated in this form.

3. Restrictions, if any, on share transfers:

The attached Schedule II is incorporated in this form.

4. Number (or minimum and maximum number) of directors:

Minimum: 1 Maximum: 9

5. Restrictions, if any, on businesses the Corporation may carry on or on powers the Corporation may exercise:

None.

6. Other provisions, if any:

The attached Schedule III is incorporated in this form.

7. The Amalgamation Agreement has been approved by special resolutions of shareholders of each of the amalgamating corporations listed in Item 9 below in accordance with Section 14-12 of the Act.

| 8. Amalgamating corporations: | Signature: | Office Held: | Date: |
|------------------------------------|------------|--------------|-------------|
| KERANIC INDUSTRIAL GAS INC. | _____ | Director | _____, 2025 |
| 102218200 SASKATCHEWAN INC. | _____ | Director | _____, 2025 |

SCHEDULE I

1. CLASSES AND NUMBER OF SHARES

The Corporation is authorized to issue an unlimited number of Class A shares, having the following rights, privileges, restrictions, and conditions:

(a) **Class A Shares (Common Voting):**

- (i) the holders of Class A shares are entitled to vote at all meetings of the shareholders;
- (ii) the holders of Class A shares are entitled to receive dividends as declared, from time to time, by the Board of Directors; and
- (iii) subject to the prior rights of holders of other classes of shares, the holders of Class A shares are entitled to receive the remaining property of the Corporation on dissolution, liquidation, winding up, or other similar act of the Corporation.

2. GENERAL

(a) **Dividends Discretionary**

Subject to the restrictions on the payment of dividends set out in the Act and any restrictions set out in this Schedule I, the Board of Directors of the Corporation may declare and pay dividends at any time on any class or series of shares to the exclusion of any, or all, other classes and series of shares.

(b) **No Fixed Dividend Rate Declared**

In the event that the Board of Directors of the Corporation fails to determine and declare by resolution at the time of issuance of any Class I, Class J, or Class K shares, or series of shares, a fixed dividend rate, then the holders of such shares will be entitled to a dividend at any rate as may be declared from time to time by the Board of Directors.

(c) **Series of Shares**

The Board of Directors may issue shares of any class of shares in one or more series, and the Board of Directors may fix the number of shares and determine the designation, rights, privileges and restrictions and conditions attaching to the shares of each such series. The Board of Directors (without shareholder approval) are authorized to file Articles of Amendment with the Corporate Registry as may be required to give effect to the foregoing.

(d) **Fractional Shares**

The Board of Directors may issue fractional shares of any class of shares and the holder of any such fractional share shall be entitled to a vote in relation to the fractional share as if it were a whole share, in those instances where the holder of a whole share would have the right to vote.

SCHEDULE II**1. RESTRICTIONS ON SHARE TRANSFERS****(a) Consent of the Directors**

No shares in the Corporation may be transferred or alienated, whether by sale, hypothecation, devise or otherwise, without the prior written consent of the directors.

(b) Share Register

Without limiting the generality of subsection 1(a), the directors:

- (i) may decline to register a transfer of shares belonging to a shareholder who is indebted to the Corporation; and
- (ii) shall decline to register any transfer of shares that is subject to a right of purchase (including, without limitation, a right of first refusal) unless those shares have first been offered to the person in whose favour that right existed, and in accordance with the terms of that right.

SCHEDULE III

1. OTHER PROVISIONS

(a) Lien

The Corporation shall have a first and paramount lien on:

- (i) all shares issued to any shareholder, whether solely or jointly with others,
- (ii) the proceeds of any sale of those shares, and
- (iii) all dividends from time to time declared in respect of such shares,

to secure payment of the shareholder's debts to the Corporation, whether the time for payment of such debts shall have arrived or not, and no legal or equitable interest in any share shall be created in favour of any other person in priority to or *pari passu* with the Corporation's lien, without the prior written consent of the directors.

(b) No Distribution to the Public

The Corporation shall not invite the public to subscribe for any of its securities.

(d) Communication to Shareholders by Electronic Means

The Corporation may send notices and records to shareholders by electronic means. The Corporation may also post notices and records on a website or an internet file hosting service that can be accessed by shareholders without a fee payment, provided that a written notice (including by electronic means) is sent to the shareholders, informing the shareholders that the documents have been posted and setting out how the shareholders can access such documents.

Schedule G - Estimate of Priority Payables

**Royal Helium Ltd., Imperial Helium Corp, and Royal Helium Exploration Limited
(Collectively, the "Company")**

Estimate of Priority Payables

Figures in CAD \$000's

| <u>Priority Payables</u> | <u>As at</u> | <u>NBV</u> |
|---|---------------------|-------------------|
| SK Permits - Cash in Lieu of Work | 10-Sep-25 | (332) |
| Saskatchewan Deposit for ARO | 06-Dec-24 | (119) |
| Alberta Energy Regulator Fees | 16-Jun-25 | (5) |
| Alberta Crown Land Rental | 23-Sep-25 | (10) |
| Regional Municipal Property Tax | 15-Aug-25 | (5) |
| Payroll Source Deductions | 10-Sep-25 | (5) |
| Steveville Property Taxes | 05-May-25 | (197) |
| Saskatchewan 2025 Lease Renewal | 31-Jul-25 | (169) |
| 2025 Heritage Annual Lease | 10-Sep-25 | (44) |
| Disputed Heritage Lease Royalty | 23-Sep-25 | (295) |
| Minister of Agriculture Lease Renewal | 11-Aug-25 | (109) |
| Eastern Irrigation District Surface Renewal | 13-Aug-25 | (3) |
| Total Priority Payables | | (1,295) |

SCHEDULE H

BDC SECURITY AND NBC SECURITY

- A Commitment Letter dated February 1, 2023, between Canadian Western Bank as Lender, Imperial Helium Corp as Borrower, and each of Royal Helium Ltd. and Royal Helium Exploration Limited as Guarantors, as amended by: (a) the First Amendment to the Commitment Letter dated February 15, 2023 (b) the Second Amendment to the Commitment Letter dated August 21, 2023 (c) the Third Amendment to the Commitment Letter dated September 7, 2023 (d) the Fourth Amendment to the Commitment Letter dated December 7, 2023 (e) the Fifth Amendment to the Commitment Letter dated December 19, 2023 (f) the Sixth Amendment to the Commitment Letter dated June 26, 2024 and (g) the Seventh Amendment to the Commitment Letter dated July 19, 2024;
- Revolving Credit Agreement dated April 23, 2023, granted by Imperial Helium Corp. to and in favour of Canadian Western Bank;
- Purchase Order Tri-Party Agreement dated April 21, 2023 between Arjae Design Solutions Ltd., Imperial Helium Corp., Canadian Western Bank, and Business Development Bank of Canada;
- A full liability guarantee dated April 21, 2023, granted by Royal Helium Exploration Limited to and in favour of Canadian Western Bank guaranteeing the obligations owed by Imperial Helium Corp.;
- a full liability guarantee dated April 21, 2023, granted by Royal Helium Ltd. to and in favour of Canadian Western Bank guaranteeing the obligations owed by Imperial Helium Corp.;
- a full liability guarantee dated December 2023, granted by Royal Helium Exploration Limited to and in favour of Business Development Bank of Canada guaranteeing the obligations owed by Imperial Helium Corp.;
- a full liability guarantee dated December 2023, granted by Royal Helium Ltd. to and in favour of Business Development Bank of Canada guaranteeing the obligations owed by Imperial Helium Corp. guaranteeing the obligations owed by Imperial Helium Corp.
- a general security agreement dated April 21, 2023 granted by Imperial Helium Corp. in favour of Canadian Western Bank
- an amended general security agreement dated December 15, 2023 granted by Imperial Helium Corp. in favour of Canadian Western Bank
- a leasehold mortgage dated April 21, 2023, as amended on December 15, 2023, granted by Imperial Helium Corp. in favour of Canadian Western Bank;
- a general security agreement dated April 21, 2023, granted by Royal Helium Exploration Limited in favour of Canadian Western Bank;
- a general security dated April 21, 2023, granted by Royal Helium Ltd. in favour of Canadian Western Bank;
- a Letter of Credit dated November 27, 2023, among Business Development Bank of Canada as Lender, Imperial Helium Corp. as Borrower, as amended on December 21, 2023 and June 25, 2025;
- a general security agreement dated December 15, 2023, granted by Imperial Helium Corp. in favour of Business Development Bank of Canada;
- a leasehold mortgage dated April 21, 2023, as amended on December 15, 2023, among Imperial Helium Corp. in favour of Business Development Bank of Canada;
- a general security dated April 21, 2023, granted by Royal Helium Exploration Limited in favour of Business Development Bank of Canada;
- a general security dated April 21, 2023, granted by Royal Helium Ltd. in favour of Business Development Bank of Canada
- Second Interlender Agreement between Business Development Bank of Canada, Canada Western Bank, Imperial Helium Corp., Royal Helium Ltd. and Royal Helium Exploration Limited dated

December 20, 2023

- Environmental Agreement and Indemnity among Imperial Helium Corp., Royal Helium Ltd. and Royal Helium Exploration Limited and Business Development Bank of Canada dated April 21, 2023
- Environmental Agreement and Indemnity among Imperial Helium Corp., Royal Helium Ltd. and Royal Helium Exploration Limited and Canadian Western Bank dated April 21, 2023
- Assignment of Contract among Royal Helium Ltd., Space Exploration Technologies Corp. and Canadian Western Bank dated April 21, 2023