Court File No. M/M/114/12

IN THE COURT OF QUEEN'S BENCH OF NEW BRUNSWICK

TRIAL DIVISION

JUDICIAL DISTRICT OF MONCTON

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF LANDDRILL INTERNATIONAL INC. (A BRITISH COLUMBIA CORPORATION), LANDDRILL INTERNATIONAL LTD. (A NEW BRUNSWICK CORPORATION), LANDDRILL ATLANTIC LTD. (A NEW BRUNSWICK CORPORATION), LANDDRILL CONTRACT MINING LTD. (A NEW BRUNSWICK CORPORATION), LANDDRILL INTERNATIONAL MEXICO S.A. DE C.V. (A MEXICAN CORPORATION), LANDDRILL INTERNATIONAL LLC (A MONGOLIAN CORPORATION) and LANDDRILL INTERNATIONAL INC. (A BARBADOS CORPORATION)

AFFIDAVIT

I, **ROGER ROGERS**, of the Town of Quispamsis, in the County of Kings and Province of New Brunswick, **MAKE OATH AND SAY THAT**:

1. I am a creditor, shareholder and the former Chief Financial Officer of Landdrill International Inc. (hereinafter "LII"), and, as such, I have personal knowledge of the facts deposed to herein, except where otherwise stated.

2. My date of birth is August 25, 1969.

3. I hold a M.B.A. from Saint Mary's University as well as a Certified General Accountant designation. My field of specialization is corporate finance.

4. Prior to 2012, I gained experience in my field of specialization through my employment as a Vice-President, Supply Chain and Corporate Controller with a leading family-owned brewery and as a Divisional Controller with a leading family-owned industrial company with in excess of 10,000 employees.

5. In June 2012, I became employed by LII.

6. My employment was initiated through discussions I had with Ronald Goguen, Sr., the President of LII.

7. At that time, I was advised by Mr. Goguen, and I do believe, that LII wanted my services and my experience. Attached hereto as Exhibit "A" is a true copy of the press release regarding my hiring by LII.

8. On or about June 6, 2012, I signed an employment agreement with LII, a true copy of which is attached hereto as Exhibit "B" (hereinafter the "Employment Agreement").

9. I negotiated certain clauses in the Employment Agreement due to concerns I had with respect to the potential for a change of ownership in the company and in order to obtain additional benefits, including the compensation package, a bonus structure and clear terms providing for the payment of pay in lieu of reasonable notice. The Employment Agreement satisfied my concerns.

10. During the course of my employment, and in particular during the summer of 2012, I began to be concerned about the financial stability of LII (which had not been previously detailed to me by Mr. Goguen) and its subsidiary and related companies, in part, as LII was failing to pay all of its indebtedness on the dates scheduled for payment.

11. Although Mr. Goguen was aware of this situation and the financial difficulties of the company he did not advise me of this in advance of the start of my employment.

12. Due to my personal financial obligations, including my financial responsibility for my 2 dependent children, I did not want to be in a position where my income would be in jeopardy, and as a result I discussed my concerns about the financial position of LII with Mr. Goguen, as well as Borden Ladner Gervais LLP, who were the company's lawyers.

13. I was advised by Mr. Goguen, and I do believe, LII wanted me to remain employed.

14. Due to the negative impact of recent employee and management turnover, including the departure of my predecessor, LII determined that it was appropriate to enter into retention agreements with all officers of LII to ensure that there was management stability during the period in which the company would be seeking to renegotiate debt and/or enter into forbearance agreements.

15. The management team retention was deemed vital during the negotiation of forbearance agreements with creditors and subsequent financial restructuring as the departure of the former CFO was cited by secured creditors, specifically Sprott, as a key concern.

16. As a result of my concerns, and in order to secure my long term employment with LII, I negotiated a Retention Agreement with LII, a true copy of which is attached hereto as Exhibit "C" (hereinafter the "Retention Agreement").

17. The Retention Agreement was negotiated and made well before LII had made a CCAA application.

18. The Retention Agreements made with LII's management team were considered crucial to the negotiations with LII's creditors. Indeed, at this time management was seeking to enter into forebearance arrangements with its secured creditors with the aim of securing some relief from payments in order to restructure the company's financial affairs.

19. During the negotiation period, I had a number of concerns in respect of LII and its subsidiaries financial and operating results. However, Mr. Goguen continually represented that he would be able to negotiate new financing in order to restructure LII.

20. As I was conscious of not impeding the financial affairs of LII further, the Retention Agreement was structured to consist of a cash payment of a retention bonus, a mandatory term of employment, and a provision granting me a security interest in the assets of LII in respect of any payments owed to me by LII under the Retention Agreement or the Employment Agreement (hereinafter the "Security Clause").

21. All corporate officers of LII, being myself, Mr. Goguen and Mr. Michael Tripp, the General Counsel and Corporate Secretary of LII, entered into retention agreements, each of which included security clauses, in an effort to ensure that there was management team stability during the period of financial distress.

22. The Security Clause was a key inducement for me entering into the Retention Agreement and for me remaining employed by LII notwithstanding my anxiety over the financial position of LII.

23. I was aware that remaining loyal to LII notwithstanding its financial difficulties might put my professional reputation at risk, however, upon entering in the Retention Agreement, I was willing to accept that reputational risk.

24. At a management meeting and at a board meeting in late August 2012 before LII applied for CCAA protection, it was discussed and determined that the Company would pay any reasonable legal expenses of any director or officer who sought independent legal counsel in respect of such officer's employment or a director's role with LII, or its subsidiaries, during the CCAA process. It was discussed by Management that this was best practice in a CCAA proceeding.

25. Based upon the advice of several legal practitioners and due to my concern in respect of any potential statutory or common law liability arising due to the precarious financial position of LII and the potential for a BIA or CCAA filing, I retained legal counsel, being Mr. Kelly VanBuskirk of Lawson Creamer.

26. Mr. VanBuskirk was retained to advise me in respect of (i) employment related matters, (ii) to register my security against the assets of LII, (iii) potential for my personal legal liability, and (iv) any other legal matter impacting upon me personally as a consequence of my employment and status as an Officer of LII.

27. Mr. Tripp concurrently retained Mr. VanBuskirk at that same time.

28. Mr. VanBuskirk agreed to ensure that the fees were managed prudently during the course of the file.

29. As I was not authorized to transfer money without Mr. Goguen's approval but Mr. Tripp and myself required legal advice prior to any CCAA filing to determine the legal ramifications upon each of us and any actions that should be taken before the filing to order our affairs, Mr. VanBuskirk agreed to act upon the promise of a retainer at a later date once Mr. Goguen had an opportunity to approve the payment of the retainer.

30. On August 31, 2012, LII and certain of its subsidiaries filed under the CCAA.

31. On the day prior to the filing, PPSA filings were made on behalf of Mr. Tripp and myself to register our security interest per our respective Retention Agreements.

32. I was advised by Mr. Goguen, and do believe, that he did not file a PPSA at that time. I was also advised by Mr. Goguen, and I do believe, that he later desired to do so and engaged Percy Mockler to discuss same, but was advised that it was too late to do so after LII had filed for CCAA.

33. During the period leading up to the CCAA filing and following the CCAA filing, acting as CFO for LII was very challenging and the job differed from that which I had initially accepted.

34. On numerous occasions, Mr. Goguen would seek to deal with the Monitor or other company stakeholders in an adversarial manner. Mr. Tripp and I would do our utmost to prevent any such action, but found doing so challenging and frustrating. Moreover, it caused me considerable concern in respect of Mr. Goguen's leadership.

35. The financial circumstances of the company resulted in extreme difficulty for Mr. Tripp and myself to manage the company on a daily basis.

36. My employment with LII was terminated without notice, without pay in lieu of notice and without just cause, on or about November 23, 2012. At that time, I had been employed by LII for approximately 6 months.

37. Pursuant to paragraph 6.1.2 of the Employment Agreement, upon termination of my employment, I became entitled to pay in lieu of notice.

38. To date, I have not been paid any of the above noted funds in lieu of notice.

39. The Amounts Owing are secured against the assets of LII pursuant to the terms of the Retention Agreement and the registration of my security interest registered on the New Brunswick PPSR.

LAWSON CREAMER RETAINER FUNDS

40. My retention agreement stated that LII "*will reimburse you for any legal fees incurred to enforce any matter herein.*"

41. The Initial Order stated that LII shall indemnify officers and directors.

42. It was discussed and approved in management meetings and board meetings that LII would pay any reasonable legal fees of officers or directors during the CCAA process.

43. The board of directors, passed a resolution, attached hereto as Exhibit "D" approving the payment of legal fees for employment matters for all officers.

44. On November 2, 2012, Mr. Goguen telephoned me and instructed me to pay a $20,000 retainer to Lawson Creamer on behalf of Mr. Tripp and myself. I then proceeded to direct the Corporate Controller to send the wire via e-mail. In so doing, I cc'd Mr. Tripp and Mr. Goguen, as was the practice. A true copy of the e-mail is attached hereto as Exhibit "E".

45. In order to wire funds from LII, the approval of two staff members was required, in addition to the initial approval of the transaction by Mr. Goguen. The electronic approval of either Mrs. Camilla Cormier or Mrs. Denise Collette would be required prior to wiring the funds, in addition to the approval of the Corporate Controller.

46. Mr. Goguen advised me, and I do believe, that he caused LII to wire an identical amount of $20,000 to his lawyer, Mr. Robert Basque of Forbes Roth Basque.

47. Mr. Goguen established the amount of the retainer himself, which was acceptable to Mr. VanBuskirk, based on the amount of the retainer which was being forwarded to Mr. Basque.

48. Mr. Goguen stated to me, and I do believe, that it was only fair that both retainers were the same, notwithstanding that the Lawson Creamer retainer was in respect of two officers, as opposed to the Forbes Roth Basque retainer.

49. Mr. Goguen was fully aware, on every occasion where I spoke to him with respect to the Lawson Creamer retainer, that the amount of the retainer was $20,000.

50. Additionally, on April 23, 2013, I called France Finnegan, the previous Corporate Controller of LII (the "Corporate Controller") who is a Chartered Accountant and was the Corporate Controller of LII during the payment of the Retainer.

51. The Corporate Controller confirmed, and I do believe, that the authorization of two employees was required to wire funds from LII's account through a secure electronic process with CIBC.

52. The Corporate Controller confirmed, and I do believe, that I did not have authorization to effect a wire transfer and in all likelihood the funds transfer authorization would have been approved by herself and one of either Denise Collette, Mr. Goguen's Executive Assistant, or Camilla Cormier, an accountant employed by LII.

53. The Corporate Controller further told me, and I do believe, that each of Mrs. Collette and Mrs. Cormier would not approve any wire transfer without having spoken with Mr. Goguen before approval from Mr. Goguen to ensure that Mr. Goguen was aware of the wire transfer, as was the practice at LII.

54. The Corporate Controller further confirmed, and I do believe, that she recalled the payment of the Lawson Creamer retainer and that Mr. Goguen was indeed aware of the payment and that she sought his approval, either directly or through Mrs. Collette or Mrs. Cormier, to forward any monies.

55. In my experience, at no times were monies paid without Mr. Goguen's authorization. Mr. Goguen maintained tight control of any transfers of money to third parties.

56. It was my observation that both of Mrs. Collette and Mrs. Cormier were very loyal and obedient to Mr. Goguen and would not undertake any action without Mr. Goguen's approval.

57. Based on my experience in arranging for the wiring of funds during my tenure as the CFO of LII, Mr. Goguen's approval, be it formal or informal, was required before any monies could be sent to any party.

58. I never directed the transfer of funds directly with any financial institution, nor was I authorized to do so.

59. Indeed, the delay in paying Mr. VanBuskirk's retainer was attributable to waiting for Mr. Goguen's approval.

60. Mr. Goguen would commonly delay the payment of professional fees and would publicly blame professionals and professional firms for the poor financial position of LII, including that of the company's law firm of Stewart McKelvey, the Monitor, Mr. Tripp and myself.

61. On several occasions I had approved the payment of professional fees during CCAA proceedings which were previously reviewed by Mr. Goguen but such payments, including to Ernst & Young, Stikeman Elliot and Stewart McKelvey would be delayed as a result of Mr. Goguen's failure to approve the actual wire transfer.

RETENTION BONUS TAX REMITTANCE

62. My retention agreement was identical to Mr. Tripp's in all respects except in respect of our personal information. Each of our retention agreements stated that the payment of the cash component of the retention amounts would be *net* of any tax or statutory deductions.

63. In or about the month of March 2013, Mr. Tripp telephoned me to advise, and I do believe, that he had noted a number of discrepancies in respect of his T4, statutory tax remittances, expense claims which had not been reimbursed, and overbilling by LII for office equipment which was sold to him upon the cessation of his employment.

64. Mr. Tripp noted, and I do believe, that all of the inconsistencies negatively impacted upon his financial position and he was unaware of any explanation as to why such amounts did not reconcile with the underlying legal documents or statutory obligations of LII.

65. As I was the CFO of LII during all pertinent times in respect of Mr. Tripp's employment and the events referenced above, Mr. Tripp inquired as to whether I was aware of any explanation for the number of inconsistencies. I advised Mr. Tripp that I was unaware of any explanation.

66. In or about mid-April 2013, Mr. Tripp telephoned me quite frustrated to advise that LII would amend his T4 without protest but that Mr. Goguen's rationale for not remitting the full amount of taxes owing was based upon a purported "side-deal" between Mr. Goguen and Mr. Tripp in which they allegedly agreed that LII should only make a remittance based on a 20% tax rate, rather than the full tax rate.

67. Apparently, the "side-deal" was not documented and Mr. Goguen did not advise me, as the CFO of the Company, of any purported side-deal. Mr. Tripp did not tell me of any change to his Retention Agreement with respect to the amount to be remitted to CRA at any time.

68. In my experience, Mr. Tripp's practice was to ensure that there was written documentation of any corporate agreements and corporate governance matters.

69. Based on my experience, I would find it unlikely that a material change to the agreement of a financial nature that could affect LII's legal interests would not be documented by Mr. Tripp by way of an amendment to the Retention Agreement, or that he wouldn't advise me of such a purported amendment.

70. LII has a statutory obligation to deduct and file CPP, EI and income tax from an employee's pay in full compliance with the applicable laws.

71. An employee and employer cannot make a side-deal where the employer would simply be permitted not to meet its obligations under the relevant legislation. Had I been told that

Mr. Goguen only intended to remit based on a 20% tax rate, I would not have approved of such an action.

72. Upon reading the Affidavit of Ronald Goguen, sworn May 17th, 2013, (hereinafter the "Goguen Affidavit"), and particularly paragraph 23 thereof, I learned that LII had miscalculated the remittance in respect of my retention bonus. At paragraph 23 of the Goguen Affidavit, Mr. Goguen deposes that LII only remitted a payment of $13,200 based on a lump sum tax rate of 30%.

73. According to Mr. Goguen's Affidavit, in determining that the tax rate applicable to my retention bonus was 30%, LII characterized the payment as a "lump sum" payment. Under s.103(2) of the *Income Tax Regulations*, C.R.C., c.945, the applicable tax rate for bonuses is to be calculated pursuant to s.102 of the *Income Tax Regulations* with reference to my total expected income for the taxation year in which the bonus is paid.

74. Pursuant to s.103(4) and (6) of the *Income Tax Regulations*, bonus payments are not to be considered lump sum payments, and remittances on bonuses are not to be based on a fixed percentage. The fixed percentage remittance for lump sums would apply to payments like retirement allowances.

75. The remittance for a lump sum payment of a retirement allowance of $30,000, for instance, is 20% based on s.103(4)(c)(ii) of the *Income Tax Regulations*, so it does not make sense that LII remitted 30% on the basis that it was paying me a lump sum.

76. The remittance on my retention bonus should have been based on my expected income for 2012, and therefore calculated on the rate of New Brunswick tax rate of 43.3% in my applicable tax bracket.

77. LII was, therefore, legally obligated to remit $22,910.05 in respect of my retention bonus, instead of only $13,200, a difference of $9,710.05 that LII is required to now remit to CRA.

78. Further, an adjusted T4 to reflect this additional remittance should be issued by LII.

79. The assertion by Mr. Goguen at paragraph 24 of the Goguen Affidavit that the determination to not pay the full amount of taxes to Mr. Tripp was because "*Mr. Tripp had only recently joined Landdrill B.C. and had previously been unemployed in the 2012 tax year*" is inaccurate as Mr. Tripp had joined LII 4 to 5 months prior to me.

80. During my tenure while working at LII, Mr. Goguen always resented having to pay professionals for services rendered and repeatedly delayed paying or contested professional fees.

81. Mr. Tripp and I worked very long hours together, at times in excess of 75 hours per week, during the forebearance negotiations and the CCAA process.

82. I make this affidavit in opposition to LII's motion for the repayment of all or a portion of the Lawson Creamer Retainer Funds and in support of a motion by myself and Mr. Tripp for an order requiring LII to make all proper remittances to CRA in respect of our Retention Bonuses, and other relief.

SWORN TO BEFORE ME at the Town of Quispamsis, in the County of Kings and Province of New Brunswick, this 20th day of May, 2013.	)
BEFORE ME:	)
A COMMISSIONER OF OATHS BEING A SOLICITOR	) **Roger Rogers**

THIS IS EXHIBIT A REFERRED TO IN THE AFFIDAVIT OF Roger Rogers SWORN BEFORE ME THIS 20th DAY OF May A.D. 20 13

-FOR IMMEDIATE RELEASE-

LANDDRILL INTERNATIONAL

News Release

Landdrill Announces Appointment of CFO

MONCTON, NB – June 5, 2012 – Landdrill International Inc. (TSXV: LDI) (the "**Company**" or "**Landdrill**"), a growth oriented drilling company with full branch operations in Canada, Mexico and Mongolia is pleased to announce the appointment of Roger Rogers, CGA, MBA as Chief Financial Officer of the Company effective June 6th, 2012. Mr. Rogers replaces Derrick West, CA.

Landdrill's CEO, Ronald J. Goguen, Sr., warmly thanked Mr. West for his contribution to the company, "Derrick has been an important member of the team that over the last critical 4 years in our development has contributed greatly to the growth of Landdrill. He has assisted the company in completing several financings and acquisitions which has permitted the company to grow, including during challenging markets. On behalf of the board, management team and employees, I want to thank Derrick for his valuable efforts in support of the company."

Mr. Goguen also welcomed Roger Rogers to his new role with the Company, "we are pleased to welcome Roger as Landdrill's new Chief Financial Officer. Roger has a demonstrated track record of obtaining significant financial and operational efficiencies, with many years focused on strategic planning. He has secured over 20 years of valuable experience with leading and successful companies. Not only does Roger possess the financial aptitude required, he brings experience in operational areas such as procurement, logistics and inventory management. His breadth of experience will be a great asset to Landdrill in streamlining operations in their next phase of growth. Landdrill is in very capable hands with Roger."

Before joining Landdrill, Mr. Rogers held Senior Financial and Operational Executive Positions at Moosehead Breweries Ltd., most recently as the Vice President of Supply Chain. Prior to this role, Mr. Rogers acted as Corporate Controller for Moosehead which followed his role as a Divisional Controller for J.D. Irving Limited. Mr. Rogers has also previously acted as the CFO of a large forestry equipment operator in New Brunswick. Mr. Rogers has attained his professional Certified General Accountant Designation and completed his MBA at Saint Mary's University in Halifax, Nova Scotia.

"I am very pleased to be joining Landdrill", stated Mr. Rogers, "Landdrill is well positioned for short to medium term growth. While the immediate focus will be ensuring that Accounting and Financial functions are optimized, my experience should assist in securing operational efficiencies and improved margins. All of these undertakings will be in done as a joint effort of the Management Team and will be in support of Landdrill's continued strategic growth in the future. The growth of Landdrill over the past few years is impressive and I look forward to be part of a very profitable future."

About Landdrill

Landdrill is a growth oriented international drilling company with a focus on the metals and minerals industry. The Company continues to explore opportunities for growth in key markets, either through establishment of new branch offices or through acquisitions as opportunities arise. The Company has 48 drills with full branch operations in Canada, Mexico and Mongolia.

Landdrill has drilled in Canada, Mexico and Asia. Our people have drilled at altitudes over 15,000 feet and in temperatures ranging from -50 degrees Celsius to +50 degrees Celsius.

We view all our customers as partners in every venture because we know that their success ensures our future!

Landdrill offers customized drilling programs to meet your every need and always looks forward to the next challenge.

For detailed information on Landdrill International Inc., or to request a bid submission for your project, please visit our website at www.landdrill.com.

Forward-looking information

This press release may contain forward-looking statements (within the meaning of applicable securities laws) relating to business of Landdrill International Inc. (the "Company") and the environment in which it operates. Forward-looking statements are identified by words such as "believe", "anticipate", "expect", "intend", "plan", "will", "may" and other similar expressions. These statements are based on the Company's expectations, estimates, forecasts and projections. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, including, without limitation that all terms of the contracts will be fulfilled in their entirety, such statements are not guarantees of future performance and actual results may differ materially from those in forward looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include commodity prices, availability of personnel, materials and equipment, actual performance of equipment and processes relative to specifications and expectations, unanticipated environmental impacts and continued availability of capital and financing and general economic, market or business conditions. These risks and uncertainties are discussed in the Company's regulatory filings available at www.sedar.com.

There can be no assurance that forward-looking statements will prove to be accurate as actual outcomes and results may differ materially from those expressed in these forward-looking statements. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, a forward-looking statement speaks only as of the date on which such statement is made. The Company undertakes no obligation to publicly update any such statement or to reflect new information or the occurrence of future events or circumstances, except as required by law.

THIS IS EXHIBIT "E" REFERRED TO IN THE AFFIDAVIT OF Roger Rogers SWORN BEFORE ME THIS 20th DAY OF May A.D. 20 13

EMPLOYMENT AGREEMENT

THIS AGREEMENT is made between **LANDDRILL INTERNATIONAL INC.** (the "**Company**"), a corporation duly incorporated under the laws of the Province of British Columbia and **ROGER ROGERS** (the "**Executive**") of the Town of Quispamsis, New Brunswick.

WHEREAS the Company and the Executive have agreed to enter into this employment agreement for their mutual benefit and for the mutual consideration contemplated therein;

NOW THEREFORE FOR VALUABLE CONSIDERATION (THE RECEIPT AND SUFFICIENCY OF WHICH IS HEREBY ACKNOWLEDGED) THIS AGREEMENT WITNESSES that the parties have agreed that the terms and conditions of the relationship shall be as follows:

1. **Duties**

1.1 The Company appoints the Executive as Chief Financial Officer of the Company to undertake financial accounting duties and other duties requested of the Executive from time to time by the Chief Executive Officer of the Company and the Executive accepts the office, on the terms and conditions set forth in this Agreement.

1.2 The Executive's agreed start date will be June 6, 2012.

1.3 This position will report to the Chief Executive Officer of the Company.

1.4 The normal place of work of the Executive will be at the head office of the Company. The Executive will be expected to travel in connection with the performance of his duties, including to the branch offices of the Company.

1.5 The Executive, throughout the term of this Agreement shall devote his full time and attention to business and affairs of the Company, unless otherwise approved by the board of directors of the Company. The Executive shall faithfully serve the Company and use his reasonable best efforts to promote the interests thereof.

1.6 The Executive represents and warrants that he will provide competent financial accounting duties; that he has the qualifications, experience and capabilities necessary to carry out the services to be performed hereunder; and that his services will be performed in a competent and efficient manner.

2. **Compensation**

2.1 The annual salary of the Executive will be at an annual rate of $160,000, subject to all requisite deductions. The salary shall be reviewed annually on the anniversary date of this agreement and will be increased annually at the sole discretion of the directors of the Company.

2.2 The Executive shall be entitled to participate in the head office bonus pool (the "**Bonus Pool**"). The Bonus Pool is based on profitability metrics at the branch level as well as corporate financial performance and the Executive's portion shall be based on a combination of his role within the Company's structure and the accomplishment of specific performance objectives. The Bonus Pool runs on a calendar year, with the previous year's performance measured in January of the subsequent year and any bonus earned shall be paid at or about the end of April of the evaluation year (e.g. 2012 to be measured in January 2013 and paid in April 2013). Bonuses are paid following Board of Directors' approval of earnings and other metrics.

2.3 Normal and customary expenses incurred by the Executive for the Company shall be reimbursed by the Company in accordance with its policies then in effect.

2.4 As part of a long-term incentive program, the Executive shall be entitled to receive 150,000 stock options of the Company, subject to the approval of the Board of Directors of the Company and any required regulatory approvals. All other aspects of these stock options are governed by the Executive stock option program, as may be amended or restated from time to time.

3. Benefits and Vacation

3.1 The Executive and, to the extent eligible, his dependents, shall be entitled to participate in and receive all benefits under any insurance or pension benefit plans and programs made available to the Company's Executives (including, without limitation, medical, disability, life insurance and accidental death insurance programs), subject, however, to the generally applicable eligibility and other provisions of the various plans and programs in place in the Company, including but not limited to, matching contributions and co-payment, and any laws and regulations in effect from time to time. It is hereby agreed by the Parties that at the time of the signing of this Agreement, any insurance contributions shall be made on a fifty-fifty (50/50) basis between the Company and the Executive.

3.2 The Executive shall be entitled to a participate in the Company pension contribution program whereby the Company will match any pension contribution made by the Executive up to 3% of the Executive's annual salary as set out at subsection 2.1 hereof.

3.3 The Executive shall be entitled on an annual basis to four (4) weeks vacation, which shall be reviewed from time to time. In the event that the Executive's employment ends, he shall receive payment in respect of all accrued but unused vacation at such time. Vacation days cannot be carried over from the previous calendar year.

4. Automobile Mileage Allowance

4.1 The Company shall reimburse the Executive for mileage at the rate of $0.48 per kilometer to a maximum of $15,000 annually in respect of travel by the Executive.

5. Non-Competition and Non-Solicitation

5.1. The Executive understands and agrees that the Company has a material interest in preserving the relationship it has developed with its Executives, suppliers and customers against impairment by competitive activities of a former Executive. Accordingly, the Executive agrees that the restrictions and covenants contained in this Article 5 and the Executive's agreement to them by the execution of this Agreement, are of the essence of this Agreement.

5.2 For the purposes of this Article 5, the Non-Competition Period shall be for the term of this Agreement and the 24 month period immediately following the termination of the Executive's employment relationship with the Company. From the date hereof and until the conclusion of the Non-Competition Period, the Executive will not, directly or indirectly, in any manner whatsoever including, without limitation, either individually, or in partnership, jointly or in conjunction with any other person, or as Executive, principal, agent, director or shareholder:

(i) be employed or contracted with or be otherwise engaged in any undertaking;

(ii) have any financial or other interest (including an interest by way of royalty or other compensation arrangements) in or in respect of the business of any entity or person which carries on a business; or

(iii) advise, lend money to or guarantee the debts or obligations of or permit the use of the Executive's name or any part thereof by any entity or person which carries on a business;

in any geographic area in which the Company carries on business which is the same as or substantially similar to or which competes with the business carried on by the Company or any of its subsidiaries as of the date of termination of employment.

Notwithstanding the foregoing, the Executive may, as a passive investor, and otherwise subject to the restrictions contained in this section 5.2, own shares: (a) directly in any corporation in which the Executive owns shares as of the date of this Agreement; (b) directly, where such shares are acquired after the date hereof and in which the underlying corporation, at the time of acquisition of such shares, was not competing with the Company; (c) directly or indirectly in a public corporation that may compete with the Company, as long as such ownership represents not more than a 5% interest therein; (d) indirectly as a limited partner or shareholder in a venture capital fund operating as a limited partnership or corporation.

5.3 During the Non-Competition Period, the Executive will not hire, or induce any other person or entity to hire, any Executives of the Company or any of its subsidiaries and will not induce or attempt to induce any Executive of the Company or any of its subsidiaries and affiliates to leave his employment or contact any customers of the Company or any of its subsidiaries and affiliates for the purpose of selling to those customers any products or services which are the same as or substantially similar to, or competitive with, the products or services sold by the Company or any of its subsidiaries or affiliates at such date.

5.4 The Executive covenants and agrees that he shall not engage in any pattern of conduct that involves the making or publishing of written or oral statements or remarks (including, without limitation, the repetition or distribution of derogatory rumours, allegations, negative reports or comments) which are disparaging, deleterious or damaging to the integrity, reputation or goodwill of the Company, its management or Board of Directors.

6. Termination of Employment

6.1 The appointment and employment of the Executive shall continue until terminated in accordance with this Section 6. The parties understand and agree that this Agreement may be terminated in the following manner in the specified circumstances:

6.1.1 By the Company, in its absolute discretion, without any advance notice or pay in lieu thereof, for cause. For the purposes of this Agreement, cause includes the following: (i) any material breach of the provisions of this Agreement; (ii) the failure or refusal of the Executive to comply with the lawful directions or instructions of the Company on any material matter; (iii) any conduct of the Executive which in the reasonable opinion of the Company, tends to bring himself or the Company into disrepute; (iv) conviction of the Executive of a criminal offence punishable by felony conviction; (v) any material act of dishonesty directed at the Company or any client of the Company; (vi) any mental or physical disability or illness which results in the Executive being unable to substantially perform the duties assigned pursuant to this Agreement for a continuous period of 180 days or for periods aggregating 180 days in any period of 365 days; (vii) use by the Executive of drugs or of alcohol in a manner which materially affects his ability to perform his employment duties or (viii) any other act or omission which would constitute just cause at law. Failure by the Company to rely on the provision of this Article to terminate this Agreement or to sanction or admonish the Executive in any given instance or instances, shall not constitute a ratification of the act or acts in question nor be deemed a waiver of the strict terms of this Article. The parties understand and agree that any offer or giving of notice (or payment of pay in lieu of notice) by the Company to the Executive on termination or proposed termination of this Agreement shall be without prejudice and shall not prevent the Company from alleging cause for the termination.

6.1.2 In the event that the Executive is terminated by the Company without cause, the Executive may be given up to ninety (90) days advance written working notice of such termination in the Company's sole discretion (the "**Notice Period**"). In addition to any Notice Period, the Executive shall receive base salary continuance for the balance, if any, of the applicable Termination Payment Period (as set out below) after deducting the Notice Period (the "**Termination Payment**").

Length of Employment at Time of Termination Without Cause	Applicable Termination Payment Period
From over 0 to 9 months of employment	2 months
over 9 months of employment	6 months

During any Notice Period and Termination Payment Period, the Executive will remain eligible for all standard medical, dental and vision benefits at the Company's cost.

In the event the Executive's employment is terminated without cause in connection with an amalgamation, reorganization, consolidation, merger of the Company with or into any other corporation or corporations or any other transaction in which the Company's shareholders do not retain a majority of the voting power in the surviving entity (not including an issuance of shares from treasury by the Company for financing purposes), or a sale, lease, exchange, assignment, transfer or other conveyance, of all or substantially all of the assets or undertaking of the Company, the Executive shall be entitled to receive the Termination Payment in a lump sum, subject to all requisite deductions. Notwithstanding such lump sum payment, the Executive shall continue to be entitled to standard medical, dental and vision benefits for the entire Notice Period and Termination Payment Period and the Company (or any successor entity) shall take such steps as are necessary to ensure such continuance at the Company's cost.

Upon compliance by the Company with these paragraphs, the Executive shall not be entitled to pursue any legal action of any kind for any additional payment or notice required to be given.

6.1.3 If the Executive wishes to resign from his employment with the Company he must give the Company three (3) months' notice of such resignation, which notice may be waived in whole or in part by the Company at its discretion.

7. **Confidentiality and Intellectual Property Assignment Provisions**

7.1 The Executive hereby confirms that he shall make and/or be subject to the representations, warranties and covenants set forth in Schedule A to this Agreement.

8. **Indemnity by Company**

8.1 The Company agrees to indemnify, defend and save harmless the Executive from and against any and all claims, demands, losses, actions, lawsuits and other proceedings, judgments and awards, and costs and expenses (including reasonable legal fees), arising directly or indirectly, in whole or in part, out of any matter related to any action taken by the Executive within the scope of his duties or authority hereunder, excluding only such of the foregoing as may arise from the fraudulent, negligent or wilful act or omission of the Executive, and the provisions hereof shall survive termination of this Agreement.

9. **Miscellaneous**

9.1 The rights which accrue to the Company under this Agreement shall pass to its successors or assigns. The rights of the Executive under this Agreement are not assignable or transferable in any manner.

9.2 Any notice required or permitted to be given to the Executive shall be sufficiently given if delivered to the Executive personally or if mailed by registered mail to the Executive's address last known to the Company. Any notice required or permitted to be given to the Company shall be sufficiently given if mailed by registered mail to the Company's Head Office at its address last known to the Executive, Attention: Board of Directors

9.3 In the event that any provision or part of this Agreement shall be deemed void or invalid by a court of competent jurisdiction, the remaining provisions or parts shall be and remain in full force and effect. In the event that any provision of this Agreement shall in its stated terms or breadth be deemed void or invalid or unenforceable as a result a decision by a court of competent jurisdiction, the said provision shall be valid and enforceable to the extent consistent with the principle or principles underlying the said decision.

9.4 All dollar amounts referred herein are to Canadian dollars.

9.5 The headings used in this Agreement are for convenience only and are not to be construed in any way as additions to or limitations of the covenants and agreements contained in it.

9.6 This Agreement constitutes the entire agreement between the parties with respect to the employment and appointment of the Executive and any and all previous agreements, written or oral, express or implied, between the parties or on their behalf, relating to the employment and appointment of the Executive by the Company, are terminated and cancelled.

9.7 Any modification to this Agreement must be in writing and signed by the parties or it shall have no effect and shall be void.

9.8 This Agreement shall be construed in accordance with the laws of New Brunswick.

9.9 This Agreement will be valid and binding whether executed by original or facsimile signature.

IN WITNESS WHEREOF this Agreement has been executed by the parties to it as of June 6, 2012.

Witness

Roger Rogers

LANDDRILL INTERNATIONAL INC.

By:
Name: Ronald J. Goguen, Sr.
Title: President and Chief Executive Officer

[SIGNATURE PAGE TO EMPLOYMENT AGREEMENT – ROGERS, ROGER]

Schedule A
Confidentiality and IP Assignment Provisions

1. The Executive acknowledges that, by virtue of his position in the Company he will have access to confidential information belonging to the Company. The Executive therefore undertakes that he shall neither during the term of this agreement nor at any time thereafter publish, disclose or otherwise communicate to any person, company, business entity or other organization whatsoever or make use of any confidential information belonging or relating to the Company, except with the prior written approval of the Company or strictly in accordance with the terms of this Agreement.

2. For the purposes of this Agreement, "Confidential Information" means all materials relating to the business or affairs of the Company, whether of a technical, operational or economic nature, including, without limitation, all unpublished information, prices and discounts, data, designs, trade secrets, know-how, formulae, plans, techniques, processes, manuals, documents, records, drawings, specifications, samples, studies, findings, inventions, software, source-code, ideas whether patented, patentable or not, reports, information concerning Executives or officers, financial information and plans, information relating to business and financial dealings, research activities, business marketing or strategic plans and projects whether present or future, equipment, working materials, and lists or identity of customers whether they be in written, graphic, oral form or other form whatever prepared by the Company or by the Executive on behalf of or for the Company or otherwise disclosed to the Executive in the course of his engagement and any know-how of the Company or information relating to the Company or to any person, firm or other entity with which the Company does business which is not generally known to persons outside the Company, and any document marked "confidential" or which the Executive might reasonably expect the Company would regard as confidential. The Executive acknowledges that the foregoing is intended to be illustrative and that other confidential information may exist or arise in the future.

3. Without prejudice to the generality of this Article the Executive acknowledges that the following "Confidential Information" if disclosed or used in contravention of this Article would cause the Company substantial damage or loss:

   (i) names of clients, customers or suppliers of the Company prior to the termination of this Agreement;

   (ii) discounts, special prices or special contact terms offered to or agreed with clients, customers or suppliers of the Company ;

   (iii) marketing and sales strategies/plans of the Company;

   (iv) planned new services or products of the Company;

   (v) existing or proposed research activities of the Company;

   (vi) existing or proposed marketing and sales expenditures of the Company ;

(vii) any drawings, plans, designs, processes, formulae, specifications, know-how, trade secrets or any other technical data relating to any existing products or services offered to customers by the Company prior to the termination of this Agreement;

(viii) any financial dealings of the Company;

(ix) any business transactions or dealings of the Company or;

(x) the decisions or contents of any board meetings of the Company.

4. The Executive's obligations under this Article shall apply both during the term of this Agreement and thereafter without limitation in time and shall survive the variation, renewal, extension or termination of this Agreement.

5. The Executive's obligations shall not apply in relation to any Confidential Information which:

(i) the Executive is authorized by the Company to disclose, publish, communicate or make use of, or which it is necessary for the Executive to disclose, publish, communicate or make use of for the proper and efficient discharge of his duties as an Executive of the Company;

(ii) the Executive is required by law or any court or other similar judicial body or authority to disclose, publish or communicate; or

(iii) has come into the public domain other than by way of unauthorized disclosure by the Executive.

6. The Executive agrees that in the event of any violation of the provisions of this Agreement, the Company in addition to any other right or relief to which it may be entitled, shall be entitled to an injunction restraining further breaches of this Agreement and the Company, upon applying for an injunction, will not be required to prove the inadequacy remedies at law.

7. The Executive acknowledges that all things furnished by the Company to the Executive, and all equipment, automobiles, credit cards, books, records, reports, files, manuals, literature, confidential information or other materials shall remain and be considered the exclusive property of the Company at all times and shall be surrendered to the Company, in good condition, promptly on the termination of the Executive's employment irrespective of the time, manner or cause of the termination.

8. Any and all documents, drawings, things, techniques, computer programs or related data, inventions or improvements of which the Executive may conceive or make or assist in the conception or making during the period of this Agreement relating or in any way appertaining to or connected with the duties, responsibilities or work of the Executive pursuant to this Agreement or any of the matters which have been, are, may become or were intended to become the subject of the undertakings of the Company shall be the sole and exclusive property of the Company, as the case may be. The Executive will, whenever requested by the Company whether during or after the termination of this Agreement, execute any and all applications, assignments and other instruments which the Company shall deem necessary in order to apply for and obtain patents, copyright, trademark protection or other rights or

protection in any country for the said documents, drawings, things, techniques, computer programs or related data, inventions or improvements and in order to assign and convey to the Company the sole and exclusive right, title and interest in and to the said documents, drawings, things, techniques, computer programs or related data, inventions or improvements.

9. The Executive represents that his performance of all the terms of this Agreement and as an Executive of the Company does not and will not breach any agreement to keep in confidence proprietary information, knowledge, or data acquired by the Executive in confidence or in trust prior to the employment of the Executive by the Company. The Executive will not disclose to the Company or induce the Company to use any confidential or proprietary information or material belonging to any previous employer or others. The Executive agrees not to enter into any agreements either written or oral in conflict therewith.

THIS IS EXHIBIT "C" REFERRED TO IN THE AFFIDAVIT OF Roger Rogers SWORN BEFORE ME THIS 30th DAY OF May A.D. 2013

LANDDRILL INTERNATIONAL

July 11, 2012

Mr. Roger Rogers
53 Berkshire Crescent
Quispamsis, NB E2E 6B2

Dear Roger,

Re: 2012 Retention Program

As you know, Landdrill International Inc. ("**LDI**") has entered into a strategic process to consider alternatives to refinance or reorganize the company. We understand this presents a lot of uncertainty for you and your future with the company. We also understand the competitiveness within the Canadian marketplace for employees with strong skill sets.

To encourage you to stay with LDI and remove some of the uncertainty surrounding your personal circumstances in this situation, as well as to help you focus on effectively accomplishing LDI's goals and objectives during the strategic process, LDI is offering incentives for your continued service to LDI, including a retention bonus and a guaranteed term of employment. This letter outlines the specifics of that retention bonus and the guaranteed term of employment.

During the strategic process you will continue to receive your regular salary and benefits in accordance with your existing employment contract. As well, provided that you do not resign from LDI on or before July 1, 2013 (the "**Target Date**") and agree to the terms of payment as outlined below, LDI shall pay to you a bonus of $30,000 (the "**Retention Bonus**").

The Retention Bonus will be paid as follows:

1. A payment of $15,000 shall be paid to you on or before July 15, 2012; and

2. A payment of $15,000 shall be paid to you on or before August 1, 2012.

Payment of the entire Retention Bonus is subject to you remaining actively employed by LDI through to Target Date. You have not remained "**actively employed**" for purposes of this letter if: (i) you have been unable to work for any reason other than physical disability for period(s) totalling more than 3 months between now and the Target Date, or (ii) you have resigned prior to the Target Date. The payments shall be net of tax and statutory deductions.

In addition, LDI or any successor corporation unequivocally guarantees your continued employment in accordance with the terms of your existing employment agreement for a period of one year from the date hereof (the "**Guaranteed Term**") provided that you remain actively employed (as defined above) with LDI during the Guaranteed Term. In the event that any action, which shall include a court order or voluntary filing, is taken to effect the wind-up, liquidation, termination of corporate status, cessation of business or other such event prior to the last day of the Guaranteed Term, LDI's obligations to you shall be accelerated and immediately due and payable. For clarity, you shall be immediately entitled to any and all entitlements under your existing employment agreement as though you were an employee of LDI as of the Target Date.

In the event you resign from LDI prior to the Target Date or disclose the existence (each, a "**Default Event**") of the 2012 Retention Program in a manner prohibited hereunder, you will not be entitled to any portion of the Retention Bonus which has not already been paid to you, and you will be required to repay a *pro rata* portion of the Retention Bonus determined by calculating the period of time from the Default Event to the Target Date. You agree that any repayment owing by you under this letter shall be made within 10 days of receipt of a written demand for payment and that LDI may deduct any required repayment from any wages that LDI may owe to you, including but not limited to any outstanding salary and any termination or severance payments. In the event that there is still a balance owing thereafter, you agree to repay the balance.

Immediately prior to the appointment of a liquidator, receiver or other party appointed to sell or otherwise dispose of LDI, its subsidiaries, or any assets of any of the foregoing entities, LDI's obligations to you hereunder and under your existing employment agreement shall be secured against the assets of LDI and its subsidiaries.

This 2012 Retention Plan should be viewed as an indication of LDI's confidence in and appreciation of your abilities, and as an additional form of compensation to meet a special business need. It is not a permanent or recurring element of your compensation, nor will it impact any other element of compensation for which you may otherwise be eligible. This special Retention Bonus will not be utilized to compute your annual or quarterly incentive payments, merit increases, profit sharing contributions, nor any other benefit or payment for which you may otherwise be eligible.

This Retention Bonus is to be kept strictly confidential. Disclosure of this bonus to other LDI employees or to anyone other than your immediate family or financial advisors could result in appropriate remedial action, including forfeiture of the Retention Bonus.

All other terms and conditions of your employment remain in place and are not affected by this Retention Bonus letter. LDI will reimburse you for any legal fees incurred to enforce any matter herein.

Sincerely,

Ronald J. Goguen
President & Chief Executive Officer

I hereby accept the terms and conditions of the 2012 Retention Program, including the provisions regarding repayment, this 11th day of July, 2012.

Roger Rogers | **Witness Name:**

THIS IS EXHIBIT "D" REFERRED TO IN THE AFFIDAVIT OF Roger Rogers SWORN BEFORE ME THIS 20th DAY OF May A.D. 20 13

RESOLUTIONS OF THE DIRECTORS

OF

LANDDRILL INTERNATIONAL INC.

The undersigned, being all of the directors of Landdrill International Inc., a corporation formed under the laws of British Columbia (the "Corporation"), and being entitled to vote on the resolutions hereinafter set forth as if the same had been submitted at a meeting of the directors of the Corporation duly called and held for the purpose of acting on such resolutions, do hereby resolve, in lieu of a meeting of the directors of the Corporation, as follows:

WHEREAS the Board of Directors of the Corporation is of the view that it is necessary and in the best interests of the Corporation to pay all reasonable legal fees incurred by its officers in respect of maintaining their employment with the Corporation and enforcing the rights of their employment agreement or any other employment related document;

BE IT RESOLVED:

THAT the Corporation approves the payment by the Corporation of any and all reasonably incurred legal fees of Ronald J. Goguen, Roger Rogers and Michael Tripp (collectively, the "Officers") incurred as a result of any proceeding, action or motion whereby the Officers' continued employment with the Corporation and the right thereto is being challenged or varied, or to enforce any rights of the Officer under their employment agreement or any other employment related document.

FURTHER THAT in connection with the forgoing, any one officer or director of the Corporation be and is hereby authorized and directed for and on behalf of and in the name of the Corporation to execute and deliver all such documents and instruments in writing and to do all such acts or things as may be advised by legal counsel to the Corporation or the Subsidiaries as being necessary or desirable to give effect to the foregoing.

THAT this resolution may be executed in one or more counterparts and shall be valid irrespective of whether all directors have executed the same counterpart as long as each director has executed at least one (1) counterpart, and transmission of this resolution by facsimile for signature shall constitute sufficient compliance for the purposes of execution of the same.

[Signature Pages to follow]

Each and every one of the foregoing resolutions is hereby consented to by the signatures of all of the directors of Landdrill International Inc, this 31st day of October, 2012.

William MacDonald

Jacques F. Monette

Ronald J. Goguen

Matthew Letson

THIS IS EXHIBIT "E" REFERRED TO IN THE AFFIDAVIT OF Roger L. Rogers SWORN BEFORE ME THIS 20th DAY OF May A.D., 2013

From: Roger Rogers <rrogers@landdrill.com>
Sent: Tuesday, April 16, 2013 4:36 PM
To: Stephen Hutchison
Subject: FW: Information re: Retainer

FYI

From: Roger Rogers
Sent: November 2, 2012 1:17 PM
To: France Finnigan
Cc: Ron Goguen Sr.; Mike Tripp
Subject: FW: Information re: Retainer

France,

Please wire $20,000 to the below noted account.

Thanks

From: Monica Hindley [mailto:mhindley@lawsoncreamer.com]
Sent: October-29-12 10:08 AM
To: rrogers@nbnet.nb.ca
Subject: Information re: Retainer

As requested. Please see below. Kindly confirm once transaction has been made, Monica

Monica Hindley | Administrative Assistant to
Kelly VanBuskirk and Frank McBrearty
Direct: 506-633-3502 Fax: 506-633-0465 Web: lawsoncreamer.com
Address: 133 Prince William Street Suite 801, Saint John NB E2L 2B5

LAWSON CREAMER LAWYERS

From: Coleen Carson
Sent: Monday, October 29, 2012 10:01 AM

To: Monica Hindley
Subject: FW: In the Matter of Landdrill International Inc. et al

Information to be given to receive wired funds to our Trust Account

Transit no.
Bank no.
Trust account no. Redacted
Swift no.
Routing/ANA

Coleen Carson
LAWSON CREAMER
Barristers and Solicitors
133 Prince William Street, Suite 801
Saint John, New Brunswick E2L 2B5
T: 506-633-3501
F: 506-633-0465
E: ccarson@lawsoncreamer.com